



# Annual Report

## Te Pūrongo ā-Tau

**2024-2025**





# Mihi

---

**Ki ngā atua, ngā tūpuna me ngā Iwi o te rohe nei kei te mihi, kei te mihi, kei te mihi**

**Ko te rohe tēnei e hora ai te whenua mai i ngā pae maunga o Tararua ki Te Tai o Rehua.**

**He kanohi rau o ngā pae maunga o Tararua, arā, he hukarere, he kāpuapua, te whitinga o te rā me to rongo hoki i te kō a ngā manu.**

**Kei te take o ngā maunga te wāhi e nōho ai ngā patupaiarehe i te Riu o Makahika.**

**He maringa nui nō tātou kia whai wāhi ki te taha uru o Te Tai o Rehua, pēnā i te takutai o Waitārere, te wāhi takoto o Okatia, te taniwha.**

**Ko ngā moana te wāhi e kitea ai te rātō hei whakatau i te whatumanawa, ko ngā hua hoki o te moana hei whāngai i ngā whānau.**

**Toro atu ki ngā tauārai o te rohe, ki te awa o Ōhau, ki te awa o Manawatū, ki te wahapū o Manawatū anō, te kohanga o ngā tini manu.**

**Piua ngā mata ki te rangi, ki ngā whetū ārahi i a tātou, ki te wāhi i topa atu ai te Hōkioi ki ngā rangi.**

**Hoki mai ki te whenua haumako, ki ngā wai rērere, kei reira ngā kai hei oranga mō tātou.**

**Ko Mangaore te wāhi tākaro, te waioranga me te tūhonotanga ki te whenua me ngā awa.**

**Mai i Tokomaru ki Te Awahou, ki Levin, ki Manakau rā anō, e karapotitia ana tātou e ngā pae maunga o Tararua ki te rāwhiti, ko tēnei whenua, tōku kāingā.**

**I whakatipu ai tātou i te ahurea rangatira, te manaakitanga me te ngākau mahana o ngā tāngata o Horowhenua, koia nei tō tātou rohe.**

**Toitū te marae a Tāne**

**Toitū te marae a Tangaroa**

**Toitū te tangata**

**Tihei mauri ora!**

To the gods, the ancestors and the people of the district

Thank you, thank you, thank you

Boasting the shortest distance from mountain to sea, the land flows all the way from the majestic Tararua Ranges to the Tasman Sea.

The Tararua Ranges show us many faces, from snow kissed, to cloud cloaked, to sun drenched, to filled with bird song.

In the foothills, the Patupaiarehe or fairy people were said to have inhabited the Makahika Valley.

We are blessed by the spacious sandy west coast of the Tasman Sea, such as Waitārere Beach where the mighty taniwha, Okatia is said to rest.

Beaches with stunning sunsets to soothe the soul, and plentiful kaimoana to feed the whānau.

Bordered by our treasured Ōhau and Manawatū rivers, the latter of which features the Manawatū estuary that beckons numerous species of birds home to its abundant shores.

Wide open spaces to see the stars that guide us, and where the powerful Hōkioi bird soared to the heavens.

Our unique rich fertile soil, along with our waterways, boasts a plethora of foods nourishing all.

Mangaore area bestows a range of outdoor recreational activities, strengthening our wellbeing, and connection to the whenua and awa.

From Tokomaru, to Foxton, to Levin, to Manakau, and surrounded by the Tararua Ranges to the east, ko tēnei whenua, tōku kaingā (this land my home).

Built on the rich culture and natural hospitality and warmth of the Horowhenua people, this is our beloved rohe.

If the land is well  
And the sea is well  
The people will thrive

I sneeze the breath of life

# Contents

# Ngā Ibirangi

---

<b>Introduction from the Mayor and Chief Executive</b>	<b>4</b>
Te kupu whakataki a ngā Kaikaunihera me te Tumu Whakarae	
<b>Statement of compliance and responsibility as at 30 June 2025</b>	<b>6</b>
He Tuhinga Mō ngā Tūtohunga me ngā Haepapa i te 30 o Pipiri 2025	
<b>About this report</b>	<b>7</b>
Mō Tēnei Pūrongo	
<b>Our performance and position at a glance</b>	<b>8</b>
He Tirohanga Ki Ā Tātou Mahi Me Tō Mātou Tūnga	
<b>Where my rates are spent</b>	<b>12</b>
Ngā Wāhi I Whakapaua Ai Ngā Rēti	
<b>Council Plan on a Page</b>	<b>13</b>
Te Mahere Kaunihera I Te Whārangī	
<b>Working with Māori</b>	<b>16</b>
Te Mahi Tahi Me Te Iwi Māori	
<b>Our role</b>	<b>20</b>
Ko Ā Mātou Haepapa	
<b>Resident Satisfaction Survey</b>	<b>22</b>
Te Uuui Whakarata I Te Hapori	
<b>Who we are</b>	<b>24</b>
Ko Wai Mātou	
<hr/>	
<b>Activity Updates</b>	<b>28</b>
He pārongo mō ā mātou mahi	
Water Supply   Te Whakarato Wai Māori	32
Wastewater   Te Wai Para	45
Stormwater   Te Wai Ua	55
Land Transport   Ngā Ara Whenua	64
Solid Waste   Te Para Totoka	71
Community Facilities   Ngā Taiwhanga ā-Rēhia	77
Community Infrastructure   Tūāhangā Hapori	84
Property   Ngā Rawa	92
Representation and Community Leadership   Te Whakakanohi me te Hautū i te Hapori	97
Community Support   Te Tautāwhi i te Hapori	106
Regulatory Services   Ngā Ratonga Whakariterite ā-Ture	118
<hr/>	

---

<b>Financial Information</b>	<b>126</b>
Ngā Pārongo Pūtea	
Statement Of Comprehensive Revenue and Expense	127
Explanations of Significant Variances in the Statement of Comprehensive Revenue and Expense between the Council's Actual Results and the Council's Budget for 2024/25	129
Statement of Financial Position as at 30 June 2025	130
Explanations of significant variances in the Statement of Financial Position between the Council's actual results and the Council's budget for 2024/25	132
Statement of Changes in Equity for the year ended 30 June 2025	133
Statement of Cash Flows for the year ended 30 June 2025	134
Notes to the Financial Statements for the year ended 30 June 2025	136
Other Legislative Disclosures	210
Employee Band Workings	212
Benchmarks Disclosure Statement	213
 <b>Service performance judgements and assumptions</b>	 <b>220</b>
Ō tātou kaimahi - te hauora, te haumaru me ngā tino take mātāmua	
Independent Auditor's Report	222
Glossary	225

# Introduction from the Mayor and Chief Executive

## Te kupu whakataki a ngā Kaikaunihera me te Tumu Whakarae

---



**Bernie Wanden**  
MAYOR



**Monique Davidson**  
CHIEF EXECUTIVE

---

**The Annual Report 2024/25 shares how Council performed against the first year of the Long Term Plan 2024–2044 Challenging Times, Challenging Choices. Our focus has been on delivering the basics well, financial discipline, managing waste and sharing costs fairly.**

With this clear direction, we have achieved many successes and navigated through challenges over the past year, operating in an environment where affordability and uncertainty about reforms remained key issues. Early in the financial year, we reviewed and adopted an updated Plan on a Page, setting out 12 Top Priorities and key actions. This has helped us direct resources where they are most needed to achieve the best results for our community.

One of the Top Priorities is ensuring strong financial discipline and management. This includes strict budget monitoring across all areas, strategic procurement and careful treasury management to reduce costs and protect Council's credit rating. Council has also been committed to transparent financial reporting and keeping the community informed about financial performance and initiatives.

We are pleased with the strong financial performance for the year ending 30 June 2025. Capital expenditure totalled just under \$32m, slightly exceeding the forecast spend of \$31.2m and representing good progress against the full-year budget of \$44.5m. Across the four-year horizon to 2027/28, Council is still forecasting a net reduction of \$4.7m. This will be re-visited in the 2026/27 budget setting process.

We are equally pleased with the underlying operating result which indicates efficiencies we have worked hard to find resulting in net savings of around \$800,000, significantly above the target range of \$300,000–\$500,000. This outcome reduces

net borrowings and supports the long-term objective of improving the Council's credit rating.

Operating income was \$1m below budget, driven primarily by reduced funding from New Zealand Transport Agency Waka Kotahi and delays in National Infrastructure Funding and Financing (NIFF), previously Crown Infrastructure Partners (CIP) funding, both of which were matched by lower expenditure. This is partially offset by assets vested to Council, higher consenting revenue and additional waste rebate income.

Operating expenditure was \$0.8m below budget, reflecting savings in professional services and staffing costs earlier in the year. This excludes a \$2.3m accounting or non-cash loss on interest rate swaps, which are used to manage interest rate exposure, a \$5m increase in landfill provisions to make sure we are reflecting the cost of the full 30 year remediation of our Hokio Landfill site, and a \$3.1m loss on the sale of property, plant and equipment.

In addition to financial information, what you'll also see in the Annual Report is how we delivered on key projects, adjusted to challenges and worked alongside our community, stakeholders and other councils to deliver what matters most.

We progressed several key projects in our capital programme, particularly in water and wastewater. Major works included the wastewater connection to Tara-ika, upgrades on MacArthur, York, Oxford/Tyne Streets (Levin), and Margaret and Bryce Streets (Shannon), and new water mains installed in

coordination with New Zealand Transport Agency Waka Kotahi at the Tararua Road Roundabout.

The water meter project advanced significantly, with 9,900 digital meters installed across Shannon, Levin, Foxton and Foxton Beach. These meters detect leaks within 14 days rather than months, helping Shannon achieve record-low water consumption this year.

Water Treatment Plant upgrades were completed, including a new pH correction, UV and coagulation system at Tokomaru, and UV treatment at Foxton Beach, improving the safety and resilience of drinking water.

We brought the Local Waters team in-house, ending the Horowhenua Alliance agreement with Downer. This saved \$1.6m in operational costs and strengthened our ability to meet the Government's Local Waters Done Well programme. After consultation, Council agreed to form a Joint Water Services Organisation with Palmerston North City Council and Rangitikei District Council to deliver a collaborative Water Service Delivery Plan.

Early in the year, significant cuts to subsidised funding from New Zealand Transport Agency Waka Kotahi meant Council received \$1.65m less than anticipated. In response, we reprioritised the Land Transport programme, focusing on maintaining roading and footpath assets rather than investing in new network improvements.

## **Partnerships Matter**

Working alongside our communities and building stronger connections was another priority and as such we adopted two new Community Plans:

- Foxton Futures (Foxton and Foxton Beach Community Plan) in December 2024.
- The Shannon/Otāuru Community Plan in June 2025 – Council's first fully community-led plan.

Both reflect our commitment to empowering communities to shape local development, delivery and outcomes.

Council supported community clean-up efforts and planting days to build environmental resilience, invested in library outreach and provided community grants to strengthen social connections.

Destination Management was refreshed, designed to boost the profile and tourism sector of Horowhenua. The Horowhenua Company Ltd supported business development through events and workshops, helping grow local opportunities.

## **Outcomes Matter**

Serving our community and enabling what matters most remains at the heart of our work. The 2024/25 resident satisfaction survey showed overall community satisfaction at 63%, up from 62% last year and a marked improvement from 49% in 2022. While progress is steady, we remained focused on delivering the basics well and driving a culture of continuous improvement.

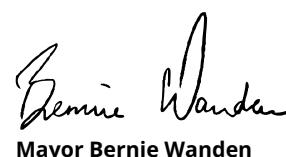
## **You Matter**

This Annual Report reflects our ongoing commitment to balancing the financial and affordability pressures that we operate under, with the need to continue to deliver the high level service that is expected by our residents.

While the Local Government sector has several challenges ahead, we have set a strong foundation over the past year to meet those challenges and ensure that we continue to support and positively shape the future of Horowhenua.

As the term draws to an end, we would like to thank Council officers for their skilled advice and dedication which has carried us through these challenges and helped us achieve meaningful progress.

We would also like to thank our community for their willingness to engage and support the work of Council, whether that be through volunteering, the consultation and engagement processes, Cuppa with a Councillor or phone calls and emails. We appreciate the support and the sharing of views and opinions.



**Mayor Bernie Wanden**



**Chief Executive Monique Davidson**

# **Statement of compliance and responsibility as at 30 June 2025**

## **He Tuhinga Mō ngā Tūtohunga me ngā Haepapa i te 30 o Pipiri 2025**

---

### **Statement of compliance**

Horowhenua District Council confirms that all statutory requirements in relation to the Annual Report as outlined in the Local Government Act 2002, have been complied with.

---



**Bernie Wanden**  
**MAYOR**

A handwritten signature in black ink that reads "Bernie Wanden".



**Monique Davidson**  
**CHIEF EXECUTIVE**

A handwritten signature in black ink that reads "Monique Davidson".

# About this report

## Mō tēnei pūrongo

---

The Annual Report 2024/25 tells the story of Horowhenua District Council's performance between 1 July 2024 and 30 June 2025, reporting against the first year of the Long Term Plan 2024-2044 (LTP).

We are committed to being transparent and accountable to our community, and this report provides detailed information on the financial performance of the organisation as a whole, and for each individual activity. It also sets out how we are tracking our performance measures and fulfils our obligations under the Local Government Act 2002 to report on our past year's highlights, performance results and budget. A separate summary of the Annual Report 2024/25 is also available.

We produce an Organisation Performance Report (OPR) that is presented at each Council meeting throughout the year. These reports share our stories, our successes, our concerns and where we need to improve.

You can find all OPRs on our website:  
<https://www.horowhenua.govt.nz/Council/Documents/Organisation-Performance-Reports>.



# Our performance and position at a glance

## He tirohanga ki ā tātou mahi me tō mātou tūnga

### Financial Performance

#### OPERATING DEFICIT FOR THE YEAR

**\$8m**

This deficit is \$10.6m higher than budgeted and is mainly due to \$10.4m of non-cash fair value changes including a loss on our derivative financial instruments (\$2.3m), loss on disposal of property plant and equipment (\$3.1m) and an increase in our landfill provision (\$5m) which represents the future cost of the best practicable option for remedying the old landfill site in Hokio.

The Council set a savings target of \$300k-\$500k for the year and we were successfully able to achieve \$800k. This target excludes the impact of rates, interest, capital items and fair value adjustments.

**69%**

69% of our total income is from rates, however rates make up 79% of our income to fund our daily operating costs.

**16.6%**

Council agreed to a rates increase of 16.6% for 2024/25, lower than the 17.4% rates increase Council consulted on. Council members and Officers have looked hard for savings. For example, we have made the decision not to renew our Alliance contract for water services and to bring the water services work back in-house.

#### REVENUE FOR THE YEAR

**\$90m**

We have received \$1m less income than planned. Income for consenting came in higher than planned and additional waste rebate received reflected under Fees and Charges. This position is partly offset by lower funding from NZTA Waka Kotahi, which is offset by lower spending agreed by Council. There was also a delay in NIFF funding with changes in the timing of the associated capital projects. This is reflected in lower capital and operational grants and subsidies. This includes \$0.9m vested assets that Council received during the year. The remaining waste rebate levy money (minus relevant costs) was put into a reserve fund. This Council created reserve is reported in the 2024/25 Annual Report in the Statement of Reserve Funds.

#### CAPITAL SPENDING FOR THE YEAR

**\$32m**

We have completed just under \$32m of the capital programme for the year as at 30 June 2025, against a forecast spend of \$31.2m, comparing to the full year budget of \$44.5m. This was a great result for the team. \$36.7m was assumed in the 2025/26 Annual Plan. Around \$4.8m of capital carry forwards had been identified and was approved by Council on 10 September 2025 to go into the 2025/26 financial year for projects that are committed to being delivered.

#### EXPENSES FOR THE YEAR WERE

**\$99m**

This is \$0.8m below budget which is largely due to lower professional services and other operating costs. We also have some savings in employee costs due to vacancies in the first half of the year.

This excludes non-cash items such as \$2.3m loss on interest rate swap, \$3.1m loss on disposal of assets, and \$5m increase in landfill provision. A loss on an interest rate swap occurs when the value of the swap decreases due to unfavourable changes in interest rates. Swaps are used to manage interest rate risk and potentially lower borrowing costs. The increase in the landfill provision is due to the inclusion of the trade waste costs associated with leachate management now able to be included in the provision. Previously they were part of the operating costs for the landfill.

**\$4.84m**

Capital projects to be carried over to 2025/26, approved by Council on 10 September 2025.



## Financial position

**\$802m**

Council's net value as at 30 June 2025

**A+**

Credit rating from S & P Global, with negative outlook. This was maintained the same as the previous year.

**\$174m**

Net debt at 30 June 2025

### COUNCIL'S ASSETS AS AT 30 JUNE 2025

**\$1,080m**

Property, plant and equipment (PPE) of \$989m made up 92 percent of the total asset value. PPE ended the year \$6m higher than budget mainly due to higher-than-expected increases in the value of Council's operational assets following a full valuation. Last done in 2022.

### NET DEBT IS

**199%**

of operating income

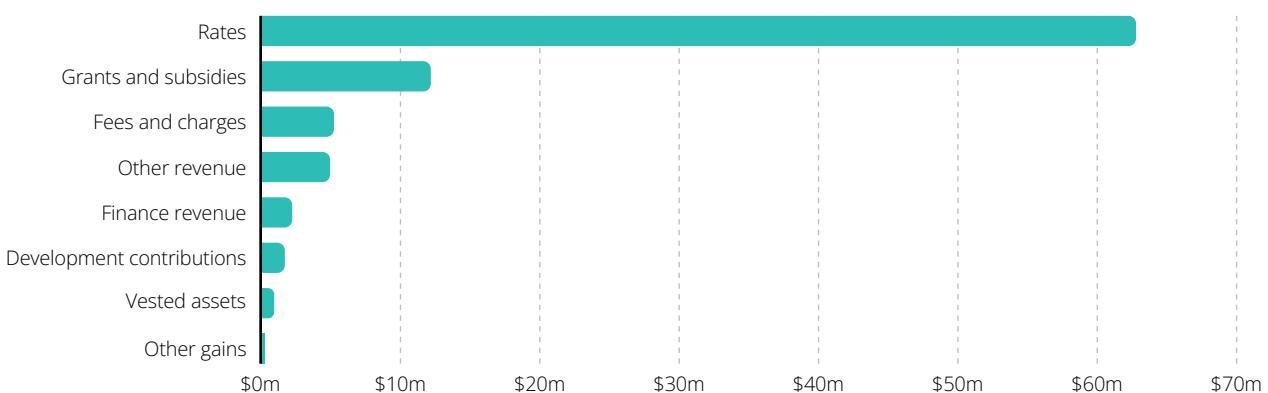
### COUNCIL'S LIABILITIES AS AT 30 JUNE 2025

**\$278m**

The majority of our liabilities is \$240m of medium to long term borrowings from the Local Government Funding Agency, and the remainder mainly trade creditors and accruals.

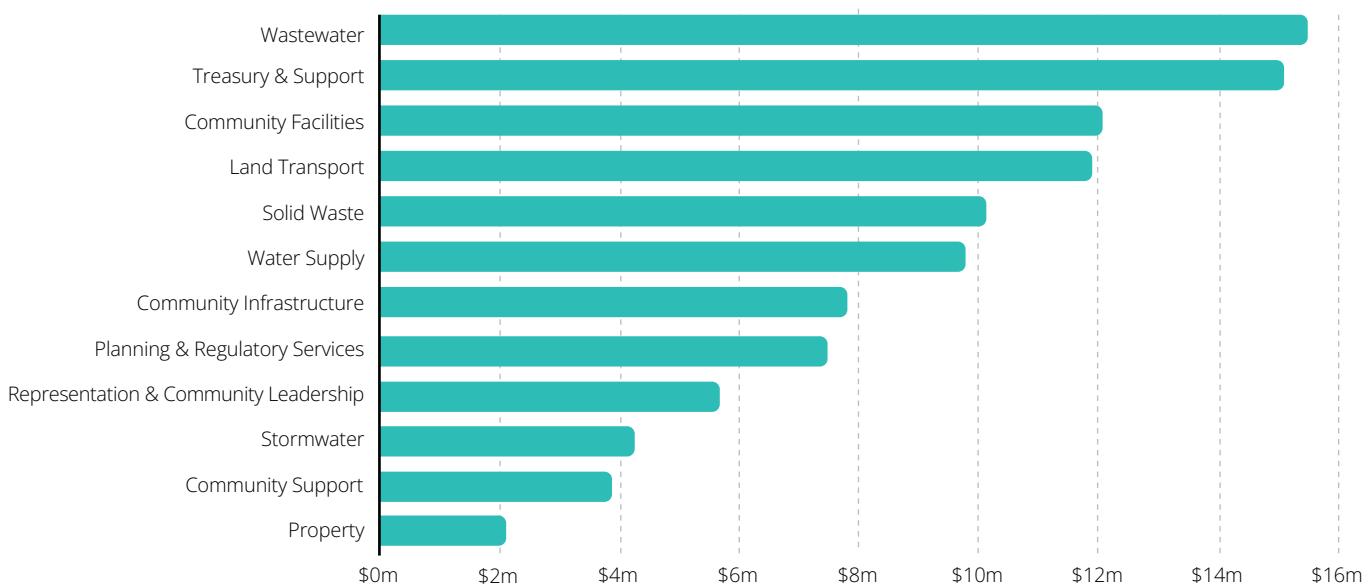
The graph below shows Council's revenue for the 2024/25 financial year:

#### Revenue



The graph below shows Council's operating expenditure by activity for the 2024/25 financial year:

#### Operating Expenditure



#### Net Debt



Net Debt (total borrowings less term deposits, borrower notes and cash) is below the limit of 250 percent set out in the Long Term Plan 2024-2044 (LTP). We budgeted to borrow an additional \$16m as part of the LTP for the 2024/25 year. For the year our net borrowings increased by \$17m which is close to what we budgeted.

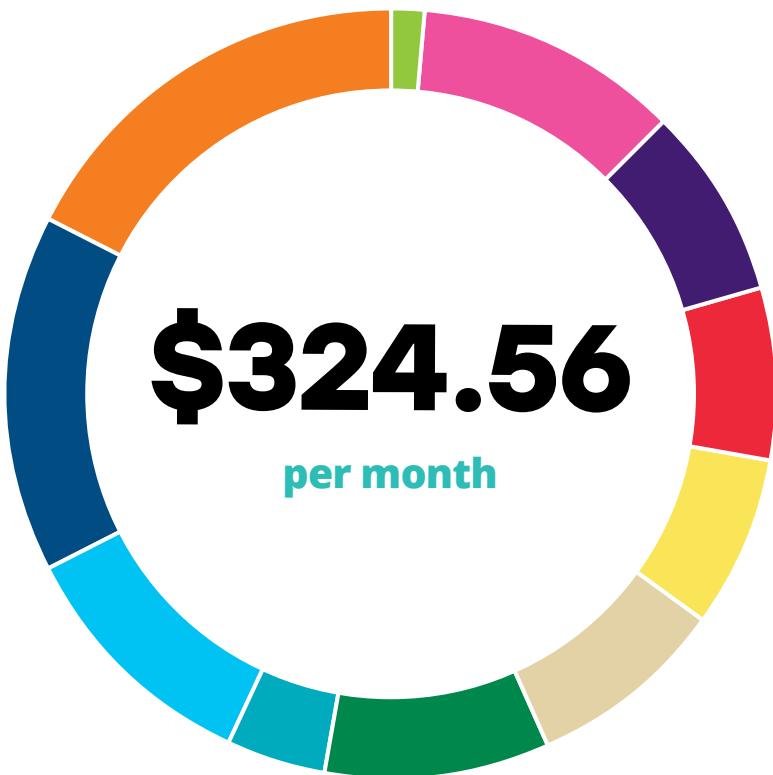
## Non-Financial Performance Measure Results

Activity	Achieved	Not Achieved	Not Applicable	Total
 <b>Water Supply</b>	3 (43%)	4 (57%)	0 (0%)	7 (100%)
 <b>Wastewater</b>	2 (50%)	2 (50%)	0 (0%)	4 (100%)
 <b>Stormwater</b>	5 (100%)	0 (0%)	0 (0%)	5 (100%)
 <b>Land Transport</b>	2 (33%)	4 (67%)	0 (0%)	6 (100%)
 <b>Solid Waste</b>	1 (50%)	1 (50%)	0 (0%)	2 (100%)
 <b>Community Facilities</b>	3 (100%)	0 (0%)	0 (0%)	3 (100%)
 <b>Community Infrastructure</b>	3 (60%)	2 (40%)	0 (0%)	5 (100%)
 <b>Property*</b>	0 (0%)	0 (0%)	0 (0%)	0 (0%)
 <b>Representation and Community Leadership</b>	2 (67%)	1 (33%)	0 (0%)	3 (100%)
 <b>Community Support</b>	2 (40%)	2 (40%)	1 (20%)	5 (100%)
 <b>Regulatory Services</b>	4 (57%)	2 (29%)	1 (14%)	7 (100%)
<b>TOTAL</b>	<b>27 (57.4%)</b>	<b>18 (38.3%)</b>	<b>2 (4.3%)</b>	<b>47 (100%)</b>

\* There are no SSPs for the Property activity.

# Where My Rates Are Spent

## Ngā wāhi i whakapaua ai ngā rēti



Based on a residential property with a Capital Value of \$700k and a Land Value of \$350k.

**\$700k**

Based on a Capital Value of residential property

**\$350k**

Land Value

 <b>\$5.25</b> Property	 <b>\$23.06</b> Planning & Regulatory Services	 <b>\$34.03</b> Water Supply
 <b>\$35.32</b> Community Infrastructure	 <b>\$27.54</b> Land Transport	 <b>\$48.97</b> Wastewater
 <b>\$26.76</b> Representation and Community Leadership	 <b>\$30.45</b> Solid Waste	 <b>\$55.91</b> Community Facilities
 <b>\$23.52</b> Community Support	 <b>\$13.73</b> Stormwater	

# Council Plan on a Page

## Te Mahere Kaunihera i te Whārangi

---

The Long Term Plan 2024-2044 confirmed Council's commitment to focus on the basics, while also prioritising care for the environment and being ready to maximise opportunities ahead. Council adopted a refreshed Plan on a Page at its Council meeting on 24 July 2024 to reflect our priorities for 2024 and 2025.

Following the October 2022 election, the newly formed Council took the time to discuss the key issues and opportunities facing Horowhenua District Council and to set its direction. Council recognised that the platform built by Horowhenua 2040, and the Horowhenua Blueprint has provided building blocks for success. The context of growth, reform, and change meant they wanted to put a focus on the future through tackling the hard issues, lifting organisation performance and ultimately shifting the dial on how the communities we serve see value in Horowhenua District Council. From these discussions they developed the Plan on a Page which set the general direction for Council to take our rohe (district).

The refreshed Plan on a Page saw the previous 10 top priorities and nine other areas that were considered important to focus on updated to 12 Top Priorities with key actions listed for the 2024/25 year under each priority.

Since adoption of the refreshed Plan on a Page both the operational and governance side of Council have been looking at ways it can use the Plan to provide the focus, prioritisation, and resources needed to achieve the best results for our community. A large component of the Chief Executive's Key Performance Indicator (KPIs)

measures for 2024/25 were structured around Council's Top Priorities. This was to ensure the organisation has the focus it needs in its strategic direction, organisational planning, and prioritisation of work.

We use the Organisation Performance Report (OPR) as our tool to report how we are tracking against achieving these priorities. The Full OPR provides detailed updates from the organisation on how it has progressed on both the 12 Top Priorities and each of the key actions.

Like all priority setting documents the Plan on a Page will be reviewed on a regular basis.

# Council's Plan on a Page

**Following the 2022 triennial election, Council has taken the time to discuss the key issues and opportunities facing Horowhenua District Council, confirming the general direction they wish to take Horowhenua.**

With 18 months left to go of the current Council term, this update to the Plan on a Page reflects our priorities for the 2024 and 2025 years.

## The Outcomes we want to achieve



Partnership with Tangata Whenua

We uphold Te Tiriti o Waitangi and its principles and recognise the role of Mana Whenua as kaitiaki of their rohe. We support them to maintain and enhance tikanga with their ancestral lands and waterways, wāhi tapu and other taonga, and build mutually respectful partnerships with tangata whenua, supporting whanau, marae, hapū and iwi in achieving their aspirations.



Outstanding Environment

We contribute to improving our natural environment for current and future generations to enjoy, and protect the important natural features in our district. We ensure our built environment supports the wellbeing of our people and manage competing pressures on resources sustainably.



Fit for purpose Infrastructure

We provide efficient, reliable and affordable infrastructure, developing and maintaining facilities and infrastructure to meet the needs of current and future generations. Our community facilities and infrastructure are resilient, helping us to respond to climate change and natural hazards, working with partners to develop infrastructure that enables growth.



Vibrant Economy

We are business friendly, supporting diversity and resilience in our local economy and work with others to make our economy grow. We aspire for economic security for all of our people and seize growth opportunities for our district.



Strong Communities

We value the diversity of our people, and how our districts heritage shapes our communities sense of identity and pride. We provide infrastructure, services, facilities and places to build resilient and connected communities where people of all ages and backgrounds feel included and safe. We are building collaborative relationships with service providers to enable all people to live positive and healthy lifestyles, encouraging our people to participate in local decision making.

Council agreed that the platform built by Horowhenua 2040, and the Horowhenua Blueprint has provided building blocks for success. Our context of growth, reform and change, means that right now we want to focus our energy into the future through tackling the hard issues, lifting organisation performance and ultimately shifting the dial on how the communities we serve see value in Horowhenua District Council.

## Our values – what we stand for

### Mahi Tahi

We are one team, stronger together as we work with and for our community to deliver outcomes that matter.

### #arohatōmahi

We love our work and know that our work matters. That is why we do what we say we will do and apply energy and enthusiasm across our mahi.

### Manaakitanga

We put our people first by showing them that they matter, through a focus on whānau needs and aspirations.

### Tiakitanga

We proudly and professionally contribute every day to the care of our community and whenua with courage, positivity and mana – leaving a legacy which future generations will embrace.

## Our four pillars



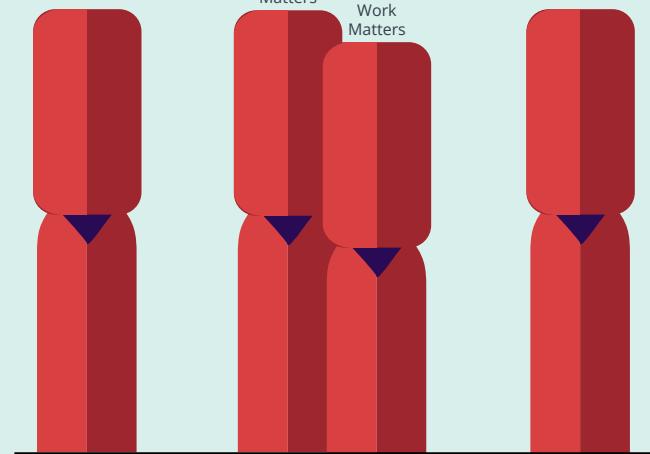
You  
Matter



Outcomes  
Matter



Partnerships  
Matter



**He rau ringa e pakari ai nga taura whiri i o tātou hapori – mai i te pae maunga o Tararua ki te moana**

With many hands the threads which weave our neighbourhood and communities together will be strengthened from the Tararua ranges to the sea. Growing neighbourhoods and building stronger communities together.

## Top Priorities



### Pursuing Organisation Excellence

**Continuing the journey of organisational transformation by enabling a culture of service, excellence and continuous improvement.**

#### KEY ACTIONS FOR 2024/2025

- Review the Organisation Roadmap and implement identified action.
- Further progress on getting the basics right and enhancing the customer experience through implementation of the Customer and Digital Action Plans.
- Preparation for the 2025 elections and potential referendum.
- Elected members bringing energy and commitment to progressing priorities and setting the next Council term up for success.



### Ensuring Financial Discipline and Management

**Ensuring careful budget adherence through robust financial discipline, optimising resource allocation, and realising value for money, while fostering innovation where possible to support the community's long-term objectives.**

#### KEY ACTIONS FOR 2024/2025

- Ensure financial discipline and compliance with our financial strategy and benchmarks.
- Implement organisation-wide stringent budget monitoring to ensure all departments adhere to allocated budgets, promoting a culture of financial accountability and transparency across all levels.
- Procure wisely and strategically, to prioritise spending on essential services and projects that deliver the highest value to the community.
- Monitor Treasury opportunities to take advantage of favourable interest rates, reduce debt servicing costs, and maintain the Council's credit rating.
- Provide transparent financial reporting and regular updates to the community on the Council's financial performance and initiatives.



### Enabling balanced growth with fit for purpose infrastructure

**Continuing with our integrated growth planning and strategic delivery approach to enable smart and sustainable development that delivers balanced growth and fit for purpose infrastructure.**

#### KEY ACTIONS FOR 2024/2025

- Progress an initial omnibus District Plan change to effect quick wins and address immediate issues.
- Continue integrated growth planning to inform future capital investments.
- Retaining focus and energy on bringing to life the outstanding environment and thriving economy community outcomes through fit for purpose infrastructure.
- Development of Vested Assets Policy.
- Deliver the Capital Programme.
- Conduct appropriate investigations in key strategic focus areas-including aquatics, parks, property, and sports-preparing for informed decision making ahead of the next Long Term Plan.



### Supporting Lake Punahau/Horowhenua Aspirations

**Giving focus to advancing actions that speak to community and owners of Lake Punahau/Horowhenua aspirations specific to the role of Horowhenua District Council.**

#### KEY ACTIONS FOR 2024/2025

- Strengthen relationships with the Lake Trust to consider enabling community aspirations.
- Complete the Lake Domain development plan using Better off Funding.
- Support reactivation of the Lake Domain Board.
- Develop Best Practicable Options for Stormwater management in collaboration with the Lake Trust (as representative of the owners) and other key stakeholders and partners.
- Continue to be an active partner with the Arawhata Wetland Project led by Horizons.
- Support community led planting and clean up initiatives.



### Strategically Positioning Horowhenua

**Ensuring targeted advocacy and proactive pursuit of third-party funding opportunities and strengthening of national and regional connections, to ensure our community's needs are clearly understood and prioritised, keeping us relevant and well-positioned to pursue or react to opportunities.**

#### KEY ACTIONS FOR 2024/2025

- Pursue new look funding arrangements with CIP or others to advance growth infrastructure.
- Pursue funding opportunities to speed up plans or advance unfunded or under resourced priorities.
- Respond to regional deal opportunities.



### Local Water Services Done Well

**Navigating change towards inhouse provision of reliable three water services while strategically positioning ourselves to embrace and benefit from sector change.**

#### KEY ACTIONS FOR 2024/2025

- Navigate inhousing of three water services.
- Position Council for future changes to Local Waters Done Well waters arrangements.



### Activating the Levin Town Centre

**Activating key strategic initiatives to act as a catalyst for change, stimulating collaborative and transformational revitalisation of Levin's hub.**

#### KEY ACTIONS FOR 2024/2025

- Implement agreed Strategy initiatives.
- Pursue connections and relationships to build momentum outside of Council led initiatives.



### Community Preparedness

**Focusing on strengthened Council and community preparedness and resilience to enable our ability to plan for, respond to, adapt and recover from emergencies and district changes.**

#### KEY ACTIONS FOR 2024/2025

- Emergency management planning and preparation.
- Progress priority business continuity and resilience initiatives.
- Continue tackling stormwater hotspots across our district.



### Enriching Our Environment

**Focusing on targeted initiatives to enrich, preserve and enhance the Horowhenua natural environment through promoting sustainability, waste management practices and resilience to climate change for the benefit of current and future generations.**

#### KEY ACTIONS FOR 2024/2025

- Establish the emission monitoring portal.
- Implement the Climate Action Plan within budget allocations.
- Continue workstreams to enable decision making on Council's role and focus in waste management and minimisation, including potential future uses of the Levin Landfill site.
- Support the protection and restoration of natural habitats, including wetlands, forests, and coastal areas.
- Continue partnerships with schools, local organisations, and community groups to promote environmental stewardship.



### Enhancing Māori Relationships

**Ensuring a concerted focus on developing a partnership framework, to advance our relationships and set up both Council and our partners for shared success through well-defined partnership arrangements and clear engagement expectations.**

#### KEY ACTIONS FOR 2024/2025

- Progress development of Māori relationships and the Engagement Framework.



### Community Connections and Better Wellbeing

**Focusing on priority wellbeing initiatives driven by the Horowhenua Blueprint, Wellbeing framework and the Housing Action Plan while strengthening place-based community relationships and engagement to foster authentic relationships and enhanced community connections.**

#### KEY ACTIONS FOR 2024/2025

- Continue progressive implementation of Blueprint priorities.
- Implement the Housing Action Plan priorities.
- Activate the key priorities within the Community Wellbeing Strategy.
- Maintain a sustained focus on improving our communication and engagement across communities.
- Initiate community plans in Foxton and Shannon, and continue with place-based relationships.



### Ōtaki to North of Levin Readiness

**Leveraging the Ōtaki to North of Levin Expressway Project to seize opportunities and ensure alignment with strategic Council priorities for long term community benefit.**

#### KEY ACTIONS FOR 2024/2025

- Continued advocacy on Ō2NL revocation.
- Championing legacy outcomes.
- Exploring opportunities and planning for consequential Ō2NL impacts with a specific focus on revocation.

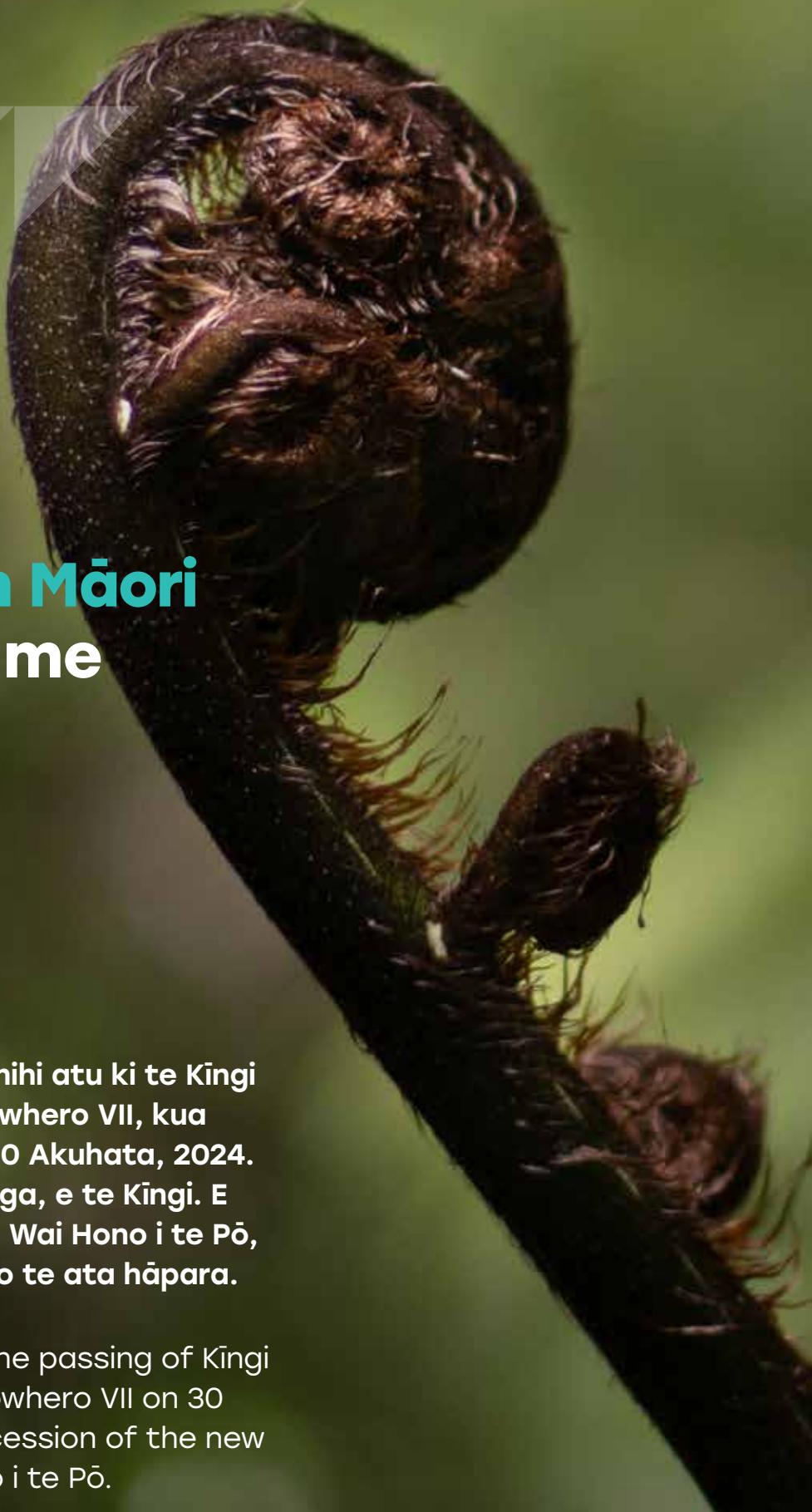


# Working with Māori Te Mahi tahi me te Iwi Māori

---

**Ko te mea tuatahi, kei te mihi atu ki te Kīngi Tūheitia Pōtatau Te Wherowhero VII, kua whetūrangitia i te pō i te 30 Akuhata, 2024. Ka areare ko te rua o Puanga, e te Kīngi. E mihi ana ki te Kuini, ko Ngā Wai Hono i te Pō, te Manu whakataka pōkai o te ata hāpara.**

We wish to acknowledge the passing of Kīngi Tūheitia Pōtatau Te Wherowhero VII on 30 August 2024, and the succession of the new Māori Queen Ngā Wai Hono i te Pō.



Horowhenua District Council (Te Kaunihera ā rohe o Horowhenua) is dedicated to strengthening and growing its relationship with Māori. Council acknowledges the unique status of Tangata Whenua within our rohe (district) and is committed to supporting the development of Māori capacity to participate effectively in Council's decision-making processes. Although this is a requirement under Schedule 10 of the Local Government Act 2002, the Council seeks to go beyond legislative obligations by cultivating enduring, and meaningful partnerships with the Māori hāpori (community). This commitment is reflected in our community outcomes, particularly the outcome titled 'Partnership with Tangata Whenua'.

The Local Government Act 2002 acknowledges the Crown's obligations under Treaty of Waitangi/Te Tiriti o Waitangi by requiring councils to facilitate Māori participation in decision-making. Key obligations include:

- Providing opportunities for Māori to contribute
- Establishing processes for Māori input
- Fostering Māori capacity to engage in decision-making
- Sharing relevant information
- Considering Māori relationships with land, water and other taonga

Council understands the impact of its decisions on Māori wellbeing, considering the unique challenges of both pre- and post-settlement Iwi. The goal is to ensure Māori are actively involved beyond environmental and cultural matters, becoming integral to decision-making.

## Partnerships

Council continues to foster partnerships across all iwi partners and has active Memorandum of Partnership Agreements in place with:

- Muaūpoko Tribal Authority
- Te Iwi o Ngāti Tukorehe Trust – representing Ngāti Tukorehe, Te Mateawa, Ngāti Te Rangitawhia and Ngāti Kapu (Ngāti Raukawa)
- Te Kotahitanga o Te Iwi o Ngāti Wehi (Ngāti Raukawa)
- Rangitāne o Manawatū
- Te Tūmatakahuki (Ngāti Raukawa)

While active Memorandum of Partnership Agreements are not currently in place with Te Runanga o Raukawa Inc, Ngāti Apa or Rangitāne o Manawatū Settlement Trust, Council values the partnerships and understands the key roles that each partner has in the rohe.

Council entered into a Memorandum of Partnership with Te Tūmatakahuki (Incorporated Society) on 13 December 2024. The signing was hosted by Te Tūmatakahuki representatives in Foxton, with Elected Members, Horowhenua District Council's Chief Executive, and local community members in attendance. Te Tūmatakahuki is the legal entity representing 12 hapū and marae of Ngāti Raukawa te au ki te Tonga, located within the boundaries of the Horowhenua District, with wider geographical affiliations. Te Tūmatakahuki represent the hapū and marae of Ngāti Turanga, Ngāti Rākau, Ngāti Te Au, Ngāti Takihiku, Ngāti Ngārongo, Ngāti Whakatere, Ngāti Pareraukawa, Ngāti Huia ki Poroutawhao, Ngāti Huia ki Matau, Ngāti Kikopiri, Ngāti Hikitanga and Ngāti Wehi Wehi.

## Māori Wards

In 2021, councillors voted unanimously to establish a Horowhenua (Māori) Ward. Councillors Nina Hori Te Pa and Justin Tamihana were elected to represent the ward in the 2022 elections.

In May 2024, changes to government legislation required councils to decide by 6 September 2024 whether to retain or disestablish their Māori Wards. Mayor Bernie Wanden joined 51 Mayors and Chairs, and Local Government New Zealand (LGNZ) wrote to central government seeking to ensure that decisions about Māori Wards remained at a local level. On 30 July 2024, The Local Government (Electoral Legislation and Māori Wards and Māori Constituencies) Amendment Act 2024, was enacted. It required councils that established Māori Wards without a voter poll following the 2021 legislative changes to hold a poll at the 2025 elections. Alternatively, councils could reverse their earlier decisions by either rescinding resolutions that had not yet been implemented or disestablishing Māori Wards already in place.

In August 2024, Council sought community feedback on the future of the Horowhenua (Māori) Ward for the 2025 Local Elections. At its meeting on 4 September 2024, Council voted to retain the Horowhenua (Māori) Ward. As a result, a binding referendum will be held at the 2025 Local Election, for electors to decide the Ward's future. The outcome of this referendum will take effect for the 2028 and 2031 local government elections.

In the interim, the current Māori Ward structure will remain in place for the 2025–2028 triennium.

The referendum provides the community with the opportunity to determine future arrangements for Māori representation in the district's governance arrangements.

## **The following are examples of some of the more significant engagements with Māori.**

### **IWI/HAPŪ RELATIONSHIPS FRAMEWORK**

Council endorsed the development of a Māori Engagement Framework in October 2023 and this included the formation of a Project Advisory Group (PAG) made up of elected members and Iwi representatives to guide the process. This decision was grounded in the recognition that Council needed a clearer, more intentional approach to engaging with mana whenua across the Horowhenua. Since then, we have worked in close partnership with Iwi and Hapū to co-design a revised framework. It became the Iwi / Hapū Relationships Framework to better reflect the aspirations of tangata whenua, support the organisation to meet its obligations under the Local Government Act, and enable more effective and enduring relationships. A significant driver of this mahi (work) has been the need to address the current inconsistencies in the way Council resourced and supported engagement with Iwi and Hapū, and to shift toward a more principled and transparent approach providing a consistent foundation for engagement, while recognising and respecting the diversity of structures, capacities, and agreed priorities between each Iwi/ Hapū and Council. This work is ongoing with the intention of Council being asked to approve the Framework in the new financial year.

### **IWI / HAPŪ FIRST RIGHT OF REFUSAL**

Since 2014, Council has been refining its approach to managing its property portfolio, following expert advice to split assets into core and non-core. A Property Strategy was adopted in 2015–16, providing a structured assessment framework to guide decisions and long term planning. Over time, non-core properties have been sold in line with this Strategy. In 2023, Council resolved to explore including a first right of refusal for mana whenua on the disposal of non-core property. Since then, Council Officers have met and liaised with Te Tūmatakahuki, Muaūpoko Tribal Authority, Rangitaane and Ngāti Tukorehe regarding the proposed amendment. In May 2025, Council resolved to amend the Property Strategy to include a Right of First Refusal clause meaning any non-core properties that are to be disposed on the open market are offered to Iwi/Hapū first at market value for 30 working days, before it is listed publicly.

### **PUANGA MATARIKI PROGRAMME**

Council partnered with Muaūpoko, Ngāti Raukawa and Ngāti Whakatere, to design and carry out a two-week Puanga Matariki programme for the community. The programme included 13 events and activities across our district which were all very well attended by the community.

### **WHAKAMANA MARAE PROJECT**

A working group has been formed with a focus to help Horowhenua marae in building emergency management preparedness, to be able to respond in Civil Defence Emergency Management situations. Officers have collaborated with various agencies about an approach to working with marae in building their resilience in this space.

### **LEVIN TOWN CENTRE PROJECT**

The Levin Town Centre Transformation programme of work engages with Iwi partners through the Levin Town Centre Transformation Community Steering Group (previously called the Reference Group). The Community Steering Group plays a pivotal role in informing project details, representing the interests of those who live, work, and visit the Levin Town Centre. The purpose of the Community Steering Group is to shape and lead, and to envision, develop and help to define aspects and ideas for the town centre. There is representation from Ngāti Raukawa and Muaūpoko Tribal Authority on the Community Steering Group who, along with two Levin Ward Councillors, a Māori Ward Councillor and other community representatives, are invited to attend workshops for Officers to gather feedback prior to community consultation, and/or meetings to update and inform as/when information can be shared.

## **SHANNON COMMUNITY PLAN**

The journey to develop the first Shannon Community Plan began in October 2024 with Council and Ngāti Whakatere inviting Shannon residents to Whakawehi Marae, followed by two public meetings at the Shannon Memorial Hall and the Shannon Library. The Shannon Community Plan Working Group was established to drive the development of the Plan and Ngāti Whakatere partnered with Council to deliver it. Wider community feedback was sought through extensive engagement from mid-January to 24 February 2025, including a maildrop to all homes in Shannon. A total of 297 submissions were received – very impressive at 18.5% of the town's population and, if we consider representation by households (297 submissions against 624 households in Shannon), that would be a 48% response rate. There was strong representation from Māori, Pasifika, and younger people. These are groups who have historically been under-represented in local government consultations.

## **SHANNON WASTEWATER TREATMENT PLANT – PLANTING HIGH-RATE LAND PASSAGE**

Planting at the Shannon Wastewater Treatment Plant is another planting project being delivered in partnership with the local hapū. It is part of an ongoing commitment to build a more sustainable future for our local environment. Throughout 2024/25, an initial 400 native plants were introduced to the High-Rate Land Passage at the Shannon Wastewater treatment Plant. With a further 1,200 plants added later. The native plants used in this project are locally sourced and are indigenous to the landscape.

## **CONSENTING PROJECTS**

The Local Waters and Capital projects team consenting programme and projects require ongoing engagement with our Iwi partners across a number of working party groups established for our on-going consents for our district's water and wastewater treatment plant sites as well as through engagement with Iwi partners as we work through the development of new consents required for Stormwater, Wastewater, Water and Landfill Monitoring.

## **LOOKING FORWARD**

The examples above are not exhaustive but provide a sample of the types of mahi (work) we complete alongside Māori.

Council is steadily building cultural capacity with ongoing workshops based on the Tūhono ki Te Ao Māori – cultural induction toolkit, continuing to be popular with kaimahi (staff).

Council is committed to continuing to involve Iwi partners in key processes, guided by values of Tiakitanga, Manaakitanga, Mahi Tahi, and #Arohatōmahi. We remain dedicated to strengthening relationships and creating meaningful opportunities for Māori to contribute to decision-making.

# Our role

# Ko ā mātou haepapa

With many hands, the threads which weave our neighbourhoods and communities together will be strengthened from the Tararua Ranges to the sea.

**He rau ringa e pakari ai ngā taura whiri I ō tātou kāinga noho me ō tātou hapori – mai te pae maunga o Tararua ki te moana.**

Horowhenua District Council enables democratic local decision-making to promote the social, economic, environmental and cultural wellbeing of our district in the present and for the future.

Under the Local Government Act 2002, we are required to promote these four wellbeings. The wellbeings and our Community Outcomes are at the heart of decisions made by Council during the 2024/25 financial year. Change has been signalled by the Government's Local Government (System Improvements) Amendment Bill and we'll adapt to that. In the meantime, Council continues its commitment to deliver on what matters most.

Our current Community Outcomes were decided after consultation with the community during the Long Term Plan 2021-2041 and updated in the Long Term Plan 2024-2044.



- We will uphold Te Tiriti o Waitangi/The Treaty of Waitangi and its principles.
- We build mutually respectful partnerships with tangata whenua.
- We support Mana Whenua to maintain and enhance tikanga with their ancestral lands and waterways, wāhi tapu and other taonga.
- We support whānau, marae, hapū and iwi in achieving their aspirations.
- We recognise the role of Mana Whenua as kaitiaki of their rohe.



- We are business friendly.
- We will work with others to enable our economy to grow.
- We support diversity and resilience in our local economy.
- We aspire for economic security for all our people.
- We seize growth opportunities for our district.



- We contribute to improving our natural environment for current and future generations to enjoy.
- Our communities are able to access and enjoy natural areas and public places.
- We recognise and protect the important natural features in our district.
- We ensure our built environment supports the wellbeing of our people.
- We minimise waste.
- We manage competing pressures on resources sustainably.



- We develop and maintain facilities and infrastructure to meet the needs of current and future generations.
- We provide efficient, reliable and affordable infrastructure.
- We work with partners to develop infrastructure that enables growth.
- Our community facilities and infrastructure are resilient, helping us to respond to climate change and natural hazards.



- We value the diversity of our people.
- We recognise the value of our district's heritage and its contribution to our communities' sense of identity and pride.
- We take an inclusive approach and encourage our people to participate in local decision-making.
- We provide infrastructure and services as a foundation for resilient and connected communities.
- We build collaborative relationships with service providers to help enable all of our people to live positive, connected and healthy lifestyles.

Council is made up of the Mayor and 12 Councillors (elected members) who represent five wards including the Māori Ward. They are responsible for governance and ultimately setting the direction for the future of our community. Representing the community, they make decisions on behalf of our ratepayers and residents to determine local policy and legislation and defining the overall vision for the Horowhenua District.

As well as the Council, we have the Te Awahou Foxton Community Board which represents the Foxton area. It has five elected members who work with one member appointed from the Kere Kere general ward by the Council. The Board advocates for the community and makes recommendations to the Council about the Foxton area.

At the beginning of each term, elected members are selected to support special interest groups and community orientated bodies within the community, by joining statutory bodies, community associations and other organisations for the elected term.

Horowhenua District Council Chief Executive Monique Davidson and 287 Officers oversee the day-to-day running of the Council and district, taking responsibility for everything from strategy to operations and project delivery. They also advise the elected members and implement their decisions. The areas Council is responsible for are called 'Council activities'. Rates help pay for these services delivered to the community.

Council works with many organisations and performs many roles. We fund and lead projects that benefit the community and solve local needs, regulate local bylaws and plans and advocate for Horowhenua to central government, other local authorities and other agencies through:

- Facilitating solutions to local needs.
- Management of local infrastructure including network infrastructure (e.g. roading, water supply, waste disposal, libraries, parks and recreational facilities).
- Environmental management planning for the current and future needs of the local district.
- Preparing and adopting the 20-year budget (LTP), annual budget (annual plan) and annual report.
- Setting rates and bylaws.
- Decision making on regulatory matters and on Horowhenua-wide non-regulatory matters.
- Setting strategies, policies and plans.
- Consulting with and considering the views of Te Awahou Foxton Community Board before making a decision which affects the communities in the area.
- Monitoring and reviewing the performance of the organisation.

# Resident Satisfaction Survey

## Te Uiui Whakarata i te Hapori



One of the ways we measure the public perception of how we are performing is through our resident satisfaction survey.

The survey was emailed out in April/May and was available online throughout the year. A total of 15,284 question responses were received overall, which is 8,343 less than in 2024.

Thank you to everyone who took the time to answer the survey questions and provide feedback on how we're progressing. Your input will help us determine which areas we need to focus on most.

### Rubbish and Recycling



**92%**  
satisfied  
Kerbside rubbish



**87%**  
satisfied with  
Mobile Recycling  
stations.



**87%**  
satisfied  
Kerbside recycling



**74%**  
satisfied Shannon  
and Foxton transfer  
stations service

### Council facilities



**94%**  
satisfied  
Library services



**77%**  
satisfied  
with Council's  
Customer Service



**73%**  
satisfied  
Drinking water



**84%**  
satisfied  
Wastewater  
services



**83%**  
satisfied  
Cemeteries



**79%**  
satisfied Parks  
and reserves



**61%**  
satisfied with  
Drinking  
water quality



**52%**  
satisfied  
Stormwater

### Roads



**67%**  
satisfied Parking



**57%**  
satisfied  
Street lights



**43%**  
satisfied  
District road  
maintenance



**39%**  
satisfied  
Footpath  
maintenance

## Leadership

---



## Consulting with our community

---

We asked how satisfied you were with processes to provide feedback on Council plans or strategies.



Alongside customer satisfaction measurements, for the last three years, we've also been measuring Net Promoter Score (NPS) - a customer loyalty and satisfaction metric. NPS can range from -100 to 100. Council's NPS moved to -13.2 for 2025, a decrease compared to 2024 which was -9.5.

### Method used

The 2025 survey was conducted solely via Ask Nicely, an online Voice of Customer survey tool. 9 surveys (broken down by different Council services and facilities) were sent to our emailable ratepayer base, via social media channels to a broader Horowhenua target audience and distributed via the Community Connection.

The surveys had a margin of error ranging from 3% to 7% with a 95% confidence level, meaning the sample size is robust and reflective of a cross section of our community and results are statistically significant.

We have rounded fractions over 0.5 up to the nearest whole number.

# Who we are

## Ko wai mātou





# Elected Members



**Bernie Wanden**  
MAYOR

Chair – Community Wellbeing Committee  
Chair – Chief Executive Employment and Performance Committee  
Risk and Assurance Committee  
Community Funding and Recognition Committee



**David Allan**  
DEPUTY MAYOR

**KERE KERE WARD**

Chair – Hearings and Regulatory Committee  
Deputy Chair – Chief Executive Employment and Performance Committee  
Community Funding and Recognition Committee



**Ross Brannigan**

**KERE KERE WARD**

Chair – District Licensing Committee  
Chair – Capital Projects Delivery Steering Group



**Mike Barker**

**LEVIN WARD**

District Plan Steering Group  
Capital Projects Delivery Steering Group



**Rogan Boyle**

**WAIOPEHU WARD**

Community Funding and Recognition Committee  
Capital Projects Delivery Steering Group



**Clint Grimstone**

**LEVIN WARD**

Risk and Assurance Committee  
Community Wellbeing Committee  
District Plan Steering Group  
Levin Town Centre Steering Group



**Nina Hori Te Pa**

**HOROWHENUA (MĀORI WARD)**

Community Wellbeing Committee  
Community Funding and Recognition Committee



**Sam Jennings**

**LEVIN WARD**

Chair – Risk and Assurance Committee  
Chair – District Plan Steering Group  
Chief Executive Employment and Performance Committee  
Hearings and Regulatory Committee  
Capital Projects Delivery Steering Group



**Paul Olsen**

**MIRANUI WARD**

Deputy Chair – Risk and Assurance Committee  
Chief Executive Employment and Performance Committee  
Capital Projects Delivery Steering Group



**Jonathon Procter**

**WAIOPEHU WARD**

Risk and Assurance Committee



**Justin Tamihana**

**HOROWHENUA (MĀORI WARD)**

Deputy Chair – District Licensing Committee  
Hearings and Regulatory Committee  
District Plan Steering Group



**Alan Young**

**LEVIN WARD**

Risk and Assurance Committee  
Community Funding and Recognition Committee



**Piri-Hira Tukapua**  
(Until end October 2024)

**LEVIN WARD**

Chair – Community Funding and Recognition Committee  
Chief Executive Employment and Performance Committee  
Hearings and Regulatory Committee  
District Plan Steering Group  
Levin Town Centre Steering Group

In October 2024 Council said farewell to one of its longest-serving Councillors, Piri-Hira Tukapua, who stepped down after 11 years representing the Levin Ward. The final Council meeting Cr Tukapua attended was on 30 October 2024 where a farewell took place to acknowledge the enormous contribution she has made to our district.

# Executive Leadership Team



**Monique  
Davidson**

CHIEF EXECUTIVE



**Daniel Haigh**

Group Manager  
Community Infrastructure



**Brent Harvey**

Group Manager  
Community Experience  
and Services



**David  
McCorkindale**

Group Manager  
Community Vision  
and Delivery



**Blair Spencer**

Group Manager  
Housing and Business  
Development



**Jacinta Straker**

Group Manager  
Organisation  
Performance



**Nicki Brady**

(From 3 June 2025)

Group Manager  
Capability and  
Transformation

This year marked the official commencement of the new Capability and Transformation Group with the appointment of Nicki Brady on 3 June 2025 as the Group Manager, tasking her with working towards the following:

- Driving transformation and innovation at Horowhenua District Council.
- Leading a dynamic, flexible team model within the Executive Leadership Team.
- Shaping a high-performance culture and delivering exceptional community outcomes.



# Activity Updates

## He pārongo mō ā mātou mahi

## Activity Performance

This section contains comprehensive information on the performance of each activity carried out by Council in furthering Community Outcomes for the financial year 2024/25. It includes updates, financial information and non-financial performance measure information (Statement of Service Provision) for each of the activities.

It reports on Council's policies, objectives, activities, performance targets, indicative costs and sources of funds as outlined in the LTP for the 2024/25 financial year.

Council continues to strive to incorporate measures which are appropriate, which measure outcomes, and which can be supported by relevant evidential material. Each significant activity area as a whole incorporates elements of quality, quantity, timeliness, cost and location (where applicable). Quality processes that affect the quality of the outputs are also a standard feature of the internal management control systems.

### In particular:

- Published planning documents including the District Plan, asset management plans, Revenue and Financing Policy, Investment Policy, Liability Management Policy, LTP, Annual Plans and Annual Reports are prepared in conjunction and consultation with the public and affected parties, internal peer review and in compliance with the requirements of relevant legislation.
- Internal reports are prepared by suitably qualified and experienced Officers and significant reports are subject to peer review.
- Capital works are constructed to design specifications and are inspected by suitably qualified and experienced Officers.

- Maintenance works are undertaken by employees or contractors under the supervision of suitably qualified and experienced engineers and are monitored in accordance with maintenance programmes.

### WHAT'S DIFFERENT IN THIS REPORT

In this Annual Report we report back on the updated Statement of Service Provision (SSPs) adopted in the LTP 2024-44. Changes included reducing the number of SSPs, moving many to be Organisational Performance Measures (OPMs) adding some new measures, while amending others to ensure the reporting was more meaningful.

In August 2024, updated Non-financial Performance Measures from the Department of Internal Affairs took effect. To comply, we include additional reporting on some of the Water Supply performance measures, as well as direct reference to the relevant rules as required by the Drinking Water Quality Assurance Rules 2022.

Overall, performance measures provide valuable information on how Council is performing in the wide range of Council activities.

See the high level summary in the 'Our performance and position at a glance' section of this report or the Summary Annual Report.

\*Please note the outcomes and associated bullet points in the outcomes are not intended to be read as a hierachal list ordered by importance.

## The significant activities reported on are:



### **Water Supply**

The Water Supply Activity provides a safe and reliable supply of water to urban (residential, industrial and commercial) and agreed rural properties, which adjoin urban areas.



### **Wastewater**

The Wastewater Activity aims to protect human health and the environment by treating wastewater from residential and industrial properties and discharging treated effluent back into the environment.



### **Stormwater**

As part of the Stormwater Activity, Council provides and maintains a stormwater system that aims to remove water from the roading corridor, and in some cases residential and commercial properties, to reduce the occurrence of flooding during rainfall events.



### **Land Transport**

Through the Land Transport Activity, Council provides and maintains roads, footpaths and cycle paths across our rohe (district) that meet the community's needs.



### **Solid Waste**

Through the Solid Waste Activity Council provides refuse collection and disposal, transfer stations, kerbside recycling, rural mobile recycling stations, hazardous waste management, management of our district's closed landfills and funding of waste minimisation educational programmes.



### **Community Facilities**

The Community Facilities Activity includes:

- Aquatic Centres and Recreation – providing public access to swimming pools, the splash pad, fitness, rehabilitation, and swimming programmes to enhance wellbeing through providing healthy recreational and social opportunities.
- Community Centres and Libraries – providing locations where people can visit, spend time, and positively engage in activities and opportunities, whether that is through social interaction, personal development or recreation and leisure.



### **Community Infrastructure**

The Community Infrastructure Group of Activity is made up of a number of sub-activities, that provide both passive and active amenities for our community's use, and also enhance community wellbeing and foster a sense of belonging through the effective management of community infrastructure.

This includes reserves, sports grounds, cemeteries, beautification, urban cleansing, public halls, and public toilets.



### **Property**

Council owns a substantial number of properties throughout Horowhenua which support the delivery of Council's activities.

The Property Activity ensures that these assets are managed and maintained effectively.



### **Representation And Community Leadership**

This Activity relates to how Council meets its responsibility to represent and provide leadership for our community including how Council will involve the community in strategic planning and decision-making.



## **Community Support**

The Community Support Activity is made up of a number of sub-activities which provide for the community's social and economic wellbeing. It includes:

- Emergency Management
- Community Development
- Visitor Information
- Destination Management
- Economic Development
- Communications and Engagement



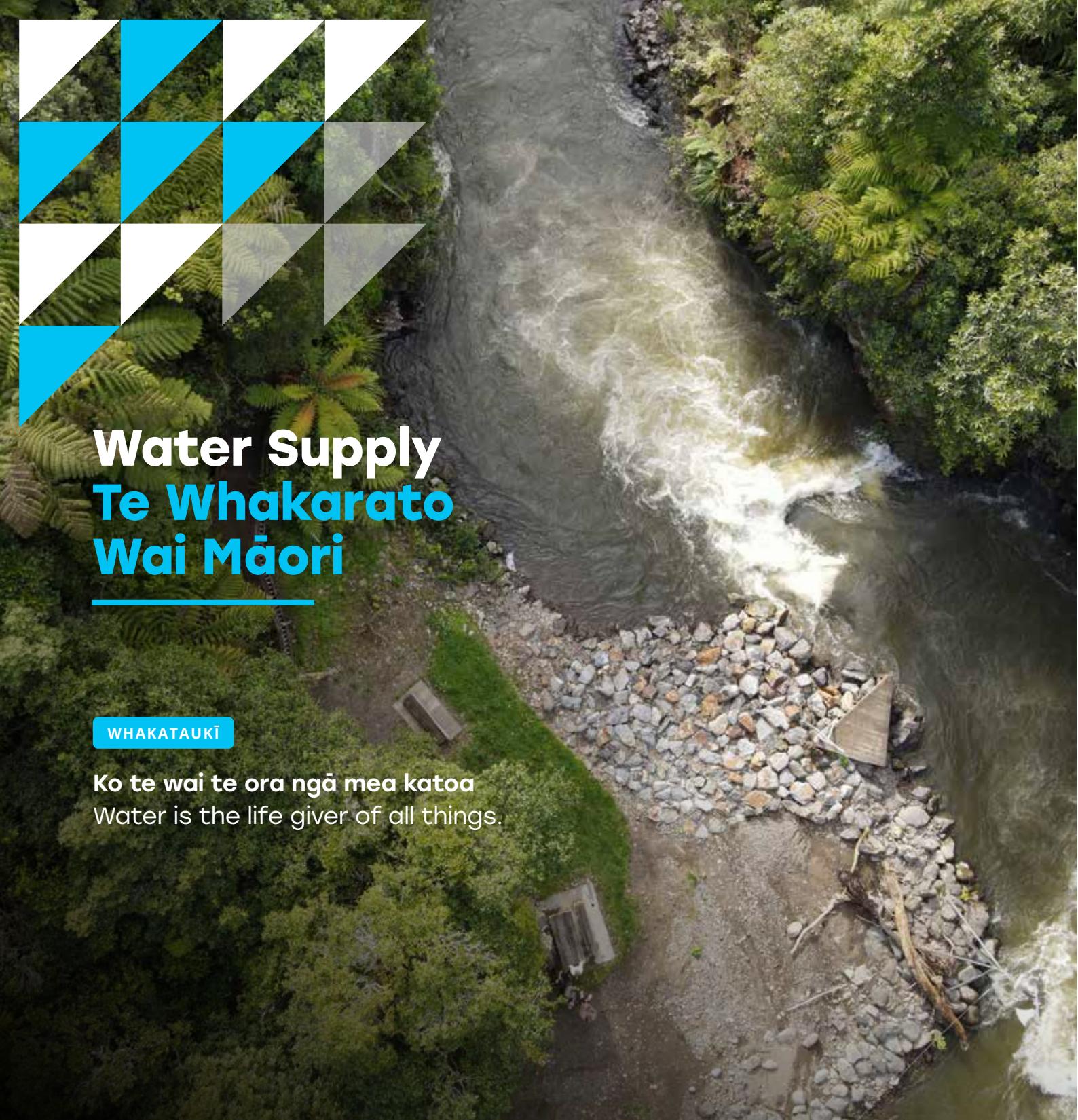
## **Regulatory Services**

The Regulatory Services Activity provides advice, building and resource consenting services, assessment, education, compliance and enforcement. This Activity focuses on protecting the health and safety of our community and the environment they live within.

This includes:

- Resource Consenting
- Building Consenting
- Environmental and Alcohol Licensing
- Parking Enforcement
- Building Compliance
- Resource Management Compliance
- Animal Control
- General Regulatory Service

This part is prepared according to the requirements of the Local Government Act 2002, the Non-Financial Performance Measures Rules 2024 and the financial reporting standards issued by the External Reporting Board.



# Water Supply

## Te Whakarato

## Wai Māori

### WHAKATAUKI

**Ko te wai te ora ngā mea katoa**  
Water is the life giver of all things.

THIS ACTIVITY CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES



## Description of activity

The Water Supply Activity aims to provide a safe and reliable supply of water to urban (residential, industrial and commercial) and agreed rural properties, which adjoin urban areas.

## What the activity involves

- The Council's water supply service treats and distributes water that we source from groundwater bores and rivers in our district. We plan, operate and maintain water treatment plants to meet water quality standards as well as maintaining 422km of water supply reticulation networks. Across our district, we provide fresh water to over 13,000 customers.
- Providing drinking water to defined urban and rural areas for Levin, Ōhau, Foxton Beach, Foxton, Shannon, Mangaore and Tokomaru.
- Management and maintenance of river intakes, groundwater bores, water treatment plants and treated water storage facilities, pump stations, underground pipe networks and associated infrastructure.

- Ensuring that water demand management kept current using tools such as the SCADA (Supervisory Control and Data Acquisition), i2O systems and PRVs (pressure reducing valves).
- Continuous improvements and extensions to Council's water supply pipe network that addresses leaky pipes through applying a good asset management process.
- Providing water for firefighting capability in areas where a Council reticulated water supply is provided and ensuring compliance with firefighting requirements in areas that are not reticulated.
- Ensuring compliance with relevant legislation:
  - Meeting resource consent requirements for water intakes and assets
  - Meeting the requirements of the Water Services Act 2021
  - Meeting the requirements of the Water Services (Drinking Water Standards for New Zealand) Regulations 2022
  - Meeting the requirements of the Drinking Water Quality Assurance Rules under the new regulator, Taumata Arowai 2022.

- Respond to and resolve (if possible) complaints relating to the Water Supply Activity.

## How our work delivers on community wellbeing

### SOCIAL WELLBEING

Safe and aesthetically pleasing water throughout our district to promote good health and vitality.

### ENVIRONMENTAL WELLBEING

Improve leak detection and lost water reduction meaning that less water is extracted from the natural environment, reducing our energy footprint.

### ECONOMIC WELLBEING

Robust infrastructure to serve our current economy and provide for future growth.

Vastly improved resilience and reliability to supply water despite storms and power outages to ensure a positive future.

### CULTURAL WELLBEING

Improved relationships with Iwi as a result of improved consultation, communication, and fostering of relationships.

## LONG TERM PLAN ACTIVITY INSIGHTS

What we planned	What we did
	<p><b>RENEWALS</b></p> <p><b>WATER NETWORKS</b></p>
<b>Districtwide Water Network Renewals</b>	Officers flagged the watermain in Margaret Street, Shannon as a priority due to its age and fragility. The project involved approximately 650 metres of pipe main and 400 metres of rider main being replaced along Margaret Street. Works commenced in mid-January 2025 and was completed by June 2025.
<b>Districtwide Water Demand Management Renewals</b>	Asset replacements due to ongoing reticulation maintenance requirements (for e.g. toby replacements).
<b>Levin Water Network Renewals</b>	<ul style="list-style-type: none"> <li>• <b>York Street</b> – work started in April 2024 and was successfully completed in November 2024 with 254 metres (of 675 metres) being installed in the current financial year.</li> <li>• <b>MacArthur Street</b> – works commenced in mid-January 2025 and by end of the 2024/25 financial year, 711 metres of waterpipe was installed.</li> <li>• <b>Tararua Road RAB</b> – works entailed connecting a new stretch of water main, the outside diameter measuring at 710mm. The construction of the watermain was successfully completed on 4 May 2025.</li> </ul>
	<p><b>WATER TREATMENT PLANTS</b></p>
<b>Foxton Water Treatment Plant</b>	Part of the scope of this project is to install a UV Treatment system and to commission a new reservoir. The project kicked off in May 2025 with awarding of the tender and is expected to be commissioned by end August 2025. This project will improve the compliance and resilience of the treatment plant.
<b>Shannon Water Treatment Plant</b>	Because of the better raw water quality, the membrane filters are in good condition and replacement is not required at this point in time. This membrane replacement work, originally planned for the 2023/24 financial year, was deferred to the 2024/25 financial year and again to the 2025/26 financial year. Regular maintenance is undertaken, and this work will be done when required.
<b>Tokomaru Water Treatment Plant</b>	The 2024/25 financial year saw installation of the pH correction system, the UV system and the Coagulation system. These systems are all working well and have improved the quality of treated drinking water and the resilience of the water treatment plant.
	<p><b>GROWTH</b></p> <p><b>WATER NETWORKS</b></p>
<b>Districtwide Water Demand Management</b>	This year saw 9,900 water meters being installed in Shannon, Levin, Foxton and Foxton Beach. Tokomaru is next to have meters installed.
	<p><b>WATER TREATMENT PLANTS</b></p>
<b>Foxton Beach Water Treatment Plant</b>	<ul style="list-style-type: none"> <li>• Installation of UV treatment system was completed and commissioned on 4 July 2025. The UV disinfection unit is integrated with the filtration system.</li> <li>• Started upgrade works with Filtec, who are the initial supplier of the existing 'Green Sand Filters'. The upgrade will increase the treatment capacity at the Foxton Beach plant and will reduce the reliance of Foxton plant at Harbour Street, especially during the holiday season. The anticipated commissioning date is November 2025.</li> </ul>

## Levin Water Treatment Plant

- Fluoridation project completed in December 2024.
- Refurbishment work on filters 4 & 9 has been completed, and both the filters are working at 100% capacity – improving the quality of water that comes from this filter.
- Refurbishment of the filter 1 commenced early June 2025 and is on track for completion early in 2025/26.
- Planning works underway in 2024/25 to improve the resilience of the Levin WTP – with the introduction of a standby UV disinfection unit and the clarifier bypass. The Council Procurement review group approved the procurement plan in May 2025. Final design and the scope of work for both the standby UV and the clarifier bypass to be tendered early in 2025/26, with works to be completed in the same financial year.

## Levin Water Source – Poad Road reservoir

In November 2024, Council applied to Horizons Regional Council (HRC) for a resource consent. The application was publicly notified by Horizons Regional Council and open to submissions from 21 March 2025 to 22 April 2025. The consenting process will continue into 2025/26. Officers continue to engage with Iwi partners and HRC as the consent process progresses.

## Successes

### DISTRICTWIDE WATER DEMAND MANAGEMENT

This project commenced in March 2024 with 14.8% of new digital water meters being installed in Shannon, Foxton and Levin during the 2023/24 financial year. Continuing with installations in these areas, Council also started installations in Foxton Beach. The 2024/2025 financial year saw an additional 68.2% of water meters being installed. This translated to a total of 83% completion across our district by end June 2025 – details are set out in the table right.

The primary goal – identifying leaks – has already proven successful with Shannon achieving record low water consumption during the 2024/25 financial year after repairing of identified leaks. We will be able to see savings in Levin and Foxton only once installations are finalised and during a time when a water restriction is applicable. Tokomaru is next in line to have meters installed. Residential water meter installation is scheduled to be finished by December 2025, and commercial smart meter installs completed by July 2026.

Council is looking at doing a trial in early 2026, once all the residential meters are installed, setting up receivers and transmitters in rubbish trucks to collect meter readings every week on their daily routes.

Town	Total installation required	Completed (as at 30 June 2025)	Remaining	Percentage of completion
Foxton	1,339	1,279	60	96%
Foxton Beach	1,651	849	802	51%
Levin	9,384	8,270	1,114	88%
Shannon	735	718	17	98%
Tokomaru	226	0	226	0%
<b>Total</b>	<b>13,335</b>	<b>11,116</b>	<b>2,219</b>	<b>83%</b>

### WATER NETWORK RENEWAL PROJECTS

#### MacArthur & York Streets

We successfully completed significant upgrades to the water mains in MacArthur and York Streets in Levin. Officers identified the MacArthur Street upgrades as a top priority due to the necessary replacement of both the water supply and the wastewater mains. The watermain upgrade involved the renewal of approximately 1km of asbestos cement pipe that had been determined to have zero remaining years of life. Works commenced in mid-January 2025. By end of the 2024/25 financial year, 711

metres of waterpipe was installed. The project is estimated to be completed by October 2025.

Starting in the previous financial year (April 2024), the York Street upgrade was successfully completed in November 2024. It involved the installation of 675 metres of water main on York Street, 254 metres of which was installed in the current financial year.

#### Tararua Road Roundabout

The Ōtaki to North of Levin (Ō2NL) expressway project is being delivered by the New Zealand Transport Agency Waka Kotahi (NZTA Waka Kotahi), working closely with Iwi partners

Muaūpoko Tribal Authority and local Hapū of Ngāti Raukawa, as well as landowners, community groups, key stakeholders and local authorities.

Due to the construction of the new roundabout at the intersection of SH57 and Tararua Road, the water main had to be relocated. Council took this opportunity and worked with the contractor to connect a new stretch of watermain, the outside diameter measuring 710mm. The construction of the watermain was successfully completed in May 2025.

## **WATER TREATMENT PLANT UPGRADES**

### **Levin Water Treatment Plant – Fluoridation Project**

Horowhenua District Council was one of 14 councils directed by the Ministry of Health to add fluoride to the water in Levin and Ōhau. The Government's deadline was 30 December 2024, and Council met that timing and started fluoride dosing in mid-December 2024, gradually increasing it to a dose rate value instructed by the Ministry of Health.

All the money required to complete this project was recovered from the Ministry of Health, meaning that none of this was paid for by our ratepayers.

Associated with this project, and to address the concerns of some of our community members, a non-fluoride drinking water tap was made available to the public at the Levin Water Treatment Plant in late November 2024.

### **Tokomaru Water Treatment Plant Upgrades**

After expanding the on-site water storage capacity in 2023/24, the focus this year turned to the plant's ability to improve the compliance of the drinking water and resilience of the treatment plant. In 2024/25 we introduced the pH correction system, the Coagulation system and installed a new UV system. The installation of these systems is all complete and they are all working to improve the quality of water and the resilience of the water treatment plant.

The water treatment plant was previously forced to shut down during weather events. With these upgrades, this shutdown requirement is not necessary anymore unless the weather event is severe when there is an issue with turbidity. The treatment plant has a three-day storage capacity in the reservoirs. Next year's aim is to implement necessary changes required to the filtering system to reduce the turbidity issues and to make it operable even during the severe weather events.

The operators control room relocation and fencing was completed by the end of July 2025. The team will gain a Code of Compliance Certificate (CCC) before relocating the appliances to the new office.

## **LOCAL WATERS COMBINED BYLAW**

On 14 May 2025, Council adopted the Local Waters Combined Bylaw. The bylaw replaces the previous Trade Waste Bylaw 2015 and Water Supply Bylaw 2020 and the lapsed Wastewater Bylaw 2015 and includes a new Stormwater section. The bylaw brings rules about drinking water, wastewater, stormwater and trade waste into one place, making it easier for businesses and the public to understand and comply with them. It protects public health and safety, safeguards the environment and helps Horowhenua District plan for future growth.

Although much of its content comes from combining existing bylaws, there were changes. One of the changes includes a new registration requirement for businesses operating from trade premises. The registration process will allow Council to determine whether trade waste is being generated, in which case businesses will need to apply for a consent.

## **BRINGING THE LOCAL WATERS TEAM IN-HOUSE**

After working closely with the Horowhenua Alliance and Downers staff, the Horowhenua District Council brought the operation and maintenance of drinking water,

wastewater and stormwater services back in-house on 1 November 2024. This move marked the end of the Horowhenua Alliance agreement, under which utilities provider Downer had worked with Council to manage the services since 2017. In addition to transferring operation staff, Council has also recruited new staff to build a team to enhance the service delivery. Associated with this transition, our operational fleet and plant have been updated ready for the in-house Council crews.

Since transitioning, there has been a major focus on auditing our assets and further developing our proactive maintenance plans. We have conducted an assessment to better understand our asset condition and accurately prioritise proactive maintenance. This is being captured in our ongoing proactive works schedules. Other focus areas include improving maintenance schedules, reducing reactive maintenance and undertaking a number of functions in-house – including compliance monitoring and testing; developing and submitting annual Compliance and Monitoring Reports; in-house modelling and planning reducing the need for consultants, improved recording of capital recovery and removing contractor mark-ups on human resource costs and all goods and services.

We are committed to continually focus on getting the basics right and to help us meet and exceed community expectations, we have:

- Undertaken a skills review and recognition of any prior learnings to better understand our capabilities, to ensure our operating team is suitably qualified to undertake their role and to identify any gaps. The skills matrix is continuously reviewed to ensure ongoing certifications and compliance. Alongside this, we are currently auditing our Health & Safety training requirements with respect to individual roles and tasks required. This will allow us to individually tailor training plans

for each of our team, adding value to their skill and experience levels, roles and productivity.

- Taken stock of critical spares. Ensuring we are well stocked allow for minimal down time at our Water and Wastewater Treatment Plants and with our reticulation network. This was the first review in the last 12 months and it covered any short fall from transitioning from the alliance previously.
- Started the process of documenting our Standard Operating Procedures (SOPs). Our aim is for these SOPs to be living documents, so that once drafted, they'll be developed and reviewed periodically.

Bringing this team in-house has saved Council \$1.6m in operational costs as at end of June 2025 and has placed Council in a better strategic position to meet Government's Local Waters Done Well programme.

## CHALLENGES

### Local Waters Done Well

As part of the Government's Local Water Done Well programme and new legislation, every council had to consult with their communities about how we deliver water services in the future.

The Government's reforms require all councils to ensure water service delivery is:

- Fit for purpose
- Financially sustainable, and
- Subject to more oversight and regulations on quality and cost.

During this process, we have explored the options for such a plan including what a jointly owned water services organisation could mean for Horowhenua. Three options were developed then consulted with the community on from 10 March to 10 April 2025:

- **Option 1 (Council's Preferred Option)** – A Water Services Organisation jointly owned by Horowhenua District Council, Palmerston North City Council, Manawatū District Council, and Kāpiti Coast District Council.

- **Option 2** – A Water Services Organisation jointly owned by all willing councils from the Manawatū Whanganui and Kāpiti regions.
- **Option 3** – Status quo (water remains in-house).

Council considered all written and verbal submissions and at a meeting on 4 June 2025 adopted Option 2. After decisions by Manawatū and Kāpiti District councils to each go alone, this resulted in Horowhenua District Council developing a Joint Water Service Organisation (JWSO) with Palmerston North City Council and Rangitikei District Council to deliver water services.

The JWSO is working through the next steps, which include delivering a Water Services Plan that meet regulatory and investment requirements.

In the months to March 2026 Council, as part of the JWSO, will work to:

- develop a Commercial Terms Sheet
- develop a Constitution and Shareholders Agreement
- appoint a Shareholders Committee.

The Board and Chief Executive is expected to be appointed by June 2026.

### Water Restrictions

We started the financial year with water restrictions, with Level 1 restrictions being initially introduced in Foxton and Foxton Beach on 6 December 2024 and then ongoing in Levin, Ōhau, Foxton, Foxton Beach, Shannon and Tokomaru. Restrictions were lifted districtwide on 6 May 2025.

Water use from rivers and bores is governed by Resource Consents, which limit extraction – especially during dry weather when river levels drop – to protect river health. At the same time, water demand increases in dry conditions and during summer holidays as more people visit the area, prompting the need for

conservation measures. Bores at Foxton and Foxton Beach have been under pressure and investigations have confirmed the need for a new bore at Lady's Mile.

### Manganese in the Foxton Beach Water Treatment Plant (WTP)

Manganese occurs naturally in the bore water which supplies Foxton Beach. While unsightly, it is completely harmless at the current quantities in the network. Due to the variable population at Foxton Beach, regular flushing of the network is required to maintain the aesthetic quality of the drinking water. Increasing the capacity of the filters will reduce the need for regular flushing. An upgrade to the Foxton Beach WTP filters will see a reduction in the amount of manganese in the reticulation network. These upgrade works were planned for 2024/25 but have been deferred to the 2025/26 financial year due to delivery constraints.

## LOOKING FORWARD

### Levin Water Supply Reservoir (Poads Reservoir)

In June 2024 Council agreed to proceed with lodging a consent application with Horizons Regional Council (HRC) for the Poads Road Water Supply Reservoir, following the RMA process. The aim of this is to allow for additional water supply and resilience. The water take resource consent was publicly notified by HRC, and open to submissions from 21 March 2025 to 22 April 2025. The Project Team continued to work with HRC on the next steps in the process including setting a hearing date in the first quarter of 2025/26. Council Officers have continued to engage with Iwi/Hapū partners and keep them informed as we progress through the process.

## Water Supply Activity Performance

Service/ Measure	Target	2023/2024 Results	2024/2025 Results									
<b>UPDATED 'SAFE WATER SUPPLY' MEASURE</b>												
The Department of Internal Affairs updated the mandatory 'Safe water supply' measure after the council had published its Long-term Plan 2024-2044, which sets our statement of service. The updated measure came into effect on 21 August 2024 and still covers the bacterial (row 1 below) and protozoal (row 2 below) compliance of water supplies but now is directly referenced to the relevant rules in the Drinking Water Quality Assurance Rules 2022. Our reporting is, therefore, against those rules.												
<b>MONITORING COMPLIANCE</b>												
Council monitors compliance through sampling and analysers. The data of which is stored on the historian server. These are reported weekly and monthly to Local Waters Managers. Additionally specified infrastructure data is provided to Taumata Arowai routinely.												
Source water compliance will be included in future weekly reporting. Monthly reporting includes disinfection by-products and will in future also include heavy metals (by reviewing testing results) and source water compliance.												
In addition to Council monitoring compliance, results for audit are peer reviewed internally and WaiComply reviews our DWQAR compliance quarterly – creating independent reports to the compliance team. This allows more comprehensive compliance reporting and can outline if any risks have been missed.												
<b>HORIZONS REGIONAL COUNCIL'S (HRC) ONE PLAN:</b>												
HRC's One Plan, which is based on the Resource Management Act 1991, require us to report on all aspects of active consents annually. Annual site inspections by HRC and review of our annual monitoring reports allow HRC to review consent condition compliance to create independent annual monitoring reports. From this they are able to create a compliance matrix and assess risks. There is regular communication to the consents monitoring team as needed, allowing for timely remedial action as issues present.												
<b>Service:</b> Safe water supply*		<b>✓ ACHIEVED</b>										
		<b>Scheme</b>	<b>Section and Component</b>	<b>Outcome</b>	<b>✗ NOT ACHIEVED</b>	<b>Scheme &amp; Serviced population</b>	<b>Section and Component</b>	<b>Outcome</b>				
<b>Measure as per LTP:</b> Council's drinking water supply complies with: (a) part 4 of the Drinking Water Standards (bacteria compliance criteria) in		Levin	Bacterial criteria for 1 treatment plant	Met		Levin *20,849	T3 Bacterial rules D3.29 Microbiological Monitoring Rule	All met Partially met				
			Bacterial criteria for 1 zone	Met								
Levin	Achieve	Shannon	E. coli Review for 1 treatment plant 1 zone	Met		Shannon *1,819	T3 Bacterial rules D3.29 Microbiological Monitoring Rule	All met Partially met				
			Bacterial criteria for 1 treatment plant	Met								
Shannon	Achieve		Bacterial criteria for 1 zone	Met		Foxton *3,234	T3 Bacterial rules D3.29 Microbiological Monitoring Rule	All met Partially met				
			E. coli Review for 1 treatment plant 1 zone	Met								
Foxton	Achieve	Foxton and Foxton Beach	Bacterial criteria for 1 treatment plant	Met		Foxton *3,775	T3 Bacterial rules D3.29 Microbiological Monitoring Rule	All met Partially met				
			Bacterial criteria for 1 zone	Met								
Foxton Beach	Achieve		E. coli Review for 1 treatment plant 1 zone	Met		Tokomaru *497	T3 Bacterial rules D3.29 Microbiological Monitoring Rule	All met Partially met				
			Bacterial criteria for 1 treatment plant	Met								
Tokomaru	Achieve		Bacterial criteria for 1 zone	Met								
			E. coli Review for 1 treatment plant 1 zone	Met								
<b>New DIA measure<sup>1</sup>:</b>												
Council's drinking water supply complies with the following parts of the drinking water quality assurance rules												
(h) T3 Bacterial Rules.												
(j) <sup>2</sup> D3.29 Microbiological Monitoring Rule in												
Levin		Meet	Meet									
			Meet									
Shannon			Meet									
			Meet									
Foxton			Meet									
			Meet									
Foxton Beach			Meet									
			Meet									
Tokomaru			Meet									

1 Department of Internal Affairs Non-Financial Performance Measures Rules 2024.

2 (j) monitors end point sampling frequency for Coliform and E. coli.

Service/ Measure	Target	2023/2024 Results	2024/2025 Results																					
		<p><b>Notes: Bacterial compliance</b> The supply is reporting against T3.1-6 chlorine and/or UV disinfection for bacterial treatment compliance. It reached full compliance with all targets met for the year, giving 100% compliance for these rules.</p> <p><b>Notes: Microbiological Monitoring</b> <b>Frequency Rules</b> The supply is reporting against D3.29 E. coli and coliforms monitoring and reporting for compliance. During this financial year, one sample set was missed. Samples due in the final week of December 2024 and carried out by HDC arrived on time, and in order at the lab, but was not processed. This breached reporting on one occasion for one week due at the end of December 2024. Taumata Arowai and the service provider were both notified of this breach at this time. Process steps at the lab will ensure this does not happen again.</p> <p>DWQAR rules for missed samples are however measured as a monthly target. As a result, the missed sample transcribes to one month's non-compliance. Compliance for eleven months comes to <math>11/12=91.67\%</math> of compliance across all water plants.</p> <p><b>Positive result</b> (NZ drinking water standards breach)</p> <p>Foxton Beach:</p> <ul style="list-style-type: none"> <li>Coliform detected at Foxton Beach in Oct 2024, cross contamination at Boat club from high winds when sampling.</li> <li>Low FACe at end points Foxton Beach. Non-compliant in distribution end points. The dead-end at Marine Parade North has been looped to allow more flow and a fresher supply. Regular flushing is undertaken. This has improved the result, but further ongoing flushing is required.</li> <li>Foxton Beach chlorination was compliant for July 2024 and marked not compliant in the last reporting end of Aug 2024, low FACe means it was not compliant for distribution rules D3, this error has been fixed 15 October 2024.</li> </ul>	<p><b>Bacterial Notifications to Taumata Arowai (unsafe supply of water)</b></p> <table border="1"> <thead> <tr> <th>Area</th> <th>No. of Notifications</th> <th>Total number of E-coli and coliform samples taken that did not meet drinking water standards and the response thereto.</th> </tr> </thead> <tbody> <tr> <td>Levin</td> <td>0</td> <td>0</td> </tr> <tr> <td>Shannon &amp; Mangaore</td> <td>0</td> <td>0</td> </tr> <tr> <td>Foxton</td> <td>0</td> <td>0</td> </tr> <tr> <td>Foxton Beach</td> <td>1</td> <td>1</td> </tr> <tr> <td>Tokomaru</td> <td>0</td> <td>0</td> </tr> <tr> <td><b>TOTAL</b></td> <td><b>1</b></td> <td><b>1</b></td> </tr> </tbody> </table>	Area	No. of Notifications	Total number of E-coli and coliform samples taken that did not meet drinking water standards and the response thereto.	Levin	0	0	Shannon & Mangaore	0	0	Foxton	0	0	Foxton Beach	1	1	Tokomaru	0	0	<b>TOTAL</b>	<b>1</b>	<b>1</b>
Area	No. of Notifications	Total number of E-coli and coliform samples taken that did not meet drinking water standards and the response thereto.																						
Levin	0	0																						
Shannon & Mangaore	0	0																						
Foxton	0	0																						
Foxton Beach	1	1																						
Tokomaru	0	0																						
<b>TOTAL</b>	<b>1</b>	<b>1</b>																						

**Notes Bacterial Notifications: 1**  
Coliform and E. coli recorded at Foxton Beach Distribution network. One sample at the fountain was unverified but assumed as a positive. The other was the boat club.

**Response E. coli and coliform samples: 1**  
Investigations and notifications, all cross-contamination events no risk to supplies – extensive investigations are always carried out at first notice of breach, there were no further positive samples, and this result was put down to high equinox winds contaminating the sample.

Service/ Measure	Target	2023/2024 Results	2024/2025 Results
<b>Service:</b> Safe water supply*		<b>✓ ACHIEVED</b>	<b>✗ NOT ACHIEVED</b>
<b>Measure as per LTP:</b> Council's drinking water supply complies with: (b) part 5 of the Drinking Water Standards (protozoal compliance criteria) in			
Levin	Achieve	Levin	Levin
Shannon	Achieve	Shannon	Shannon
Foxton	Achieve	Foxton and Foxton Beach	Foxton and Foxton Beach
Foxton Beach	Achieve	Tokomaru	Tokomaru
Tokomaru	Achieve		
<b>New DIA measure<sup>3</sup>:</b> Council's drinking water supply complies with the following parts of the drinking water quality assurance rules			
(i) T3 Protozoal Rules.			
Levin	Meet		
Shannon	Meet		
Foxton	Meet		
Foxton Beach	Meet		
Tokomaru	Meet		
<b>Service:</b> Drinking water that tastes and looks satisfactory*		<b>✗ NOT ACHIEVED</b>	<b>✗ NOT ACHIEVED</b>
<b>Measure:</b> The total number of complaints received about any of the following (expressed per 1,000 connections):			
Drinking water clarity;	1	Clarity	Clarity
Drinking water taste;	1	Taste	Taste
Drinking water odour;	1	Odour	Odour
Drinking water pressure or flow;	1	Pressure or flow	Pressure or flow
Continuity of supply; and Council's response to any of these issues.	1	Continuity of supply	Continuity of supply
Total:	≤ 6	Council's response	Council's response
		<b>TOTAL</b>	<b>TOTAL</b>
		<b>6.20</b>	<b>11.14</b>
		<b>82</b>	<b>155</b>
Number of rated connections and above stats are the state of play currently for June, as of 1 July 2023 = 13,230			
Number of residential connections in the drinking water network as at 1 July 2024: 12,950			
Number of non-residential connections in the drinking water network as at 1 July 2024: 967			
Total number of rated connections as of 1 July 2024 = 13,917.			
Note: Continuity of Supply and Pressure of flow complaints increased during this financial year due to a mixture of issues, including issues with restrictors, contractors assisting with installing water meters, leaving toby's off and manifold issues (in broken taps).			

3 Department of Internal Affairs Non-Financial Performance Measures Rules 2024.

Service/ Measure	Target	2023/2024 Results	2024/2025 Results										
<b>Service:</b> Response to faults*		<b>✓ ACHIEVED</b>	<b>✓ ACHIEVED</b>										
<b>Measure:</b> The median time from the time that Council received notification, to the time that service personnel:													
Reach the site for urgent call-outs <sup>4</sup> :	< 1 hour	Reach the site for urgent call-outs 33 minutes	Reach the site for urgent call-outs 34 minutes										
Confirm resolution of the fault or interruption of urgent call-outs <sup>4</sup> :	< 8 hours	Resolution of the fault or interruption of urgent call-outs 2hrs, 0 minutes	Resolution of the fault or interruption of urgent call-outs 1 hour 59 minutes										
Reach the site for non-urgent call-outs; and	< 3 days (72hrs)	Reach the site for non-urgent call-outs 16 hrs, 25 minutes	Reach the site for non-urgent call-outs 18 hours 12 minutes										
Confirm resolution of the fault or interruption of non-urgent call-outs.	< 3 days (72hrs)	Resolution of the fault or interruption of non-urgent call-outs 19 hrs, 33 minutes	Resolution of the fault or interruption of non-urgent call-outs 21 hours 6 minutes										
			<p>Note: With the Local Waters team moving in-house in November 2024 and having to learn new processes, results may not be 100% accurate. From November to mid-December, the team reported time responded to a request instead of time on site. Training was provided to the team to reduce this risk. An impact analysis, showing where the affected requests' times sat in relation to the median time, revealed that:</p> <ul style="list-style-type: none"><li>Times recorded for urgent call-outs did not sit close to the median time and does therefore not impact the result.</li><li>Times recorded for non-urgent call-outs had one time recorded near the median time, which may have a chance of affecting the result, but the effect (if any) is immaterial.</li></ul>										
<b>Service:</b> Water supply is sustainable*	<b>2024/25</b> ≤ 350 lpcd	<b>✗ NOT ACHIEVED</b> The calculated average consumption to date for the year was 309L/person/day.	<b>✓ ACHIEVED</b>										
<b>Measure:</b> Average consumption of drinking water per person per day (lpcd) within the water supply areas (target based on Horizons One Plan - Section 5.4.3.1).	<b>2023/24:</b> ≤ 300 lpcd												
lpcd – litres per capita per day.													
			<p>The below information is provided in line with DIA guidance. Note this is additional information and not a correlation with the information above.</p>										
			<table border="1"><thead><tr><th>Description</th><th>Results</th></tr></thead><tbody><tr><td>Calculated average consumption for 2024/25</td><td>263L/person/day</td></tr><tr><td>Water supplied to the drinking water network (m<sup>3</sup>/year)</td><td>4,857,372m<sup>3</sup></td></tr><tr><td>Non-residential (business) water use (m<sup>3</sup>/year)</td><td>436,494m<sup>3</sup></td></tr><tr><td>Total population served by the drinking water network</td><td>Estimated 30,617 people (calculated at 2.2 x connections)</td></tr></tbody></table>	Description	Results	Calculated average consumption for 2024/25	263L/person/day	Water supplied to the drinking water network (m <sup>3</sup> /year)	4,857,372m <sup>3</sup>	Non-residential (business) water use (m <sup>3</sup> /year)	436,494m <sup>3</sup>	Total population served by the drinking water network	Estimated 30,617 people (calculated at 2.2 x connections)
Description	Results												
Calculated average consumption for 2024/25	263L/person/day												
Water supplied to the drinking water network (m <sup>3</sup> /year)	4,857,372m <sup>3</sup>												
Non-residential (business) water use (m <sup>3</sup> /year)	436,494m <sup>3</sup>												
Total population served by the drinking water network	Estimated 30,617 people (calculated at 2.2 x connections)												
			<p>Note: The LTP has these as two measures that are combined here as the target is the same.</p>										

4. Urgent call-out is defined as a complete loss of service to the water supply.

Service/ Measure		Target	2023/2024 Results		2024/2025 Results			
<b>Service:</b> Minimal water losses*		Band B	<b>✗ NOT ACHIEVED</b>		<b>✗ NOT ACHIEVED</b>			
<b>Measure:</b> Real water loss performance of the network as measured by the standard World Bank Institute Band for Leakage.								
<b>Standard World Bank Institute Band for Leakage</b>								
ILI Range	Band	General description of Real Loss Management Performance Categories	Supply	'Snapshot' Infrastructure Leakage Index	Outcome	Supply	'Snapshot' Infrastructure Leakage Index	Outcome
<2	A	Further loss reduction may be uneconomic unless there are shortages; careful analysis needed to identify cost-effective improvement.	Levin	C	Not achieved	Levin	C (4.25)	Not Achieved
2 to <4	B	Potential for marked improvements; consider pressure management, better active leakage control practices, and better network maintenance.	Shannon & Mangaore	C	Not achieved	Shannon & Mangaore	A (0.57) A (0.1)	Achieved Achieved
4 to <8	C	Poor leakage record; tolerable only if water is plentiful and cheap, even then, analyze level and nature of leakage and intensify leakage reduction efforts.	Foxton	C	Achieved	Foxton	B (2.40)	Achieved
≥8	D	Very inefficient use of resources; leakage reduction programs imperative and high priority.	Foxton Beach	A	Achieved	Foxton Beach	A (0.38)	Achieved
			Note: 2023/24 Annual Report reported Foxton result in the table above on C Band and as 'Achieved'. This should have read 'Not Achieved'.		Note: Council reached our target if the Band for a plant falls on either band A or B. Leakage is a major area of focus, and improvements have been made with recent improvements of both the water main and wastewater main in areas that had older pipework and that showed high rates of ingress and infiltration.			
					In terms of leakage, Levin was one of the last towns in the district's area to start installing water meters, this program is still ongoing. It has the most length of pipe. Levin's water leakage was and is heavily influenced by private side leaks. As water meters are progressively installed, this will identify and reduce leaks over time.			
					Additionally, there are trickle feeds (e.g. Ōhau and Hokio) in Levin's area supply network and header tanks are used in rural supplies. These ends of the retic have lower pressures of 150kpa. Because of the design of these trickle feeds, tanks refill each night and show higher midnight low flow values as they refill, which can shift the data higher than it should be when calculating leakage.			
					I2o flow and pressure meters record data showing areas / zones that might have leakage - staff will be using data to pressure test and leak detect with GPR units in future.			
					Note: For Horizons consent compliance ILI needs to be less than 3.31 for less than 284L water loss per connection per day.			

Note: US Spelling

Band 'B' - The Infrastructure Leakage Index (ILI) is a performance indicator of real (physical) water loss from the supply network of the water distribution systems. The ILI was developed by the International Water Association (IWA) Water Loss Task Force (WLTF) and first published in 1999.

<b>Service:</b> Sustainable water supply management		<b>✓ ACHIEVED</b>	<b>✓ ACHIEVED</b>
<b>Measure:</b> The number of: Abatement Notices; 0 Infringement Notices; 0 Enforcement Orders; 0 and Convictions 0		2023/2024	2024/2025
		Abatement Notices 0	Abatement Notices 0
		Infringement Notices 0	Infringement Notices 0
		Enforcement Orders 0	Enforcement Orders 0
		Convictions 0	Convictions 0

\* These performance measurements are provided by the Department of Internal Affairs, and they are mandatory.

# Water Supply Funding Impact Statement

## For the year ended 30 June 2025

	Note	Actual 2024 \$000	Long Term Plan/Annual Plan 2024 \$000	Long Term Plan 2025 \$000	Actual 30 June 2025 \$000
<b>Sources of operating funding</b>					
General rates, uniform annual general charges, rates penalties		–	–	–	–
Targeted rates		6,985	6,833	7,772	8,043
Subsidies and grants for operating purposes		–	–	400	105
Fees and charges		49	94	94	44
Local authorities fuel tax, fines, infringement fees, and other receipts					6
Internal charges and overheads recovered		–	–	–	–
<b>Total operating funding (A)</b>		<b>7,034</b>	<b>6,927</b>	<b>8,266</b>	<b>8,198</b>
<b>Applications of operating funding</b>					
Payments to staff and suppliers	1	3,873	3,798	3,638	2,671
Finance costs		688	555	1,041	919
Internal charges and overheads applied	1	1,060	1,054	983	1,969
Other operating funding applications		–	–	–	–
<b>Total applications of operating funding (B)</b>		<b>5,621</b>	<b>5,407</b>	<b>5,662</b>	<b>5,560</b>
<b>Surplus (deficit) of operating funding (A-B)</b>		<b>1,413</b>	<b>1,520</b>	<b>2,604</b>	<b>2,638</b>
<b>Sources of capital funding</b>					
Subsidies and grants for capital expenditure	2	500	980	–	1,062
Development and financial contributions		185	296	436	582
Increase (decrease) in debt	3		(8,335)	4,015	6,886
Gross proceeds from sale of assets		–	–	–	–
Lump sum contributions		–	–	–	–
Other dedicated capital funding		–	–	–	–
<b>Total sources of capital funding (C)</b>		<b>685</b>	<b>(7,059)</b>	<b>4,451</b>	<b>8,530</b>

	Note	Actual 2024 \$000	Long Term Plan/ Annual Plan 2024 \$000	Long Term Plan 2025 \$000	Actual 30 June 2025 \$000
<b>Applications of capital funding</b>					
Capital expenditure					
- to meet additional demand	2	326	2,799	2,950	3,337
- to improve the level of service	2	1,675	-	1,637	3,507
- to replace existing assets	2	5,247	7,476	2,788	2,539
Increase (decrease) in reserves	3	(956)	(15,814)	(320)	1,785
Increase (decrease) of investments		-	-	-	-
<b>Total applications of capital funding (D)</b>		<b>6,293</b>	<b>(5,539)</b>	<b>7,055</b>	<b>11,168</b>
<b>Surplus (deficit) of capital funding (C-D)</b>		<b>(5,608)</b>	<b>(1,520)</b>	<b>(2,604)</b>	<b>(2,638)</b>
Funding balance ((A-B)+(C-D))					
Depreciation	4	2,904	4,078	4,998	4,379

**Notes:**

- Overall, there were savings with the establishment of Local Water team within the Council in November 2024. There were also some changes in how the spending is classified between overheads and maintenance with the contract coming in-house.
- Unbudgeted capital funding and overspending in Capital expenditure due to MacArthur Street project being brought forward from 2025/26.
- The increase in debt is due to the increase in the work programme for water with projects being carried forward from 2023/24 year.
- Depreciation is lower than budget due to more work-in-progress being held until project completion, for example committed projects such as Levin Water Treatment Plant, and Districtwide Water Network proposed to be carried forward to 2025/26.

	Internal \$000
<b>Loans</b>	
Loans as at 01/07/2024	19,522
Raised during year	12,172
Repaid during year	(5,286)
<b>Loans as at 30/06/2025</b>	<b>26,408</b>
Interest expense	919

# Wastewater Te Wai Para

## WHAKATAUKI

**Tiakina te Wai para kia  
Ora ai te Whenua**  
Look after the wastewater  
so the land is healthy

THIS ACTIVITY CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES



## Description of activity

The Wastewater Treatment Activity aims to protect human health and the environment by treating wastewater from residential and industrial properties and discharging treated effluent back into the environment.

## What the activity involves

- Council's Wastewater (sewage) reticulation network and pump stations collect sewage from households, businesses and industrial customers. It is then transported to wastewater treatment plants (Levin, Foxton, Foxton Beach, Shannon, Tokomaru and Waitārere Beach) where it is biologically treated and the treated effluent is then applied to land (except from Tokomaru).
- Our activities include operating and maintaining Levin Wastewater treatment plant (advance wastewater treatment plant), five oxidation pond type WWTPs, 78 pump stations, 342 kilometres of sewer network and over 12,000 service connections. We also monitor the flow of trade waste into the sewer reticulation network in Levin and Foxton.

- Meeting resource consent conditions for the discharge of treated effluent wastewater or for the construction or upgrade of assets. Responding to and resolving (if possible) customer complaints relating to the Wastewater Treatment Activity.
- Incorporate new environmental requirements (national regulatory driver) in our new infrastructure plans.

Well maintained and reliable wastewater collection, treatment and disposal to cater for the communities needs both now and, in the future.

## CULTURAL WELLBEING

Improved relationships with Iwi as a result of improved consultation, communication, and fostering of relationships.

## How our work delivers on community wellbeing

### SOCIAL WELLBEING

Resilient and reliable wastewater collection and safe irrigation of treated wastewater effluent to agricultural blocks ensuring good community health.

### ENVIRONMENTAL WELLBEING

Safe irrigation of treated wastewater to agricultural blocks which utilise the nitrogen and phosphorous as a valuable resource and minimise energy requirements and greenhouse gas emissions.

### ECONOMIC WELLBEING

Robust infrastructure to serve our current economy and provide for future growth.



## LONG TERM PLAN ACTIVITY INSIGHTS

What we planned	What we did
	<b>RENEWALS</b>
	<b>WASTEWATER NETWORKS</b>
<b>Districtwide Wastewater Network Upgrades</b>	<p>A burst in the rising main in Bryce Street, Shannon, brought this renewal to the top of the renewal list. Tatana Contracting started construction in April 2025 and at financial year end 738 metres (of approximately 915 metres) was installed. The remainder is expected to be installed by August/ September 2025.</p>
<b>Levin Wastewater Network Upgrades</b>	<ul style="list-style-type: none"><li>• The remaining 41.2 meters of pipe was successfully completed in York Street in August 2024.</li><li>• SH1 Oxford Street/Tyne Street project completed in November 2024.</li><li>• Upgrade at MacArthur Street ongoing.</li><li>• Two level sensors installed in the wastewater reticulation system in October 2024.</li></ul>
	<b>WATER TREATMENT PLANTS</b>
<b>Foxton Wastewater Treatment Plant</b>	<ul style="list-style-type: none"><li>• New aerator unit was installed in the first half of the financial year at the Foxton WWTP which has helped resolve odour issues.</li><li>• Council is working to minimise the chances of discharging wastewater into the Foxton Loop by expanding the irrigation area at Matakarapa Island. Adding an additional 13 hectares to the existing 59 hectares will provide more capacity for discharging. The tender for this work was awarded to Think Water Hawke's Bay in May 2025. Work started in June 2025 and is expected to be completed by end August 2025.</li><li>• The designing phase and engineers estimate for waveband rehabilitation was completed during the 2024/25 financial year. This project is currently on hold.</li></ul>
<b>Levin Wastewater Treatment Plant</b>	<ul style="list-style-type: none"><li>• Council completed the optimisation of the irrigation system during this financial year. The system was 40 years old. The newly implemented infrastructure will improve the environmental outcomes and controllability on the irrigation infrastructure.</li><li>• Council Officers have completed work with the Bioreactor trial as per the consent conditions, which included working with a PhD student at Massey University to do research and design on a Bioreactor at 'the Pot' and engaging with iwi on the progress and impacts. Officers are currently looking at the value of the planned bioreactor size and capacity and assessing the impact on the flow against the impacts of the LWWTP Master plan upgrades.</li><li>• Planning with the Māori landowners for the Wetlands work commenced in 2024/25 with the planting of 11,000 plants scheduled to be undertaken between July –September 2025.</li><li>• Planning for the Tucker block wetlands continues as part of the scope associated with the irrigation expansion project.</li></ul>
<b>Shannon Wastewater Treatment Plant</b>	<ul style="list-style-type: none"><li>• The floating wetland was reinstated to its original condition.</li><li>• During 2024/25 the fencing of the High Rate Land Passage was completed. Initial planting of around 400 plants was completed, with planning undertaken for a further 1,200 plants to be introduced. This project is being delivered in partnership with the local Hapū and is part of an ongoing commitment to build a more sustainable future for our local environment.</li></ul>

## LONG TERM PLAN ACTIVITY INSIGHTS

### Tokomaru Wastewater Treatment – Resource Consent

- Council is still adhering to the wastewater resource consent from HRC as granted on 31 July 2020. The application for a renewal is currently on hold as the Regulator is intending to revise the wastewater standards. The draft wastewater standards were provided in February 2025 for feedback with the final standards now expected around August /September 2025. Once the new rules are in place the best decisions around a new Waste Treatment Plant design can be made, thus informing the nature of consent conditions for the application, the associated with discharge to land methods chosen, and chemical / biological limits and sampling that is associated with different plant designs.
- Council Officers will review the final standards when it becomes available, identify implications, amend our resource consent application where necessary, and submit thereafter.

### Waitārere Beach Wastewater Treatment Plant

No reactive renewals work was required at the Waitārere Beach WWTP during this financial year.

## LEVELS OF SERVICE

### WASTEWATER TREATMENT PLANTS

#### Levin Wastewater Treatment – Planting

We planted pines on 13 hectares of 'the Pot' in August 2024. Work included pruning and weed controlling activities.

## GROWTH

### WASTEWATER TREATMENT PLANTS

#### Foxton Beach Wastewater Treatment Plant

- Eight irrigation beds were successfully refurbished by March 2025 to address an issue with ponding.

#### Levin Wastewater Treatment Plant

##### Operations:

- New aerator unit was installed during the first quarter of this financial year at Levin WWTP.
- Operational improvements during the 2024/25 financial year included the optimisation of the dewatering process through maintenance work to seal the gas leaks on Digester 2.

##### Masterplan:

- Lutra has been providing support to Officers about the best approach for upgrading the Levin WWTP. Lutra has prepared an Options Study and a Digester Study to assist in this process. Officers will also collaborate with Lutra to develop a concept design, define headworks scope, and create a preliminary design for the digester associated with the Levin WWTP.

#### Levin Wastewater Treatment – Effluent Discharge

Future expansion works were deferred to the 2025/26 financial year. The conceptual and preliminary phase started in January 2024, but the project has been paused due to uncertainties in the new draft wastewater standards received in February 2025. The final wastewater standards are expected in August/ September 2025, after that this project will restart.

## WASTEWATER NETWORKS

### Levin Wastewater Network – Inlet Pipe

Visual inspections and necessary repairs have been conducted on the current inlet. This project was rescheduled to 2025/26 to ensure alignment with the masterplan.

### Tara-Ika – Tararua Road Wastewater Stage 3

After completion of Stage 3 of the Wastewater main upgrade for Tararua Road in May 2024, Council approved an additional 770 metres of Wastewater main to be installed, extending from the completed main towards the proposed future Tara-Ika main road connection. The works commenced in mid-May 2024 and were completed at the end of November 2024. The additional works will help provide wastewater connectivity for the South end of Tara-Ika and potentially South of Tararua Road.

### Tara-Ika Wastewater Network – Queen – North South

The delivery timeline for this project has been reforecast to 2025/26 in order to align it with the Ōtaki to North of Levin (Ō2NL) initiative.

## Successes

### LEVIN WASTEWATER NETWORK RENEWALS

Several wastewater infrastructure projects have progressed successfully, improving the resilience and capacity of the network.

### York Street

The York Street wastewater renewal was largely completed in the previous financial year, with the final 41.2 metres delivered in August 2024. This critical project enhances network connectivity to accommodate anticipated growth, linking key upgraded sections from the Kennedy pump station through to Cambridge and Tyne Streets, and connecting to Weraroa Road and Kings Drive sections.

### SH1 Oxford/Tyne Street

The improvements from the SH1 Oxford/Tyne Street upgrade maximises the capacity utilisation of the Northeast Levin wastewater network. Council Officers worked collaboratively with KiwiRail during this project to ensure the under-rail works caused no unnecessary disruptions to the community. This project was completed November 2024.

### MacArthur Street

The MacArthur Street upgrade, a top priority due to the concurrent renewal of both water and wastewater mains, is well underway. The wastewater main upgrade involves replacing 1 km of aging 71-year-old earthenware pipe, with 613 metres installed by the end of the financial year and full completion expected by October 2025.

### Other renewal work

Two level sensors were trialled in key 'hot spot' areas of the reticulation network in October 2024, helping maintenance teams better manage wastewater levels and reduce the risk of overflows.

These collective efforts highlight significant progress in strengthening wastewater infrastructure and preparing the network for future demands.

## Challenges

### FOXTON WASTEWATER TREATMENT PLANT

The Foxton Wastewater Treatment Plant ponds at Matakarapa Island have suffered erosion damage from high water levels and storms, especially in 2022. While the operations team is working to keep pond levels low and have carried out minor repairs leading into winter 2025, there is still a risk of further erosion during major storm events. A long term fix raising the bund and adding a protective liner was previously designed but removed from the 2021 upgrade due to budget constraints.

The designing phase and engineers estimate for waveband rehabilitation was completed during the 2024/25 financial year. This project is currently paused to monitor further degradation of damaged waveband.

### Looking Forward

### DRAFT WASTEWATER STANDARDS

The draft Wastewater Standards were released in February 2025 by Taumata Arowai seeking feedback to the revised standards from all councils by April 2025. Council agreed to take part in a Wastewater

standards case study from April to June 2025 – Tokomaru Wastewater Treatment Plant being the main focus of the case study. As part of the case study Council Officers met with the Department of Internal Affairs and NIFF agency representatives. They were impressed with our thinking on all things wastewater. This case study, alongside others in the South Island, was a major contributor to the wastewater standards feedback. The final wastewater standards are expected in August / September 2025.

### LEVIN WASTEWATER NETWORK - INLET PIPE

Visual inspections and necessary repairs have been conducted on the current inlet. The proposed upgrade of the LWWTP inlet pipe is intended to enhance redundancy and resilience for this critical asset, as well as to address projected population growth in North-East Levin, Tara-Ika, and other areas of development. This project was rescheduled to 2025/26 to ensure alignment with the masterplan. This work was tendered in July 2025, and the contract awarded in August 2025, with targeted completion in December 2025.



## Wastewater Activity Performance

Service/ Measure	Target	2023/2024 Results	2024/2025 Results																														
<b>Service:</b> Reliable wastewater collection and disposal*.	≤ 2	<b>✓ ACHIEVED</b>	<b>✓ ACHIEVED</b>																														
<b>Measure:</b> The number of dry weather wastewater overflows from the wastewater system per 1,000 connections.		<p>Target per 1,000 connections: 0.62</p> <p>Number of dry weather overflows: 8</p> <p>Number of connections as at 1 July 2023 = 12,825.</p>	<p>Target per 1,000 connections: 1.25</p> <p>Number of dry weather overflows: 16</p> <p>Number of connections as at 1 July 2024 = 12,817.</p> <p>Note: Overflows occur for a number of reasons, for example: fat bergs, wipes blocking a pump, or a faulty pump resulting in the backing up of wastewater. All of these occurred during this financial year.</p>																														
<b>Service:</b> Council provides a good response to wastewater system faults reported*.	< 1 hour	<b>✓ ACHIEVED</b>	<b>✓ ACHIEVED</b>																														
<b>Measure:</b> The median time (hrs) from the time that Council receives a notification, to the time that services personnel reach the site in responding to an overflow resulting from a wastewater blockage or other fault*.		<p>Target Response Time: 20 minutes</p> <p>&lt; 1 hour</p>	<p>Target Response Time: 15 minutes</p> <p>&lt; 1 hour</p>																														
The median time (hrs) from the time that Council receives a notification, to the time that services personnel confirm a resolution of a blockage or other fault within the wastewater system causing the overflow*.	< 12 hours	<b>✓ ACHIEVED</b>	<b>✓ ACHIEVED</b>																														
<b>Service:</b> The service is satisfactory*.		<b>✓ ACHIEVED</b>	<b>✗ NOT ACHIEVED</b>																														
<b>Measure:</b> The total number of complaints received (expressed per 1,000 connections to the wastewater system) regarding:		<p>Per 1,000 Connections</p> <table> <tr><td>Odour</td><td>0.55</td><td>7</td></tr> <tr><td>Faults</td><td>1.01</td><td>13</td></tr> <tr><td>Blockages</td><td>8.11</td><td>104</td></tr> <tr><td>Council's response</td><td>0.16</td><td>2</td></tr> <tr><td>Total</td><td>9.82</td><td>126</td></tr> </table> <p>Number of connections as at 1 July 2023 = 12,825.</p>	Odour	0.55	7	Faults	1.01	13	Blockages	8.11	104	Council's response	0.16	2	Total	9.82	126	<p>Per 1,000 Connections</p> <table> <tr><td>Odour</td><td>2.65</td><td>34</td></tr> <tr><td>Faults</td><td>1.64</td><td>21</td></tr> <tr><td>Blockages</td><td>10.30</td><td>132</td></tr> <tr><td>Council's response</td><td>0.08</td><td>1</td></tr> <tr><td>Total</td><td>14.67</td><td>188</td></tr> </table> <p>Number of connections as at 1 July 2024 = 12,817.</p> <p>Note: There has been an increase in sewer blockages across the Horowhenua region this year. A key contributing factor has been the infiltration of stormwater into the wastewater network, which has placed additional pressure on the system and contributed to more frequent blockages. In addition, a significant number of blockages were caused by inappropriate materials being flushed into the network, particularly rags, wet wipes, and fats. These types of blockages were especially prevalent around commercial areas.</p> <p>Odour complaints also increased. Warmer weather conditions can accelerate the breakdown of organic material in the wastewater system, intensifying odour generation, particularly in areas with low flow or partial blockages. In some instances, routine maintenance schedules were impacted, contributing to odour build-up, particularly around pump stations and manholes in high-risk areas. In other instances, odour complaints have been made but upon investigation, shown not to be the Wastewater Treatment Plant and as appropriate, these findings have been reported to Horizons Regional Council.</p>	Odour	2.65	34	Faults	1.64	21	Blockages	10.30	132	Council's response	0.08	1	Total	14.67	188
Odour	0.55	7																															
Faults	1.01	13																															
Blockages	8.11	104																															
Council's response	0.16	2																															
Total	9.82	126																															
Odour	2.65	34																															
Faults	1.64	21																															
Blockages	10.30	132																															
Council's response	0.08	1																															
Total	14.67	188																															
Wastewater odour:	< 4																																
Wastewater systems faults:	< 6																																
Wastewater system blockages: and Council's response to issues with its wastewater system.	< 8 < 4																																
Total number of complaints received about any of the above.	< 22																																

Service/ Measure	Target	2023/2024 Results	2024/2025 Results
<b>Service:</b> Safe disposal of wastewater*.		 <b>ACHIEVED</b>	 <b>NOT ACHIEVED</b>
<b>Measure:</b> The number of:			
Abatement Notices:	0	Abatement Notices 0	Abatement Notices 1
Infringement Notices:	0	Infringement Notices 0	Infringement Notices 0
Enforcement Orders:	0	Enforcement Orders 0	Enforcement Orders 0
and Convictions	0	Convictions 0	Convictions 0
received by Council in relation to Horizons Regional Council resource consents* for discharge from its wastewater system.			<p>One Abatement notice, triggered by a complaint to Horizons Regional Council (HRC) from the Tokomaru WWTP Working Party, was received end July 2024 for the Tokomaru WWTP (TWWTP). This notice was for non-technical requirements as follows:</p> <ul style="list-style-type: none"> <li>• Physical delivery – Trees Planted and Bark filter. This was already constructed at the time of the notice; however, the working party and Horizons Regional Council was not informed of this at the time.</li> <li>• There were no meetings arranged for a period of nine months. In response to the notice, a new schedule for meetings was arranged to meet the goals of the consent, and meetings occurred quarterly in September 2024, December 2024 and May 2025 (the April meeting was delayed due to a weather event). Meeting dates are included in meeting minutes, and the Working Party is also kept up to date via newsletters, which include upcoming meeting dates.</li> </ul>

\* These performance measurements are provided by the Department of Internal Affairs, and they are mandatory.



# Wastewater Funding Impact Statement

## For the year ended 30 June 2025

	Note	Actual 2024 \$000	Long Term Plan/Annual Plan 2024 \$000	Long Term Plan 2025 \$000	Actual 30 June 2025 \$000
<b>Sources of operating funding</b>					
General rates, uniform annual general charges, rates penalties		–	–	–	–
Targeted rates		7,686	7,494	8,812	8,831
Subsidies and grants for operating purposes		–	–	–	39
Fees and charges		1,430	1,309	1,485	1,576
Local authorities fuel tax, fines, infringement fees, and other receipts		114	120	90	84
Internal charges and overheads recovered		–	–	–	–
<b>Total operating funding (A)</b>		<b>9,230</b>	<b>8,923</b>	<b>10,387</b>	<b>10,529</b>
<b>Applications of operating funding</b>					
Payments to staff and suppliers	1	4,940	4,572	4,040	3,789
Finance costs		1,754	1,663	1,945	2,152
Internal charges and overheads applied	1	998	1,012	1,168	2,402
Other operating funding applications		–	–	–	–
<b>Total applications of operating funding (B)</b>		<b>7,692</b>	<b>7,247</b>	<b>7,153</b>	<b>8,343</b>
<b>Surplus (deficit) of operating funding (A-B)</b>		<b>1,538</b>	<b>1,676</b>	<b>3,234</b>	<b>2,186</b>
<b>Sources of capital funding</b>					
Subsidies and grants for capital expenditure	2	1,609	–	2,402	630
Development and financial contributions		350	712	1,048	601
Increase (decrease) in debt	3	6,629	5,372	3,236	333
Gross proceeds from sale of assets		–	–	–	–
Lump sum contributions		–	–	–	–
Other dedicated capital funding		–	–	–	–
<b>Total sources of capital funding (C)</b>		<b>8,588</b>	<b>6,084</b>	<b>6,686</b>	<b>1,564</b>

	Note	Actual 2024 \$000	Long Term Plan/ Annual Plan 2024 \$000	Long Term Plan 2025 \$000	Actual 30 June 2025 \$000
<b>Applications of capital funding</b>					
<b>Capital expenditure</b>					
- to meet additional demand	2	1,285	5,919	5,839	1,973
- to improve the level of service		5	1,227	140	364
- to replace existing assets		7,134	8,885	3,973	3,865
Increase (decrease) in reserves	4	1,702	(8,271)	(33)	(2,451)
<b>Increase (decrease) of investments</b>					
<b>Total applications of capital funding (D)</b>		<b>10,126</b>	<b>7,760</b>	<b>9,919</b>	<b>3,751</b>
<b>Surplus (deficit) of capital funding (C-D)</b>		<b>(1,538)</b>	<b>(1,676)</b>	<b>(3,233)</b>	<b>(2,186)</b>
Funding balance ((A-B)+(C-D))					
Depreciation		4,457	5,292	6,260	6,245

**Notes:**

1. The higher spending relates to additional maintenance costs during the year.
2. Capital funding and Capital expenditure is lower than budgeted due to the Capital Grant from NIFF for the Wastewater Inlet Pipe at the Levin Wastewater Treatment Plant (\$1.9m) and the Tara-Ika Queen Street Wastewater North South connection (\$400k) being completed in 2025/26. A total of \$1.5m worth of wastewater projects proposed to be carried forward to 2025/26.
3. Increase in debt is lower than expected due to less capital expenditure.
4. Reserves is drawn more due to more operating expenditure mentioned above.

	Internal \$000
<b>Loans</b>	
Loans as at 01/07/2024	45,697
Raised during year	6,066
Repaid during year	(5,733)
<b>Loans as at 30/06/2025</b>	<b>46,030</b>
Interest expense	2,152



# Stormwater

## Te Wai Ua

WHAKATAUKI

### Matariki tāpuapua

The pooling waters of Matariki.  
(Relating to Waipunarangi the star  
that associates with rain.)

THIS ACTIVITY CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES



Vibrant  
Economy



Outstanding  
Environment



Fit for purpose  
Infrastructure

## Description of activity

As part of the Stormwater Activity, Council provides and maintains a stormwater system that aims to remove water from the roading corridor, and in some cases residential and commercial properties, to reduce the occurrence of flooding during rainfall events.

## What the activity involves

- Providing and maintaining drainage systems (including reticulation pipes, open culverts, pump stations, soak pits, discharge outlets and detention areas) in settlements across the district to remove stormwater from the road corridor and some residential and commercial properties.

- Continuous improvements and extensions to the stormwater network utilising stormwater catchment management plans.
- Meeting resource consent requirements for stormwater discharges and drainage systems.
- Responding to and resolving (if possible) customer complaints relating to the Stormwater Activity.

## ECONOMIC WELLBEING

Enabling for environment for the business community.

## CULTURAL WELLBEING

Compliance with present and future resource consent conditions. Minimisation of any impacts on the natural environment, people and property.

## How our work delivers on community wellbeing

### SOCIAL WELLBEING

Improvements to stormwater drainage and network to prevent flooding into people's homes and businesses.

### ENVIRONMENTAL WELLBEING

Improvements to stormwater drainage contributed to the environment and safety of the people in the community.



## LONG TERM PLAN ACTIVITY INSIGHTS

### What we planned

### What we did

#### LEVELS OF SERVICE

##### Districtwide Stormwater Improvement

- These funds were used to install a stormwater flow meter in Foxton Beach near the Holben Creek outlet, with the work completed in May 2025.
- A portion of the funds was allocated to initiate a LiDAR surveying project aimed at capturing highly accurate ground elevation data. This data will assist in identifying low-lying areas, overland flowpaths, and potential ponding locations. It will also enhance the accuracy of flood models and support long term stormwater planning efforts.

##### Foxton Beach Stormwater Consenting

- A comprehensive monitoring programme was completed during 2024/25, and a draft improvement plan was developed.

##### Levin Stormwater – Consent

- We have significantly progressed developing an updated Assessment of Environmental Effects (AEE) and drafting a Conditions Framework, whilst also completing a monitoring programme.
- The project is currently on hold to allow for initial engagement with the Lake Horowhenua Trust, with broader Iwi and Hapū engagement to follow.

##### Levin Stormwater improvement

- The Mako Mako Road Stormwater Downstream Defender was successfully installed by Tatana Contractors at the beginning of April 2025. There are some current manufacturer performance issues.

#### GROWTH

##### Levin Stormwater – North East

- The investigations and design work for the extension of the Northeast Levin stormwater main was completed throughout 2024/25. The proposed extension runs from Okarito Avenue through to the existing main on Magnolia Place and discharges into Coley Pond. Construction is planned to be undertaken over the 2026/27 summer.

##### Tara-Ika – Stormwater

- Funding is allocated to ensure integrated stormwater system in the Tara-Ika area.

##### Tara-Ika – Queen St Stage 1 Stormwater

- For the first stage of Tara-Ika coming off Queen Street East, Council collaborated with the landowner to create a stormwater management system. Goodman's were awarded the contract and successfully constructed a wetland and soakage basin. Both the construction and planting were successfully completed by the end of 2024.
- Further work is required to determine the ultimate capacity in line with the overall site Integrated stormwater design currently being developed by majority landowner.
- Council Officers successfully obtained the grant funding from NIFF.

## Successes

### TE AWAHOU FOXTON FLOOD MITIGATION PROJECT

This is a multi-agency initiative to strengthen Foxton's flood resilience. The Te Awahou Foxton Climate Resilience Governance Group comprises of representatives from local Iwi and Hapū, the community, Horowhenua District Council (HDC), Horizons Regional Council (HRC) and the Te Awahou Foxton Community Board. This group is focused on working through longer term solutions.

Key project updates are:

- Sheet Piling along Kings Canal Drain – Installation of sheet piling was completed by HRC in June 2025. This work will help reduce water seepage, prevent erosion, and improve the strength of existing flood protection.
- Future Wetland/Retention Basin Site – HRC has purchased a property near the eastern end of Cook Street. The site is being considered for the development of a wetland or retention basin in the future, which would help slow down and store stormwater during heavy rain, reducing flood risk and improving water quality.
- New Tractor Pumps for Stormwater Management – Two tractor-driven pumps have been ordered to help manage surface flooding during heavy rain and high tides. These pumps arrived in August 2025. Horowhenua District Council will own them and contract local operators to use them when needed.
- An erosion protection structure on Kings Canal near the corner of Purcell Street and Harbour Street has been installed by HRC.
- Stormwater pipe assessments and Stormwater flow monitoring – Horowhenua District Council has used some project funds for CCTV inspections of critical stormwater pipes. In addition, a new flow monitoring device was installed on one of the major stormwater pipes within the

Foxton stormwater network, near an outlet to the River Loop. This data will help inform future flood mitigation projects and contribute to improved flood modelling.

## Challenges

- Climate change continues to pose a significant challenge to our stormwater activities, contributing to more frequent and intense rainfall events. These events place increasing pressure on our stormwater network, highlighting the importance of incorporating climate projections and historical flooding data into our catchment management planning and asset renewal programmes.
- Customer expectations remain high. There is a growing demand for faster response times and higher levels of service, yet Council's ability to deliver is constrained by budget, resource capacity, and infrastructure limitations. Managing this tension between service expectations and practical delivery continues to require careful management.
- Water quality management is an ongoing challenge. Stormwater runoff carries contaminants – such as sediment, nutrients, heavy metals, and other pollutants – into our waterways. While many of these pollutants originate from sources beyond Council's control, they ultimately enter natural systems through Council infrastructure. The National Policy Statement for Freshwater Management 2020 (NPS-FM) remains a significant driver for improvements to stormwater quality and catchment-level planning. While the Government is currently reviewing the NPS-FM as part of broader reforms to the Resource Management system, the current policy remains in force. Any future changes will likely seek to simplify planning and reduce compliance costs, but the core objective of protecting freshwater remains. Council continues to work towards compliance with current NPS-FM

requirements, particularly through stormwater consents and water quality improvement initiatives, while monitoring the potential implications of upcoming policy changes.

- Our stormwater network's performance remains impacted by historic underinvestment, rapid urban growth, and increasingly extreme weather. Communities such as Waitārere Beach and Foxton Beach experience recurring localised flooding, sometimes affecting the wastewater network as well. Multi-agency involvement across stormwater, flood protection, and water quality functions further complicates project coordination, slowing progress on long term improvements.

To effectively address these challenges, Council will need to:

- Continue improving collaboration with regional and national agencies.
- Secure sustainable funding streams for stormwater upgrades and treatment.
- Engage early and often with Iwi/Hapū and community stakeholders.
- Invest in modern stormwater technologies and smart monitoring tools.

## Looking Forward

### SHANNON – OTĀURU STREAM IMPROVEMENTS

The Otāuru Stream Riparian Planting project aims to improve the water quality and ecosystem of the stream and will be completed through community planting initiatives involving several groups in our hāpori (community).

In 2024/25, 1,250 native plants were established along the stream. This is a three-year project and as time evolves more New Zealand native flora will be planted. A sitting area has been added to the project that looks over the Otāuru Stream, which has received positive feedback from local Hapū and the wider community. It's been great to work with Hapū



and community volunteers at place, utilising a regional council grant towards this work. Over the next few years, more than 7,500 native plants will be established in a 1.7km stretch alongside the stream.

## **STORMWATER CONSENTS**

### **Levin**

We have made significant progress during the 2024/25 year in developing an updated Assessment of Environmental Effects (AEE) and drafting a Conditions Framework to support the Levin Stormwater Consent application. A comprehensive monitoring programme was also completed, involving sampling at various discharge points, source tracking, and detailed analysis of the results. The project is currently on hold to allow for initial engagement with the Lake Horowhenua Trust, whereafter broader Iwi and Hapū engagement will follow. In the meantime, Council has maintained a strong focus on identifying and assessing options

for water quality interventions and additional monitoring to support the removal of contaminants from the stormwater network.

The Freshwater Improvement Fund (FIF) project team is also exploring the installation of a second stormwater intervention device within either the Queen Street or Domain Drain catchment to support improved water quality outcomes in the Levin catchment. This proposed device will contribute to Council's "In-Network Improvements" strategy, a key component of the consent application.

### **Foxton Beach**

Council Officers have been progressing work to secure resource consent for stormwater discharges from the Foxton Beach township. In the 2024/25 financial year, Council completed a comprehensive monitoring programme for stormwater discharges at Foxton Beach. This included collecting water quality

samples from various discharge points and comparing them with samples taken upstream and downstream within the receiving environment.

In addition to monitoring, Council has developed a draft improvement plan for the Foxton Beach stormwater system aimed at enhancing the quality of discharged water. We are currently preparing proposed consent conditions, which will be submitted to HRC as part of our Section 92 (Resource Management Act, 1991) response.

We are actively engaging with Iwi to understand cultural values associated with the Manawatū Estuary. This engagement will inform the development of a culturally appropriate and affordable strategy to improve stormwater quality. The outcomes of this work will be incorporated into the information provided to HRC in support of our consent application.

## Stormwater Supply Activity Performance

Service/ Measure	Target	2023/2024 Results	2024/2025 Results																				
<b>Service:</b> An adequate stormwater system*	< 5 per year	<span style="color: green;">✓ ACHIEVED</span> There were 0 flooding events that met the definition of a flooding event set by Department of Internal Affairs for this measure.	<span style="color: green;">✓ ACHIEVED</span> There were no flooding events that met the definition of a flooding event set by Department of Internal Affairs for this measure.																				
<b>Measure:</b> Number of flooding events that occur in the District.																							
<b>Service:</b> An adequate stormwater system*.	2 or less	<span style="color: green;">✓ ACHIEVED</span> <table border="1"> <thead> <tr> <th>Target</th><th>Result</th><th>Per 1,000 Connections</th><th>Habitable Floors Affected</th></tr> </thead> <tbody> <tr> <td>2 or less</td><td>0</td><td>0</td><td>0</td></tr> </tbody> </table> Number of connections as at 1 July 2023 = 13,415.	Target	Result	Per 1,000 Connections	Habitable Floors Affected	2 or less	0	0	0	<span style="color: green;">✓ ACHIEVED</span> <table border="1"> <thead> <tr> <th>Target</th><th>Result</th><th>Per 1,000 Connections</th><th>Habitable Floors Affected</th></tr> </thead> <tbody> <tr> <td>2 or less</td><td>0</td><td>0</td><td>0</td></tr> </tbody> </table> Number of connections as at 1 July 2024 = 13,623.	Target	Result	Per 1,000 Connections	Habitable Floors Affected	2 or less	0	0	0				
Target	Result	Per 1,000 Connections	Habitable Floors Affected																				
2 or less	0	0	0																				
Target	Result	Per 1,000 Connections	Habitable Floors Affected																				
2 or less	0	0	0																				
<b>Measure:</b> For each flooding event the number of habitable floors affected per 1,000 connections to Council's stormwater networks.																							
<b>Service:</b> Response to faults*	< 1 hour	<span style="color: green;">✓ ACHIEVED</span> <table border="1"> <thead> <tr> <th>Target</th><th>Result</th><th>Comment</th></tr> </thead> <tbody> <tr> <td>&lt; 1 hour</td><td>0</td><td>No flooding events</td></tr> </tbody> </table>	Target	Result	Comment	< 1 hour	0	No flooding events	<span style="color: green;">✓ ACHIEVED</span> <table border="1"> <thead> <tr> <th>Target</th><th>Result</th><th>Comment</th></tr> </thead> <tbody> <tr> <td>&lt; 1 hour</td><td>0</td><td>No flooding events</td></tr> </tbody> </table>	Target	Result	Comment	< 1 hour	0	No flooding events								
Target	Result	Comment																					
< 1 hour	0	No flooding events																					
Target	Result	Comment																					
< 1 hour	0	No flooding events																					
<b>Measure:</b> The median response time to attend a flooding event, measured from the time that Council receives notification to the time that service personnel reach the site.																							
<b>Service:</b> Customer satisfaction*.	< 10 per year	<span style="color: green;">✓ ACHIEVED</span> <table border="1"> <thead> <tr> <th>Target (per 1,000 connections)</th><th>Per 1,000 Connections</th><th>No. of Complaints</th></tr> </thead> <tbody> <tr> <td>&lt; 10 per year</td><td>0.96</td><td>13</td></tr> </tbody> </table> Number of connections as at 1 July 2023 = 13,415.	Target (per 1,000 connections)	Per 1,000 Connections	No. of Complaints	< 10 per year	0.96	13	<span style="color: green;">✓ ACHIEVED</span> <table border="1"> <thead> <tr> <th>Target (per 1,000 connections)</th><th>Per 1,000 Connections</th><th>No. of Complaints</th></tr> </thead> <tbody> <tr> <td>&lt; 10 per year</td><td>2.5</td><td>34</td></tr> </tbody> </table> Number of connections as at 1 July 2024 = 13,623. Note: Reasons for the increased number of complaints relate to: <ul style="list-style-type: none"> <li>Maintenance and blockage issues - blocked drains, gutters, catch-pits due to leaves, debris, etc., especially after storms or in certain seasons, can make things worse.</li> <li>Rainfall Patterns - Horowhenua has seen more intense frequent rainfall events. Groundwater levels are higher than usual because soils are saturated from earlier rain, which means new rain doesn't drain well.</li> <li>Infrastructure under stress &amp; capacity being reached - Stormwater networks (pipes, pumps, drains) are aging or not sized large enough in certain areas. Some upgrades are overdue. Some areas, especially low-lying or coastal communities, are particularly vulnerable.</li> </ul>	Target (per 1,000 connections)	Per 1,000 Connections	No. of Complaints	< 10 per year	2.5	34								
Target (per 1,000 connections)	Per 1,000 Connections	No. of Complaints																					
< 10 per year	0.96	13																					
Target (per 1,000 connections)	Per 1,000 Connections	No. of Complaints																					
< 10 per year	2.5	34																					
<b>Measure:</b> The number of complaints received by Council about the performance of its stormwater system expressed per 1,000 properties connected to the system.																							
<b>Service:</b> A sustainable stormwater service*.		<span style="color: green;">✓ ACHIEVED</span> <table border="1"> <thead> <tr> <th colspan="2">2023/2024</th></tr> </thead> <tbody> <tr> <td>Abatement Notices</td><td>0</td></tr> <tr> <td>Infringement Notices</td><td>0</td></tr> <tr> <td>Enforcement Orders</td><td>0</td></tr> <tr> <td>Convictions</td><td>0</td></tr> </tbody> </table>	2023/2024		Abatement Notices	0	Infringement Notices	0	Enforcement Orders	0	Convictions	0	<span style="color: green;">✓ ACHIEVED</span> <table border="1"> <thead> <tr> <th colspan="2">2024/2025</th></tr> </thead> <tbody> <tr> <td>Abatement Notices</td><td>0</td></tr> <tr> <td>Infringement Notices</td><td>0</td></tr> <tr> <td>Enforcement Orders</td><td>0</td></tr> <tr> <td>Convictions</td><td>0</td></tr> </tbody> </table>	2024/2025		Abatement Notices	0	Infringement Notices	0	Enforcement Orders	0	Convictions	0
2023/2024																							
Abatement Notices	0																						
Infringement Notices	0																						
Enforcement Orders	0																						
Convictions	0																						
2024/2025																							
Abatement Notices	0																						
Infringement Notices	0																						
Enforcement Orders	0																						
Convictions	0																						
<b>Measure:</b> The number of: Abatement Notices; Infringement Notices; Enforcement Orders; and Convictions.	0 0 0 0																						
received by Council in relation to Horizons Regional Council resource consents* for discharge from its stormwater system**.																							

\* These performance measurements are provided by the Department of Internal Affairs, and they are mandatory.

- Council does not report on DIA Performance Measure 1 – Sub-part 4: Flood Protection and Control Works as this is applicable to Regional Council activities, not our district council. Council manages our district's urban stormwater networks (pipes, open drains, and pump stations). Outside urban areas, the roading team generally maintains roadside drains where they are not covered by Horizons Regional Council's drainage schemes.

All stopbanks, floodgates, and major river or regional flood protection schemes are managed by Horizons Regional Council.

\*\* Currently there is no discharge consent for Levin's stormwater.

**Stormwater Supply Funding Impact Statement**  
**For the year ended 30 June 2025**

	Note	Actual 2024 \$000	Long Term Plan/Annual Plan 2024 \$000	Long Term Plan 2025 \$000	Actual 30 June 2025 \$000
<b>Sources of operating funding</b>					
General rates, uniform annual general charges, rates penalties		–	–	–	–
Targeted rates		1,863	1,816	2,471	2,476
Subsidies and grants for operating purposes		–	–	–	–
Fees and charges	1	–	–	–	192
Local authorities fuel tax, fines, infringement fees, and other receipts	1	503	–	–	113
Internal charges and overheads recovered		–	–	–	–
<b>Total operating funding (A)</b>		<b>2,366</b>	<b>1,816</b>	<b>2,471</b>	<b>2,781</b>
<b>Applications of operating funding</b>					
Payments to staff and suppliers	2	706	836	774	1,108
Finance costs		627	520	743	909
Internal charges and overheads applied		469	432	281	523
Other operating funding applications		–	–	–	–
<b>Total applications of operating funding (B)</b>		<b>1,802</b>	<b>1,788</b>	<b>1,798</b>	<b>2,541</b>
<b>Surplus (deficit) of operating funding (A-B)</b>		<b>564</b>	<b>28</b>	<b>673</b>	<b>240</b>
<b>Sources of capital funding</b>					
Subsidies and grants for capital expenditure	3	–	–	–	1,348
Development and financial contributions		40	105	155	121
Increase (decrease) in debt	4	5,345	2,751	389	(485)
Gross proceeds from sale of assets		–	–	–	–
Lump sum contributions		–	–	–	–
Other dedicated capital funding		–	–	–	–
<b>Total sources of capital funding (C)</b>		<b>5,385</b>	<b>2,856</b>	<b>544</b>	<b>983</b>

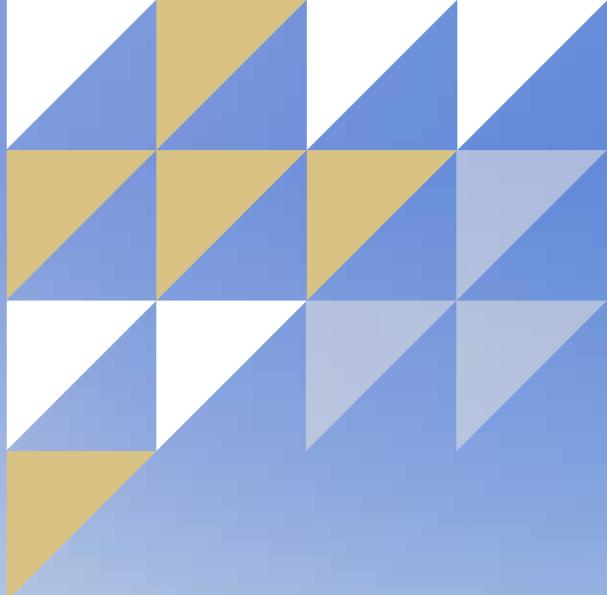
	Note	Actual 2024 \$000	Long Term Plan/ Annual Plan 2024 \$000	Long Term Plan 2025 \$000	Actual 30 June 2025 \$000
<b>Applications of capital funding</b>					
<b>Capital expenditure</b>					
- to meet additional demand		349	3,768	412	345
- to improve the level of service		(269)	1,546	844	1,314
- to replace existing assets		2,476	206	19	129
<b>Increase (decrease) in reserves</b>		3,392	(2,636)	(58)	(564)
<b>Increase (decrease) of investments</b>					
<b>Total applications of capital funding (D)</b>		<b>5,949</b>	<b>2,884</b>	<b>1,217</b>	<b>1,223</b>
<b>Surplus (deficit) of capital funding (C-D)</b>		<b>(564)</b>	<b>(28)</b>	<b>(673)</b>	<b>(240)</b>
Funding balance ((A-B)+(C-D))					
Depreciation		919	818	1,125	1,499

**Notes:**

1. Higher revenue resulted from private service connections now performed in-house by the Local Water team.
2. The additional spending includes debt funded costs of \$335k for long term consenting conditions which were originally budgeted as part of the capital budget.
3. Capital funding from NIFF for Tara-Ika Queen St Stage 1 (\$1.3m) has been received this year, this was originally expected at the end of 2023/24 financial year.
4. Less debt was required due to the unbudgeted Capital funding received.

	Internal \$000
<b>Loans</b>	
<b>Loans as at 01/07/2024</b>	19,307
<b>Raised during year</b>	2,108
<b>Repaid during year</b>	(2,594)
<b>Loans as at 30/06/2025</b>	<b>18,822</b>
Interest expense	909





# Land Transport Ngā Ara Whenua

## WHAKATAUKI

**Manaaki whenua**  
**Manaaki tangata**  
**Haere whakamua**  
Care for the land  
Care for the people  
Go forward



THIS ACTIVITY CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES



**Strong  
Communities**



**Vibrant  
Economy**



**Fit for purpose  
Infrastructure**

## Description of activity

The Land Transport Activity aims to provide and maintain roads, footpaths and cycle paths across our district that meet the community's needs.

## What the activity involves

- Allows for the safe, convenient and efficient transit of people and goods through, and within, the district in a way that meets national standards.
- Provides a network of roads, footpaths, bridges, car parks, signs and markers, street lights, and associated drainage systems in what is known as the 'Transport Corridor'.
- Maintains a partnership with NZTA Waka Kotahi, which is Council's co-investment partner for roading, to produce and deliver the 'Optimised Programme', which is approved on a three-yearly cycle in the Regional Land Transport Plan.
- Operates, maintains and improves land transport assets.
- Meets requirements of relevant national legislation, strategies and plans.

## How our work delivers on community wellbeing

### SOCIAL WELLBEING

Access to safe and easy transport enables communities to access more opportunities for work, social and recreational activities. This helps grow thriving communities.

We're building new footpaths, and making existing footpaths safer and easier to use, especially for people with mobility issues.

We're making our land transport network safer by focusing on areas we know have high risks of death and serious injury crashes, and building improvements.

Council provides advocacy and leadership to Ōtaki to North of Levin (Ō2NL) expressway project.

### ENVIRONMENTAL WELLBEING

Sustainability is a large part of how Council maintains and improves its network. Almost all the material that is dug out of the network is reused in some way. Council tries to incorporate sustainable construction methodologies whenever practicable in our projects and monitor contractors closely to ensure Council work causes minimal adverse environmental effects.

## ECONOMIC WELLBEING

Providing the right infrastructure at the right time and cost enables our community to take advantage of the many opportunities coming in the near future. This includes our district's growth, the Ō2NL expressway and Levin town centre.

### CULTURAL WELLBEING

Transport infrastructure allows our community to freely move across our district and engage in cultural activities of all kinds. Our physical works programme considers potential cultural impacts of our activity, and we work with relevant community members to ensure cultural impacts are controlled and opportunities for betterment are realised.



## LONG TERM PLAN ACTIVITY INSIGHTS

What we planned	What we did
*Budgets reduced as part of NZTA funding changes	
	<b>RENEWALS</b>
<b>Bridge and structures renewals</b>	This budget (\$160,000) was carried over to the 2025/26 Financial Year.
<b>Drainage Renewals</b>	We spent \$574,493 on renewing catchpits, culverts and kerb and channel around the district.
<b>Footpath Renewals</b>	3km of footpaths renewed, on \$622,542 expenditure.
<b>Sealed Road Pavement Rehabilitation</b>	2.6km of roads rehabilitated for \$1,489,913 expenditure.
<b>Sealed Roads Resurfacing</b>	18.6km of roads resurfaced for \$805,504 expenditure. Underspend due to contractor delays.
<b>Structures Component Replacements</b>	Budget (\$109,000) was fully spent on guardrail and retaining wall replacements.
<b>Traffic Services</b>	Budget (\$567,000) was fully spent on street lighting renewals and linemarking remark. Signs were also replaced.
<b>Unsealed Roads Metaling</b>	Budget (\$47,000k) fully spent on metalling of unsealed roads.
<b>LEVELS OF SERVICE</b>	
<b>Cycling Improvements</b>	* No work was done due to the funding assistance from NZTA being removed.
<b>Footpath Improvements</b>	* \$45,666 budget spent on pram crossing improvements.
<b>Resilience Improvements</b>	* Budget was spent on Gladstone Road retaining walls and Waitārere Road drainage improvements.
<b>Road improvements</b>	* \$88,961 was spent on road improvements.
<b>GROWTH</b>	
<b>Safety Improvements</b>	*\$281,521 was spent on a number of safety improvements.
<b>Tara-Ika – Tararua Road Intersection upgrade</b>	This project is being delivered by NZTA Waka Kotahi. Fulton Hogan has progressed construction of the roundabout at the intersection of Tararua Road and SH57 and have been onsite since January 2025. This was enabled by land acquisition and advanced material procurement enabled by Council working with NZTA Waka Kotahi and NIFF.
<b>Tara-Ika – East West Arterial</b>	<ul style="list-style-type: none"> <li>• A key milestone was achieved with signing of an Agreement with NZTA Waka Kotahi for provision of the EWA connection as part of the Ōtaki to North of Levin (Ō2NL) project specifically for mitigating the impacts of Ō2NL. The Principle Development Agreement (PDA) outlines roles and responsibilities for both Council and NZTA Waka Kotahi.</li> <li>• In August 2024, Council secured one of the properties required for construction.</li> <li>• The design has been developed with the Ō2NL Northern Alliance.</li> <li>• The East West Arterial Notice of Requirement has been lodged.</li> </ul>

## Successes

### RESILIENCE IMPROVEMENTS

A longstanding stormwater issue which had regularly caused flooding at the Waitārere Beach Road / Waitārere Rise intersection has been resolved with the installation of a new stormwater line which runs west on Waitārere Beach Road to the existing stormwater system. Previously the roundabout would flood in sustained periods of rain, causing a significant traffic safety hazard.

### SAFETY IMPROVEMENTS

With reduced National Land Transport Programme funding, our focus for road safety investment has been on lower cost treatments, over higher risk sites.

Speed bumps and associated safety improvements, targeting schools with safety concerns have been delivered at Fairfield Road (Fairfield School), Weraroa Road (North School), Collingwood Street (Levin Intermediate), Kinross Street and Balmoral Street (Taitoko School).

## Challenges

### NEW ZEALAND TRANSPORT AGENCY WAKA KOTAHİ FUNDING

NZTA Waka Kotahi have decreased all National Land Transport Programme funding for capital improvements. We applied for \$20.44m from the government for the 2024 to 2027 financial years, but only \$14.18m was approved, which is 31% less than what we planned for. Additional significant cuts were made in several renewal and operational budgets, resulting in a total funding reduction of \$1.65m for the 2024/25 financial year. This had Council focused on reprioritising the capital work programme to adapt to the subsidised budget cuts whilst still progressing maintenance and operations work as usual and ensuring roads and footpaths were well maintained. Our focus remained on mitigating the impacts on our network's condition as much as practicable, with Council seeking to refocus investment to limiting the deterioration of roading and footpath

assets, while reducing investment in improvements to network performance, safety or amenity.

### LAND TRANSPORT PROGRAMME

As a result of the reprioritisation mentioned in the paragraph above, a different capital works programme than what was planned for prior to September 2024, was established in order to meet the objectives of the LTP 2024-2044. Replanning and designing new projects for delivery have, in some cases, pushed the start date of construction back.

### RESURFACING PROGRAMME

The 2024/25 resurfacing programme has had difficulties. Our contractor delayed starting the resurfacing programme until extremely late, which prevented completion of the full year's programme. Approximately 15% of the programme will need to be added to next year's programme to catch up. There were also several sites where the incorrect resurfacing treatment was applied. Council is addressing these issues with the contractor.

## Looking Forward

### ŌTAKI TO NORTH LEVIN EXPRESSWAY (Ō2NL)

The Ō2NL expressway project is the northernmost section of the Wellington Northern Corridor and will improve the safety and resilience of the transport network connecting Ōtaki and Levin, and the wider region. The project is being delivered by the NZTA Waka Kotahi, working closely with Iwi partners Muaūpoko Tribal Authority and local Hapū of Ngāti Raukawa, as well as landowners, community groups, key stakeholders and local authorities.

During the 2024/25 financial year, Council has been consistently advocating for clarity and progress on the Ō2NL revocation through active participation in a shared operational programme. Council Officers remained engaged in planning efforts and sought to align revocation with infrastructure and land-use needs.

## Legacy Outcomes Investment

### Framework

– Legacy Outcomes Officers have been consistently attending the Legacy Outcomes Investment Framework hui and actively contributing to the discussions. One legacy outcome that the Council strongly advocated for was the inclusion of local economic benefits. It is encouraging to see that local businesses are already involved in the project, positively contributing to the economy.

Another key legacy outcome was the shared operational programme. Officers feel sufficiently integrated into the project, enabling them to provide timely input on designs and offer valuable feedback. Although outside the scope of the Legacy Outcomes Investment Framework, the Council's role as a community advocate led to a significant outcome when the NZTA Waka Kotahi board overturned proposed design changes and reinstated several of the design changes to meet consent conditions. Without this advocacy, the community could have faced negative legacy impacts, particularly concerning the local land transport network.

### Land Transport Business Case

– Officers worked on developing the Horowhenua Land Transport Programme Business Case (PBC) which was in final draft format by the end of the financial year. Council received a briefing on Wednesday 23 July 2025 to confirm final details. A report seeking endorsement for the final PBC is expected to be presented at the September 2025 Council meeting.

## Land Transport Activity Performance

Service/ Measure	Target	2023/2024 Results	2024/2025 Results
<b>Service:</b> A safe road network*.	No (or Zero) change or a reduction from previous year.	<b>✗ NOT ACHIEVED</b> There have been 15 death or serious injury crashes in the local road network, exceeding the 9 crashes which occurred in 2022/23.	<b>✓ ACHIEVED</b> There have been 14 death or serious injury crashes in the local road network, 1 less than the 15 crashes which occurred in 2023/24.
<b>Measure:</b> The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network.			
<b>Service:</b> Roads in good condition*.	Minimum 85%	<b>✓ ACHIEVED</b> The Smooth Travel Exposure for this reporting period is 92%.	<b>✓ ACHIEVED</b> The Smooth Travel Exposure for this reporting period is 91%.
<b>Measure</b> The average quality of ride on a sealed local road network measured by smooth travel exposure.			
<b>Service:</b> Roads that are maintained well*.	<b>2024/25:</b> Minimum of 3.5% of total area. <b>2023/24:</b> Minimum of 5% of total area.	<b>✓ ACHIEVED</b> 5.7% of the sealed road network has been resurfaced.	<b>✗ NOT ACHIEVED</b> 2.8% of the sealed road network has been resurfaced. Roads have been carried over 2025/26 due to delays in sealing by the contractor.
<b>Measure:</b> The percentage of the sealed local road network that is resurfaced annually.			
<b>Service:</b> Footpaths are in an acceptable condition*.	<b>2024/25:</b> 97% of footpaths in average to excellent condition. <b>2023/24:</b> Minimum 30% in excellent condition Maximum 10% in poor condition.	<b>✗ NOT ACHIEVED</b> 13% of the network is in excellent condition and 4% is in poor or very poor condition.	<b>✗ NOT ACHIEVED</b> 96.76% of footpaths were in average to excellent condition and 3.24% in a poor or very poor condition. <b>Note:</b> Reporting includes the percentage of footpaths in an average condition due to the change in measure during the LTP process. The reduced delivery of footpath renewals is associated with reduced NZTA footpath renewal funding.
<b>Measure:</b> Target footpath condition rating (% compliant with Council's standards found in the Land Transport Activity Plan).			
<b>Service:</b> Good response to service requests*.	> 95%	<b>✓ ACHIEVED</b> 1,187 out of 1,248 requests were closed within the target timeframe, resulting in a 95.1% result.	<b>✗ NOT ACHIEVED</b> 93.3% (1,240/1,329) requests relating to roads and footpaths were responded to within the target timeframe. <b>Note:</b> During the 2024/25 Christmas and New Year period, the Contractor completed the CRMs; however, they remained open until their administration staff returned to work. This led to them being reported as overdue CRMs. In addition, complaints were not responded to in time or not closed immediately after response. This has been a focus point for the organisation, and we'll expect to see an improvement in future reporting.
<b>Measure:</b> The percentage of customer service requests relating to roads and footpaths to which Council responds within 15 working days.			
<b>Service:</b> Provision of safe and effective walking and cycling infrastructure.	<b>2024/25:</b> Determine the baseline and Increase year on year. <b>From 2025/26:</b> Increase from previous year	<b>NEW MEASURE</b> New measure as consulted on and adopted in the Long Term Plan 2024-2044 Process.	<b>✗ NOT ACHIEVED</b> We were unable to determine a baseline during this financial year. NZTA Waka Kotahi reduced funding for this work and no work was done in this space. <b>Note:</b> As we have limited or no funding for cycling investment, it is unlikely that we will achieve either the 'determine baseline' or the 'increase from previous year' for remainder of the LTP term.
<b>Measure:</b> Percentage of the transport network which includes safe and effective walking and cycling infrastructure.			

\* These performance measurements are provided by the Department of Internal Affairs, and they are mandatory.

**Land Transport Funding Impact Statement**  
**For the year ended 30 June 2025**

	Note	Actual 2024 \$000	Long Term Plan/Annual Plan 2024 \$000	Long Term Plan 2025 \$000	Actual 30 June 2025 \$000
<b>Sources of operating funding</b>					
General rates, uniform annual general charges, rates penalties		–	–	–	–
Targeted rates		4,670	4,553	4,956	4,966
Subsidies and grants for operating purposes		1,786	1,932	2,195	2,266
Fees and charges	1	–	–	–	–
Local authorities fuel tax, fines, infringement fees, and other receipts	1	340	285	285	290
Internal charges and overheads recovered		–	–	–	–
<b>Total operating funding (A)</b>		<b>6,796</b>	<b>6,770</b>	<b>7,436</b>	<b>7,522</b>
<b>Applications of operating funding</b>					
Payments to staff and suppliers		3,141	3,282	3,755	3,557
Finance costs		211	290	599	380
Internal charges and overheads applied		1,140	1,392	1,177	835
Other operating funding applications		–	–	–	–
<b>Total applications of operating funding (B)</b>		<b>4,492</b>	<b>4,964</b>	<b>5,531</b>	<b>4,772</b>
<b>Surplus (deficit) of operating funding (A-B)</b>		<b>2,304</b>	<b>1,806</b>	<b>1,905</b>	<b>2,750</b>
<b>Sources of capital funding</b>					
Subsidies and grants for capital expenditure	1	3,822	6,320	6,447	3,983
Development and financial contributions		58	139	205	107
Increase (decrease) in debt	2	3,351	2,942	8,404	4,128
Gross proceeds from sale of assets		–	–	–	–
Lump sum contributions		–	–	–	–
Other dedicated capital funding		–	–	–	–
<b>Total sources of capital funding (C)</b>		<b>7,231</b>	<b>9,401</b>	<b>15,056</b>	<b>8,218</b>

	Note	Actual 2024 \$000	Long Term Plan/ Annual Plan 2024 \$000	Long Term Plan 2025 \$000	Actual 30 June 2025 \$000
<b>Applications of capital funding</b>					
<b>Capital expenditure</b>					
- to meet additional demand	3	467	2,222	11,837	6,170
- to improve the level of service	3	1,007	735	1,674	641
- to replace existing assets	3	5,714	8,251	3,449	3,415
<b>Increase (decrease) in reserves</b>	<b>4</b>	<b>2,347</b>	<b>(1)</b>	<b>1</b>	<b>742</b>
<b>Increase (decrease) of investments</b>					
<b>Total applications of capital funding (D)</b>		<b>9,535</b>	<b>11,207</b>	<b>16,961</b>	<b>10,968</b>
<b>Surplus (deficit) of capital funding (C-D)</b>		<b>(2,304)</b>	<b>(1,806)</b>	<b>(1,905)</b>	<b>(2,750)</b>
Funding balance ((A-B)+(C-D))					
Depreciation		4,752	4,752	5,634	5,457

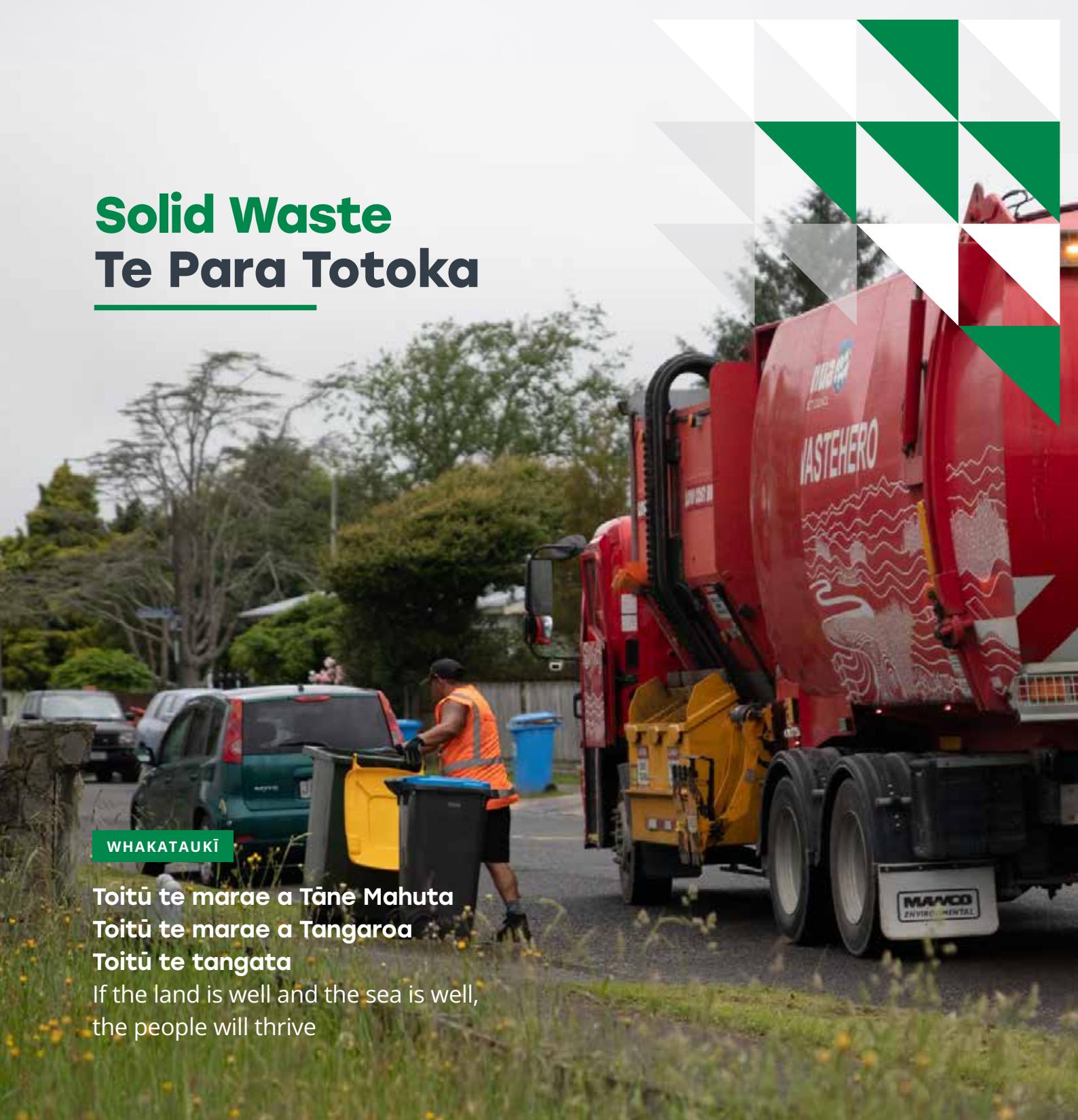
**Notes:**

1. Lower Capital funding reflects NZTA Waka Kotahi's decision to decrease all National Land Transport Programme (NLTP) funding for capital improvements, in addition to significant cuts in several renewal and operational budgets. This has resulted in a total funding reduction of \$1.65m for the 2024/25 financial year.
2. The reduced required for debt is due to less capital expenditure.
3. The impacts of NZTA Waka Kotahi funding cuts mentioned above have been mitigated as much as practicable through a budget reprioritisation process undertaken with Council. This process has focused on limiting the deterioration of roading and footpath assets, while reducing investment in improvements to network performance, safety, or amenity. This has resulted in lower Capital Expenditure. \$379k sealed roads resurfacing (chipseal) project proposed to be carried forward to 2025/26.
4. Increase in reserve is higher due to less operational expenditure.

	Internal \$000
<b>Loans</b>	
<b>Loans as at 01/07/2024</b>	<b>8,059</b>
Raised during year	10,122
Repaid during year	(5,994)
<b>Loans as at 30/06/2025</b>	<b>12,187</b>
Interest expense	380

# Solid Waste

## Te Para Totoka



### WHAKATAUKI

Toitū te marae a Tāne Mahuta

Toitū te marae a Tangaroa

Toitū te tangata

If the land is well and the sea is well,  
the people will thrive

THIS ACTIVITY CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES



## Description of activity

The Solid Waste Activity covers refuse collection and disposal, transfer stations, kerbside recycling, rural mobile recycling stations, hazardous waste management, management of our district's closed landfills and funding of waste minimisation educational programmes.

## What the activity involves

- The provision of waste transfer stations to accept municipal wastes, various recyclable materials and some hazardous waste streams.
- The provision of kerbside collections to uplift bagged municipal waste and listed recyclable materials that will be diverted from going to landfill.
- The management of our district's closed landfills in accordance with regulatory conditions.

- Responding to and resolving customer complaints relating to the solid waste activity.
- Educating the community in how to reduce, and what is suitable for reuse and recycling.

## How our work delivers on community wellbeing

### SOCIAL WELLBEING

Waste education is made available to all schools in our district, while various Council funded workshops and initiatives seek broader community engagement and educational opportunities.

### ENVIRONMENTAL WELLBEING

The Council's recycling services encourage landfill diversion while our easily accessible kerbside rubbish collection waste service promotes waste diversion through the use of a small sized rubbish bag, which residents can purchase on an as required basis. As the provision of Council rubbish bags reduces

the monthly resident disposal costs, it reduces the incidence of illegal dumping. The landfill and other sites are operated in line with approved consent conditions.

The Solid Waste management team is consulting with Iwi partners on various consenting topics. These include the landfill consents along with operational matters of particular focus such as Council approval to investigate the extraction of leachate contaminated ground water emanating from the Levin Old Dump.

### ECONOMIC WELLBEING

The Solid Waste Bylaw oversees the waste collectors' licence terms and conditions, ensuring health and safety standards are maintained and annual waste data is collected. The Solid Waste activity also manages and oversees a number of closed landfill discharges permits and consent conditions.

## What we planned

## What we did

### RENEWALS

#### Wheelie Bins & glass crates

384 Wheelie bins and 400 glass crates were distributed to the community during this financial year.



## **Successes**

### **WASTE MANAGEMENT MINIMISATION PLAN (WMMP)**

One of the initiatives in the WMMP was to trial an urban kerbside collection of food scraps. Some 400 Levin residents were invited to participate in the trial. Each participating resident was given a 23-litre bin. The trial commenced on 9 April 2025 and ended on 2 July 2025. Every week the contents of the bin were collected and transported to a local composting facility to be converted into compost. At the end of the trial, we had collected 5,147 kilograms of food scraps which has been offered to local schools who have an environmental focus towards waste reduction.

A Council report demonstrating the community benefits and costs of a weekly urban kerbside food scraps collection is expected to be presented to elected members early in the 2025/26 financial year.

### **RECYCLING STATIONS**

- Since October 2024 the Foxton Waste Transfer Station can receive rechargeable batteries from portable devices. This includes batteries such as lithium ion and nickel metal hydride batteries.
- The Ōpiki Mobile Recycling Station was upgraded with new infrastructure. This provided an improved level of service to the local community with associated cost savings due to purpose-built collection systems.

### **WASTE EDUCATION**

A total of four waste education workshops were held during this financial year at schools and other public facilities within our district.

Classroom deliveries of Zero Waste education materials were provided at five schools with over 952 students in attendance. The subjects covered were composting, rubbish, reuse, recycling, rural waste, litter-less lunches, resource sustainability and water conservation.

Presently the Council supports the facilitation of 16 Enviroschools within our district. Enviroschools is an imbedded holistic approach that supports and empowers young people to plan, design, and implement sustainable actions that are good for them and the wider community. Every participating school has at least one teacher who actively champions the environmental sustainability values which are imbedded in all the school teaching units.

## **Challenges**

### **LEVIN OLD LANDFILL REMEDIATION**

Consent planning is underway to investigate options to address the dilute leachate plume eliminating from the old Levin Landfill.

Testing showed that there is no landfill leachate in nearby private bores, and an ecological survey confirmed the contaminated ground water flowing into the Hokio Stream is not having a measurable negative effect on the fresh fish habitat.

Treatment options are being assessed – either onsite or at the Levin Wastewater Treatment Plant. Both involve significant cost. An Elected Member decision on which method or alternatives to implement will be decided upon in the 2025/26 year.

### **LEVIN CLOSED LANDFILL (LCLMP)**

Council is obligated to maintain the integrity of not only the recently closed New Landfill but also the two other historical Levin landfills. The Levin Closed Landfill Management Plan (LCLMP) is being developed to ensure this work is undertaken in a prescribed manner based on various Regional Council regulatory consent conditions and guidelines from the Ministry for the Environment. Community groups have provided input into the draft with the recommendations considered and included in the Plan. Council Officers will present the final draft LCLMP to Council for discussion and comment in early 2025/2026 financial year.

## **Looking Forward**

### **SOLID WASTE WORK PROGRAMME**

A Solid Waste Work Programme was developed and presented to Council in December 2024. It outlines four key milestone deliverables to be consulted on and delivered within planned timeframes. These include the Levin Closed Landfill (BPO & Closed Landfill Management Plan); the WMMP and the development of the WMMP Action Plan; Solid Waste Business and Agreement Review and the Solid Waste Bylaw.

The Solid Waste Agreement Review paper was submitted to Council on 25 June 2025 with approval to negotiate the Transfer Station and Kerbside Bag Collection Agreements which will take effect from 2 October 2025. The existing combined service agreement document will be separated into three separate agreements representing each service. Council agreed with Officer's recommendations of service continuation of current service provider – with a number of agreed adjustments to the contract. This ensures each contract is individually fit for purpose and maximises the benefits for the community.

The existing Kerbside Recycling Agreement has been reviewed, it is expected to be presented to the Council later in 2025 as the existing agreement remains in place until 1 July 2026.

## Solid Waste Activity Performance

Service/ Measure	Target	2023/2024 Results	2024/2025 Results						
<b>Service:</b> Ensuring the health, safety and wellbeing of our community by collecting refuse and recycling in a timely and sanitary manner.	<b>Recycling:</b> 5 legitimate complaints per 1,000 bins issued annually.	<p><b>NEW MEASURE</b></p> <p>New measure as consulted on and adopted in the Long Term Plan 2024-2044 Process.</p>	<p><b>✓ ACHIEVED</b></p> <table> <thead> <tr> <th>Recycling 5 per 1,000 bins</th> <th>Total no of complaints received</th> <th>No of complaints per 1,000 bins</th> </tr> </thead> <tbody> <tr> <td>*79</td> <td>61</td> <td>3.83</td> </tr> </tbody> </table> <p>Number of bins: 15,919</p> <p>*Target: <math>(15,919/1,000) \times 5 = 79.59</math></p> <p>Result: <math>(61/15,919) \times 1,000 = 3.83</math></p>	Recycling 5 per 1,000 bins	Total no of complaints received	No of complaints per 1,000 bins	*79	61	3.83
Recycling 5 per 1,000 bins	Total no of complaints received	No of complaints per 1,000 bins							
*79	61	3.83							
<b>Measure:</b> Number of legitimate complaints <sup>5</sup> Recycling bins Kerbside collection.	<b>Kerbside collection:</b> 1 legitimate complaint per 800 bags sold annually.		<table> <thead> <tr> <th>Kerbside collection 1 per 800 bags</th> <th>Total no of complaints received</th> <th>No of complaints per 800 bags</th> </tr> </thead> <tbody> <tr> <td>*70</td> <td>32</td> <td>0.46</td> </tr> </tbody> </table> <p>Number of bags sold during 2024/25: 56,200</p> <p>*Target <math>(56,200/800) \times 1 = 70.25</math></p> <p>Result: <math>(32/56,200) \times 800 = 0.46</math></p>	Kerbside collection 1 per 800 bags	Total no of complaints received	No of complaints per 800 bags	*70	32	0.46
Kerbside collection 1 per 800 bags	Total no of complaints received	No of complaints per 800 bags							
*70	32	0.46							
<b>Service:</b> Embedding circular thinking into our waste management systems.	100% of targets	<p><b>NEW MEASURE</b></p> <p>New measure as consulted on and adopted in the Long Term Plan 2024-2044 Process.</p>	<p><b>✗ NOT ACHIEVED</b></p> <p>86% (6/7) of targets due this financial year have been met as set in the Waste Management Minimisation Plan (WMMP). The target related to flytipping has not been met as it cannot be measured. The flytipping is collected by our contractor Green by Nature with other waste from litter bins and parks and property shrubbery (greenwaste). This is an economical means to manage Council's day to day costs.</p> <p>Note: The WMMP has a total of 13 targets over a 6-year period, and 6 are scheduled for 2026 and beyond. There is a risk that if a kerbside organics collection of some form is not introduced the WMMP diversion targets (30%-2026, 40%-2028 and 50% by 2030) will not be reached.</p>						

5 Legitimate complaints do not include when bin was put out on the wrong week; bin was not out at time of collection and the bin was not collected due to contamination.

6 The WMMP is available on our website: <https://www.horowhenua.govt.nz/files/assets/public/v2/council-documents/plans/horowhenua-waste-management-and-minimisation-plan-2024-august-2024.pdf>

**Solid Waste Funding Impact Statement**  
**For the year ended 30 June 2025**

	Note	Actual 2024 \$000	Long Term Plan/Annual Plan 2024 \$000	Long Term Plan 2025 \$000	Actual 30 June 2025 \$000
<b>Sources of operating funding</b>					
General rates, uniform annual general charges, rates penalties		–	–	–	–
Targeted rates		2,805	2,735	5,479	5,491
Subsidies and grants for operating purposes		–	–	–	–
Fees and charges	1	438	442	582	990
Local authorities fuel tax, fines, infringement fees, and other receipts		7	–	–	2
Internal charges and overheads recovered		–	–	–	(1)
<b>Total operating funding (A)</b>		<b>3,250</b>	<b>3,177</b>	<b>6,061</b>	<b>6,481</b>
<b>Applications of operating funding</b>					
Payments to staff and suppliers		3,391	3,707	3,990	2,926
Finance costs		278	305	352	302
Internal charges and overheads applied		488	626	1,338	1,335
Other operating funding applications		–	–	–	–
<b>Total applications of operating funding (B)</b>		<b>4,157</b>	<b>4,638</b>	<b>5,680</b>	<b>4,562</b>
<b>Surplus (deficit) of operating funding (A-B)</b>		<b>(907)</b>	<b>(1,461)</b>	<b>381</b>	<b>1,919</b>
<b>Sources of capital funding</b>					
Subsidies and grants for capital expenditure		51	–	–	–
Development and financial contributions		–	–	–	–
Increase (decrease) in debt		217	2,592	(324)	(337)
Gross proceeds from sale of assets		–	–	–	–
Lump sum contributions		–	–	–	–
Other dedicated capital funding		–	–	–	–
<b>Total sources of capital funding (C)</b>		<b>268</b>	<b>2,592</b>	<b>(324)</b>	<b>(337)</b>

	Note	Actual 2024 \$000	Long Term Plan/Annual Plan 2024 \$000	Long Term Plan 2025 \$000	Actual 30 June 2025 \$000
<b>Applications of capital funding</b>					
Capital expenditure					
- to meet additional demand		73	42	14	11
- to improve the level of service		-	410	-	-
- to replace existing assets		18	680	43	33
Increase (decrease) in reserves	2	(730)	(1)	-	1,538
Increase (decrease) of investments		-	-	-	-
<b>Total applications of capital funding (D)</b>		<b>(639)</b>	<b>1,131</b>	<b>57</b>	<b>1,583</b>
<b>Surplus (deficit) of capital funding (C-D)</b>		<b>907</b>	<b>1,461</b>	<b>(381)</b>	<b>(1,919)</b>
Funding balance ((A-B)+(C-D))					
Depreciation		390	388	579	541

**Notes:**

1. This is due to higher waste rebate levies being received and \$253k of this is being ringfenced in a reserve fund.
2. Decrease in reserve is due to the Landfill aftercare costs (\$4.950m) being funded by Council's Landfill Provision.

	Internal \$000
<b>Loans</b>	
Loans as at 01/07/2024	6,403
Raised during year	44
Repaid during year	(381)
<b>Loans as at 30/06/2025</b>	<b>6,066</b>
Interest expense	302



# Community Facilities Ngā Taiwhanga ā-Rēhia

## WHAKATAUKI

**Ko ngā pae tawhiti, whaia kia tata.  
Ko ngā pae tata, whakamaua kia tina**  
The potential for tomorrow depends  
on what we do today

THIS ACTIVITY CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES



## Description of activity

The Community Facilities and Services Activity includes the following sub-activities:

- Aquatic Facilities and Recreation
- Community Centres and Libraries

## What the activity involves

### AQUATIC FACILITIES AND RECREATION

The Aquatic Facilities and Recreation Activity aims to provide public access to swimming pools, the splash pad, fitness, rehabilitation, and swimming programmes to enhance wellbeing through providing healthy recreational and social opportunities.

### What it involves

- Providing opportunities for recreation to improve physical fitness and wellbeing including off site and outreach services.
- Providing a focal point for local communities where they can meet and participate in leisure and recreational activities.
- Providing swimming pools for general use including assisting clubs and organisations to host and run events.
- Providing a splash pad at Jubilee Park for free active water play.
- Providing a certified Swim School Programme in Levin and Foxton.
- Providing safe venues for fun activities and social interaction.
- Providing a venue for Aquatic Sports and competitive activity.
- Providing land- and water-based fitness and rehabilitation classes both on- and off-site.
- Managing Shannon School Swimming Pool during the summer school holidays.
- Facilitating a targeted swimming programme for the rural community within Horowhenua.
- Assist in the delivery of recreation opportunities for all communities to participate in.

### COMMUNITY CENTRES AND LIBRARIES

This Activity aims to provide locations where people can visit, spend time, and positively engage in activities and opportunities, whether that be through social interaction, personal development or recreation and leisure.

### What it involves

Multi-functional facilities and districtwide Library Services provide a wide range of services to both the community and to visitors to the Horowhenua District, including:

- Spaces for social interaction.
- Bookable rooms and spaces for community and commercial entities.
- A creative hub that allows for music and visual performance and exhibition.
- Museums that share stories and insight into the lives of the people in our area, and beyond.
- Events that enrich our community.
- Mahi Space, a purpose built co-working office facility.
- Providing AA Services for our community.
- Providing Visitor information services through two sites (Levin and Foxton).
- Delivery of Council Services (e.g. dog registrations at Shannon and Foxton).
- Districtwide library services in Levin, Foxton and Shannon deliver programmes and services that:
  - Provide equitable access to information for leisure, entertainment, research, education and career development across our district
  - Foster and enhance literacy (including digital) and lifelong learning
  - Deliver events and programmes for children, young people, adults and elders

- Recognise and support those members of our community with different needs and requirements
- Encourage the development of partnerships for the delivery of services and programmes
- Promote opportunities for people and communities to connect with each other
- Protects, conserves and maintains heritage resources of Horowhenua and provide opportunities for access to local history and heritage resources
- Spaces for our rangatahi to feel a sense of belonging (e.g. The Youth Space at Te Takeretanga o Kura-hau-pō) that promotes inclusion, safety and interaction

## How our work delivers on community wellbeing

### SOCIAL WELLBEING

Te Takeretanga o Kura-hau-pō and Te Awahou Nieuwe Stroom are multifunctional facilities that provide a wide range of services and events that contribute to the wellbeing of the community and to visitors to the Horowhenua.

Horowhenua District Council provides public access to swimming pools, fitness, play, rehabilitation, and swimming programmes to enhance community wellbeing through providing healthy recreational and social opportunities.

Our facilities and the services they provide, create an environment for organic community development and connection.

### ENVIRONMENTAL WELLBEING

Careful management of aquatic facility water quality and implementing water conservation measures contributes to improving environmental outcomes.

### ECONOMIC WELLBEING

Community facilities contribute to the local economy through employment and financial sustainability. They also provide opportunities for people of all ages and all phases of life to enjoy quality of living.

Any development of community facilities is planned and developed for our district to meet current and future needs.

Council actively promotes its facilities as destinations to visit, enjoy and share their stories, welcoming even more visitors.

### CULTURAL WELLBEING

Council acknowledges its partnership with tangata whenua and value the important role they play within our community facilities.

Additionally, partnerships have been undertaken to deliver programmes such as Matariki, Youth Development Programmes and Capacity Building.



### LONG TERM PLAN ACTIVITY INSIGHTS

#### What we planned

#### What we did

##### RENEWALS

###### Te Awahou Nieuwe Stroom Renewals Roof replacement

Council had budgeted \$525,000 in the LTP 2024-2044 for this financial year to replace the roof of the facility. The roof was leaking, and it was vital to replace it to protect the important and significant taonga being housed inside this building. This project was successfully completed towards the end of June 2025 and was done so, within budget.

###### Te Takeretanga o Kura-hau-pō Renewals

This work included the replacement of some furniture including seating and some shelving. It also allowed for the replacement of some technology equipment.

###### Purchase of Library Books

This year, we continued our existing approach and purchased a wide range of books to add to our existing collection.

###### Foxton Aquatic Centre Plan Renewals

When Foxton Pools received its refresh in 2023/24, some additional funding was set aside to assist with any additional work that may be required. In this instance, the budget was spent on plantroom equipment and a new inflatable toy for in the Pool.

###### Strategic and Growth-Related Aquatics Projects

This piece of work has progressed well throughout the year. The Strategic Recreation Investment Framework itself was adopted in June 2025. Work is still underway to understand some more data about the sport and recreation network for Horowhenua.

### Successes

#### LIBRARY OUTREACH

Over the financial year, Council proudly hosted and supported a wide range of programmes that connected, educated, and inspired our community. Examples include programmes like the Book Battle 'Meet the Author' event, several older persons programmes – including Tea & Tales sessions and Memory Care Reading – and 'Discover Family History' workshop, which focused on

the fundamentals of family history research, was offered in collaboration with the Horowhenua Family History Group. We also welcomed 102 local students to enjoy The Tempest performed by Ugly Shakespeare, with some Horowhenua College students participating in follow-up workshops.

Our commitment to young learners continued through the launch of the Rural Schools Readers Challenge and the development of a new Dog Safety education programme.

By combining the children's and adult reading programmes into one inclusive challenge, the Read for Trees initiative was born. This initiative encouraged whānau to read together, strengthening intergenerational bonds and reinforcing adults as reading role models. The challenge inspired the community to log over 208,000 pages between December 2024 and February 2025. The shared success culminated in a community planting day in April 2025, where

40 native trees were planted at Kowhai Park – leaving a lasting legacy of both learning and nature, and demonstrating the power of working together for a common purpose.

### **DIGITAL INCLUSION INITIATIVES**

Council secured \$20,000 in external funding this year to boost our Library/s digital inclusion efforts, and the results have been anything but low-key. Our Digital Outreach programme continues to earn recognition well beyond Horowhenua, with members of our team recently contributing an editorial to the Digital Inclusions Alliance Aotearoa Annual Report. The editorial spotlighted the incredible mahi (work) we've been doing alongside our Kaumātua group. Now in its second year, the programme is thriving, reflected in the growing relationships and the increased participation of Kaumātua in wider Library activities.

We also continue to act as kaitiaki for the only complete hard copy set of the Horowhenua Chronicle, carefully preserved in our archive room at Te Takeretanga o Kura-hau-pō. Thanks to the support of the Horowhenua Historical Society and the Family History Group, we're making major moves in the preservation space, digitising our local newspaper collection in collaboration with the National Library of New Zealand. The latest milestone? The Horowhenua Chronicle is now digitised up to 1949 and available on Papers Past, helping to protect and share our community/s rich history for generations to come.

### **EVENTS PROGRAMME**

Our events programme was buzzing with energy this year, offering something special for everyone in our diverse community. From school visits to the stunning Manawatū Estuary, to the annual Morning Tea celebrating our Friends of Horowhenua Libraries, every moment was crafted with connection in mind. We lit up December with the festive joy of the Horowhenua Christmas Parade, honoured our past through a moving ANZAC Day commemoration, and embraced reflection and renewal with

our mid-year Puanga Matariki events. From education to remembrance, celebration to community, it was a year rich in meaningful moments and shared experiences.

### **SUPPORTING THE ARTS AND OUR PARTNERS**

The Kororī-Kororā and a local Art Exhibition at Te Awahou Nieuwe Stroom were two of the events where Council supported arts and our partners. The Kororī-Kororā exhibited native birds of Aotearoa, featuring diverse artistic mediums, focusing particularly on the birds of the Manawatū Estuary; celebrating both their ecological importance and cultural significance to Māori. The local Art Exhibition highlighted the vibrant and diverse works of talented artists in our community, all inspired by New Zealand's unique birds and wildlife.

Through the Creative Communities scheme Council funded the 'From Struggle to Strength: Portraits and Stories of Former Refugee Students' exhibition. This was a joint effort to highlight the resilience and personal growth of former refugee students through powerful photography and compelling stories.

### **Challenges**

- A major challenge that continues to face Council for this Activity is the change in demand and community expectations as well as the ongoing increases in operational costs, coupled with the desire to make fees and charges affordable for our community. Council is continuing to actively investigate areas for increasing revenue to subsidise other areas of public access. As a result, this year a business review was undertaken in the Aquatics activity which led to changing the ways that operate our swim school and for our fitness classes, either reducing the number of offerings or increasing the cost to participate.

- Throughout most of the year, we haven't had a café operating at Te Awahou Nieuwe Stroom due to being unable to find an appropriate tenant for the space. This contributes to fewer people visiting the facility and the offerings available at Te Awahou Nieuwe Stroom.

### **Looking Forward**

#### **STRATEGIC INVESTMENT FRAMEWORK**

The Strategic Investment Framework will inform future growth-related aquatics projects. This Framework was adopted by Council on 25 June 2025, and more detail is included in the Community Infrastructure Activity update.

#### **LEVIN AQUATIC CENTRE PLAN RENEWALS**

A significant maintenance shutdown is scheduled for the Levin Aquatic Centre to allow for major plantroom upgrades and essential infrastructure improvements. Pre-procurement work is now underway to ascertain the work and approach. This planned closure, scheduled for the first half of next year, will ensure the long term reliability and efficiency of key systems, including water filtration and property maintenance. The shutdown represents a proactive investment in asset longevity and public safety, and staff are working to minimise disruption to the community during this period.

## Community Facilities and Services Activity Performance

Service/ Measure	Target	2023/2024 Results	2024/2025 Results																												
<b>Service:</b> Our aquatic centres support and enhance community wellbeing and safety.	500 opportunities per calendar month	<b>NEW MEASURE</b> New measure as consulted on and adopted in the Long Term Plan 2024-2044 Process.	<b>✓ ACHIEVED</b>																												
<b>Measure:</b> Number of opportunities <sup>7</sup> provided for the community and by the community <sup>8</sup> that enhances wellbeing and safety in or through the use of our aquatic facilities.			<table border="1"> <thead> <tr> <th>Month</th><th>No of opportunities</th></tr> </thead> <tbody> <tr><td>July 2024</td><td>1,045</td></tr> <tr><td>Aug 2024</td><td>1,151</td></tr> <tr><td>Sept 2024</td><td>1,043</td></tr> <tr><td>Oct 2024</td><td>990</td></tr> <tr><td>Nov 2024</td><td>1,123</td></tr> <tr><td>Dec 2024</td><td>886</td></tr> <tr><td>Jan 2025</td><td>301</td></tr> <tr><td>Feb 2025</td><td>1,027</td></tr> <tr><td>March 2025</td><td>1,128</td></tr> <tr><td>April 2025</td><td>942</td></tr> <tr><td>May 2025</td><td>1,006</td></tr> <tr><td>June 2025</td><td>914</td></tr> <tr><td>Total 2024/25</td><td>11,556</td></tr> </tbody> </table>	Month	No of opportunities	July 2024	1,045	Aug 2024	1,151	Sept 2024	1,043	Oct 2024	990	Nov 2024	1,123	Dec 2024	886	Jan 2025	301	Feb 2025	1,027	March 2025	1,128	April 2025	942	May 2025	1,006	June 2025	914	Total 2024/25	11,556
Month	No of opportunities																														
July 2024	1,045																														
Aug 2024	1,151																														
Sept 2024	1,043																														
Oct 2024	990																														
Nov 2024	1,123																														
Dec 2024	886																														
Jan 2025	301																														
Feb 2025	1,027																														
March 2025	1,128																														
April 2025	942																														
May 2025	1,006																														
June 2025	914																														
Total 2024/25	11,556																														
<b>Service:</b> Community has access to a range of current information that inspires, entices and informs in both print and digital format.	≥3 resources per capita	<b>NEW MEASURE</b> New measure as consulted on and adopted in the Long Term Plan 2024-2044 Process.	<b>✓ ACHIEVED</b> The community had access to a minimum of 3.5 resources per capita • 65,801 physical resources • 67,722 digital resources (owned) Measured by 38,000 capita.																												
<b>Measure:</b> Contribute to community literacy by providing curated collections of physical and digital resources.																															
<b>Service:</b> Libraries and community facilities meet the community's needs.	<b>2024/25:</b> ≥ 92% <b>2023/24:</b> > 90%	<b>✓ ACHIEVED</b> Customer satisfaction was 95%.	<b>✓ ACHIEVED</b> The Annual Customer Satisfaction Survey result showed that 93.9% of residents and non-residents were satisfied with library and community services.																												
<b>Measure:</b> Percent of residents and non-residents satisfied with library and community services based on the Annual Customer Satisfaction Survey.																															

7 Such as swimming lessons, training, competitions, events and fitness classes.

8 Swim schools, clubs, organisations

**Community Facilities And Services Funding Impact Statement**  
**For the year ended 30 June 2025**

	Note	Actual 2024 \$000	Long Term Plan/ Annual Plan 2024 \$000	Long Term Plan 2025 \$000	Actual 30 June 2025 \$000
<b>Sources of operating funding</b>					
General rates, uniform annual general charges, rates penalties		–	–	–	–
Targeted rates		8,459	8,247	10,062	10,083
Subsidies and grants for operating purposes		21	–	223	122
Fees and charges		1,060	1,002	1,122	1,196
Local authorities fuel tax, fines, infringement fees, and other receipts		5	5	2	29
Internal charges and overheads recovered		63	214	100	1
<b>Total operating funding (A)</b>		<b>9,608</b>	<b>9,468</b>	<b>11,509</b>	<b>11,432</b>
<b>Applications of operating funding</b>					
Payments to staff and suppliers	1	6,656	6,028	6,427	7,102
Finance costs		671	644	611	737
Internal charges and overheads applied		1,740	1,778	2,888	2,648
Other operating funding applications		–	–	–	–
<b>Total applications of operating funding (B)</b>		<b>9,067</b>	<b>8,450</b>	<b>9,926</b>	<b>10,487</b>
<b>Surplus (deficit) of operating funding (A-B)</b>		<b>541</b>	<b>1,018</b>	<b>1,583</b>	<b>945</b>
<b>Sources of capital funding</b>					
Subsidies and grants for capital expenditure		531	500	–	4
Development and financial contributions		–	–	–	–
Increase (decrease) in debt		705	2,269	(479)	(487)
Gross proceeds from sale of assets		–	–	–	–
Lump sum contributions		–	–	–	–
Other dedicated capital funding		–	–	–	–
<b>Total sources of capital funding (C)</b>		<b>1,236</b>	<b>2,769</b>	<b>(479)</b>	<b>(484)</b>

	Note	Actual 2024 \$000	Long Term Plan/ Annual Plan 2024 \$000	Long Term Plan 2025 \$000	Actual 30 June 2025 \$000
<b>Applications of capital funding</b>					
Capital expenditure					
- to meet additional demand		-	171	186	183
- to improve the level of service		-	500	-	-
- to replace existing assets		4,125	2,905	818	817
Increase (decrease) in reserves	2	(2,349)	211	100	(539)
Increase (decrease) of investments		-	-	-	-
<b>Total applications of capital funding (D)</b>		<b>1,777</b>	<b>3,787</b>	<b>1,104</b>	<b>461</b>
<b>Surplus (deficit) of capital funding (C-D)</b>		<b>(541)</b>	<b>(1,018)</b>	<b>(1,583)</b>	<b>(945)</b>
Funding balance ((A-B)+(C-D))					
Depreciation		1,192	962	1,484	1,475

**Notes:**

1. Additional spending was driven by reactive maintenance costs and staffing requirements, primarily to cover leave entitlements and ensure service levels were maintained.
2. Reserves is drawn more due to more operating expenditure mentioned above.

Loans	Internal \$000
Loans as at 01/07/2024	15,656
Raised during year	1,000
Repaid during year	(1,487)
<b>Loans as at 30/06/2025</b>	<b>15,169</b>
Interest expense	737



# Community Infrastructure

## Tūāhanga Hapori

### WHAKATAUKI

**Me mahi tahi tātou mo te  
oranga o te katoa**

We should work together for  
the wellbeing of everyone

THIS ACTIVITY CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES



**Strong  
Communities**



**Vibrant  
Economy**



**Outstanding  
Environment**



**Fit for purpose  
Infrastructure**



**Partnership  
with  
Tangata Whenua**

## Description of activity

The Community Infrastructure Activity is dedicated to enhancing community wellbeing through various sub-activities. These activities not only aim to provide both passive and active amenities for the community's use but also contribute to fostering a sense of belonging and overall wellbeing among our residents.

The Community Infrastructure Activity includes:

- Beautification
- Cemetery administration, maintenance and management
- Maintenance and administration of Public Halls for hire
- Maintenance and management of Public Toilets
- Maintenance and management of Parks, Playgrounds and Reserves
- Maintenance, management and administration of Sports Grounds
- Urban cleansing – the maintenance and management of the roading network in the urban residential zone.

## What the activity involves

This Activity aims to provide management of reserves, sports grounds, cemeteries, street beautification, urban cleansing, public halls and public toilets.

- Maintenance of neighbourhood reserves, riverside and lakeside picnic areas, public gardens, and sports grounds.
- Maintenance of street trees and street gardens.
- Rubbish bin emptying, and the urban roading weed spraying program.
- Providing Reserve Management Plans (RMPs) for Council reserves.
- Establishment and maintenance of public toilets for the purpose of tourism and public health.
- Establishment and maintenance of cemeteries under the Burial and Cremation Act 1964.

## How our work delivers on community wellbeing

### SOCIAL WELLBEING

Parks, reserves, and community facilities play a central role in supporting health and wellbeing. They provide places for people to connect, enjoy nature, and take part in activities that promote mindfulness and general wellness. Access to these spaces reduces negative impacts on community wellbeing and contributes to stronger, healthier relationships. The benefits of exercise and time spent in green spaces for both physical and mental health are well established.

### ENVIRONMENTAL WELLBEING

This activity makes a significant contribution to environmental outcomes. Open spaces help capture carbon, provide resilience against flooding in urban environments, and protect and restore indigenous biodiversity. By working alongside our community, these spaces create opportunities for positive environmental outcomes now and into the future.

### ECONOMIC WELLBEING

Green spaces deliver measurable economic benefits. Evidence shows tree-lined streets can lift property values by 10–20%, while access to urban greenspace is linked with lower levels of crime and vandalism. Parks and reserves also enhance productivity by supporting mental and physical wellness, while landscaped commercial areas attract more business and foot traffic. In addition, Horowhenua's parks and fields regularly host first-class sporting events, bringing a direct boost to the local economy.

### CULTURAL WELLBEING

The preservation of natural landscapes and open spaces directly supports cultural wellbeing. Many of the landscapes and buildings in Horowhenua hold deep value to local communities, while native bush, dunes, and historic reserves remain of particular cultural significance to Iwi and Hapū. Protecting these spaces ensures they continue to reflect and uphold our shared heritage.



## LONG TERM PLAN ACTIVITY INSIGHTS

What we planned	What we did
<b>RENEWALS</b>	
<b>Cemetery – Foxton – Development</b>	Cemetery extended with new burial and ash beams to provide more capacity.
<b>Coastal reserve resiliency programme</b>	Council continues to partner with community and ecological groups and schools to organise planting days. Spinifex and Pingao were planted along multiple areas of our coast to build resilience. Sites included Waikawa Beach, Waitārere Beach, Kuku Beach and Foxton Beach.
<b>District halls and pavilions reactive renewals</b>	New lock system at Shannon Memorial Hall, carpet replacement at Ōhau Pavilion and floor renewal at Mangaore Hall.
<b>District play equipment</b>	Replaced play equipment at multiple playgrounds across our district.
<b>Manakau Domain initiative projects</b>	Green by Nature (GBN) took over full maintenance of the Manakau Domain in October 2024 following a decade of the Manakau Football Club maintaining this site. A new toilet and shower facility was added to the park.
<b>Public toilets – Minor renewals</b>	<ul style="list-style-type: none"> <li>• Foxton tram station toilets upgraded.</li> <li>• Balance Street toilets in Shannon upgraded.</li> </ul>
<b>Reserves renewals (buildings)</b>	<ul style="list-style-type: none"> <li>• New shade sails were installed at the Holben Reserve in Foxton and Jubilee Park in Levin.</li> </ul>
<b>Reserves renewals (non-building)</b>	<ul style="list-style-type: none"> <li>• Flagstaff Reserve in Foxton Beach, retaining wall and planting.</li> <li>• Resurfaced internal roads at a number of reserves across our district.</li> <li>• Pump track at Holben Reserve was resurfaced.</li> </ul>
<b>Sportsgrounds renewals (buildings)</b>	<ul style="list-style-type: none"> <li>• Easton Park in Foxton – training lights replaced.</li> <li>• A number of improvements made to Donnelly Park in Levin.</li> <li>• We've built new foul ball fencing for baseball at Western Park – this will be installed when ground is dry.</li> </ul>
<b>LEVELS OF SERVICE</b>	
<b>Cemetery – Avenue Rd – Development</b>	Extension at Avenue Road Cemetery Levin – ash beams and burials. Included a new pergola (reflection area).
<b>District fencing contingency</b>	Undertook new or updated fencing as required by the Fencing Act at numerous sites.
<b>Mangahao tracks renewals / improvements</b>	Budget not spent.
<b>GROWTH</b>	
<b>Playford Park</b>	This project was carried forward from previous year. We provided a storage shed for the rugby club.
<b>Strategic parks development – Reserve development for growth</b>	Developed the Strategic Recreation Investment Framework which was adopted by Council on 25 June 2025.
<b>Te Maire Park Development</b>	Council worked with tangata whenua and key stakeholders to finalise concept plans to create a shared pathway connecting the open space from Te Maire Park with the Shannon town centre. On 5 May 2025, a special blessing took place at the southern end of Te Maire Park in Shannon to mark the start of construction on the stage area and amenities. This part of the project was completed in time for the Matariki 2025 celebrations and included a performance stage and a BBQ area for the community. We also installed a Pā Harakeke/flax garden, and a nature play area.

## Successes

### OXFORD STREET PLANE

#### TREE CONSENT

The Oxford Street Plane Tree consent was issued in April 2025 and included crown reductions, crown lifting and root trimming. These works, carried out from 3–13 June 2025 via our maintenance contract, aimed to address long-standing concerns from business owners and the community regarding infrastructure damage, blocked gutters, leaf litter and the overshadowing of commercial premises – while still preserving the commemorative value and visual contribution of the tree avenue.

### MANAWATŪ ESTUARY PLAN

Officers celebrated the official launch of the Papangaio Te Wharangi Manawatū – the long-awaited Manawatū Estuary Management Plan – at a special event at the Marine Boat Club at Foxton Beach, complete with a blessing to honour the future protection of the estuary. The plan, two years in the making, was developed in partnership with DOC, Horizons Regional Council, Iwi, and the local community. Officers are already getting stuck into a number of priority actions from the plan, including progress on a Coastal Reserves Management Plan, setting the stage for long term wetland protection.

### LAKE DOMAIN DEVELOPMENT PLAN

Although the Lake Domain Development for Muaūpoko Park is still in draft, the Lake Domain Board approved key activities for the Better-Off Funding at an extraordinary meeting in May 2025. These priority actions were focused on beautification and restoring the Lake Domain's natural character. Works included collection of 14 trucks' worth of rubbish, ground tidying, water blasting of the playground, graffiti removal, installation of security cameras and a new fence and gate.

## TAKING CARE OF OUR ENVIRONMENT

To help protect and restore the environment, Officers supported a wide range of community-led planting, clean-up, and restoration efforts across our district. In September 2024, six community groups took part in 'Clean Up Week' activities, including a well-attended Save our River Trust (S.O.R.T.) tree planting day at the Foxton Closed Landfill. Officers provided tools, advice on suitable species, and hands-on support. This was followed by the successful planting of 800 cabbage tree seedlings at Ōhau Riverside Reserve in October 2024, and events with groups like Waikawa Beach Environmental and Waitārere Beach Progressive and Ratepayers Association focused on dune stability, pest plant removal, and entrance beautification. Across sites like Levin's Prouse Bush, Officers worked with volunteers and Forest & Bird members on native restoration and weed control to preserve ecological integrity. Coastal resilience was a key focus, with 10,800 spinifex and 200 pingao planted at Waikawa Beach, Waitārere Beach, Kuku Beach and Foxton Beach through community planting days. Monthly beach clean-ups at Waitārere Beach were supported by the Open Spaces Maintenance (Green by Nature) team, who organised the removal of collected rubbish. Officers also addressed invasive species like Phragmites in Wairarawa Stream and Hudson Reserve and collaborated with the Prouse Bush Volunteer group for regular pest plant control. Planting efforts extended to schools, early childhood centres, and sites like Graham Street, Te Maire Reserve planting, the Piriharakeke Walkway in Foxton, and Ōhau Gravels Reserve – combining environmental action with education and community engagement.

These collective efforts not only enhanced our environment but also fostered strong community stewardship.

## Challenges

### WAIKAWA BEACH ACCESS

The issue of vehicle access to Waikawa Beach has long been complex, emotive, and increasingly fraught. For many years, the community relied on access at the end of Manga Pirau Street, but this is no longer available. Ongoing community pressure to re-establish access has led to petitions, investigations, and consultation on a range of options. However, legal, environmental, and cultural considerations – including the presence of sensitive habitats – have significantly limited what is possible. Some community groups remain committed to vehicle access and have expressed interest in exploring a potential trial of controlled, permit-based access via Manga Pirau Street.

Despite differing views, the formation of a community working group bringing together those both for and against vehicle access has marked a turning point. The group has reached in-principle agreement on shared values of safety, environmental protection, and responsible use. There is cautious consensus emerging around the idea of a tightly managed accessway via Manga Pirau Street, though many details remain unresolved. The development of a beach bylaw is widely recognised as essential to underpin any future access, and initial discussions have begun.

Looking ahead, Officers will continue to support the community group as it explores the feasibility of vehicle access. Further work is required to address legal, regulatory, and consenting considerations. Officers are working closely with both the community group and Ngāti Wehi Wehi to consider potential options, while staying alert to any new opportunities that may shape the direction of future arrangements.

## **BERM MOWING**

In the LTP 2024-2044 Council agreed to stop berm mowing. After further feedback from the community after this was implemented, Council reconsidered this decision. Council decided by majority to a partial reinstatement of berm mowing.

## **Looking Forward**

### **DEVELOPMENT OF THE STRATEGIC RECREATION INVESTMENT FRAMEWORK**

This Framework was developed in collaboration with Visitor Solutions and responds to Council's desire for greater strategic clarity following previous LTP discussions, particularly around large-scale projects such as Levin Aquatic Centre and Donnelly Park. It provides a transparent and consistent approach to prioritising recreation investments across the

Horowhenua District, and establishes key evaluation criteria, investment principles, and alignment with growth and wellbeing strategies.

The Framework also reflects national and regional best practice, drawing on documents such as Sport NZ's Spaces and Places Framework and He rā ki tua – Horizons Region Spaces and Places Plan.

Council formally adopted this Framework on 25 June 2025, enabling Council Officers to proceed with the development of an Action Plan (Key Moves) and the completion of the network needs analysis.



## Community Infrastructure Activity Performance

Service/ Measure	Target	2023/2024 Results	2024/2025 Results
<b>Service:</b> A range of parks and reserves that are affordable, well maintained, safe and provide for the recreational (play and sport), cultural and environmental wellbeing of the community.	≥ 90% of playgrounds resources per capita	<b>NEW MEASURE</b> New measure as consulted on and adopted in the Long Term Plan 2024-2044 Process.  A similar measure for 2023/24 was that playground facilities comply with relevant National Playground Standards. This measure was achieved during the 2023/24 financial year. Playgrounds were assessed by ROSPA qualified contractors and any defects found on playground equipment were either isolated from the use by the public, or if required the whole playground was closed to maintain public safety, until remediation was actioned.	<b>✓ ACHIEVED</b> 96% (22/23) of playgrounds were inspected by a suitably qualified person. 100% failures identified during the inspections were actioned before the next inspection.
<b>Measure:</b> Playground facilities receive a monthly inspection by a suitably qualified person to ensure they comply with relevant National Playground Standards and findings of inspection are actioned (or plan put in place) before the next inspection.	Achieve	<b>NEW MEASURE</b> New measure as consulted on and adopted in the Long Term Plan 2024-2044 Process.	<b>✓ ACHIEVED</b> 95% (target of 95% as per the contract) of parks and reserves maintenance contracts were administered and monitored as per contract specifications.
<b>Service:</b> A range of parks and reserves that are affordable, well maintained, safe and provide for the recreational (play and sport), cultural and environmental wellbeing of the community.	0 complaints made about sports grounds availability and conditions	<b>NEW MEASURE</b> New measure as consulted on and adopted in the Long Term Plan 2024-2044 Process.  Similar measures for 2023/24 were that (1) sports grounds were available for at least 95% available for use during their opening hours and (2) that the number of Customer Request Management complaints reporting of ground conditions be less than 5 per annum. Both these measures were achieved during the 2023/24 financial year with 100% of sports fields being available for use during their opening hours and zero complaints received regarding ground conditions.	<b>✗ NOT ACHIEVED</b> One complaint was made about sports grounds availability, and no complaints were made about sport ground conditions.  Note: The complaint received was because the end of the Softball season overlapped (for a period of five days) with the start of the Rugby season, with the Softball finals date/s falling within this overlap period. Summer sports starting earlier and winter sports finishing later and vice versa has been an ongoing challenge. Council uses a booking system to allow for bookings of sports fields.
<b>Measure:</b> Sports grounds are made available for use with appropriate ground condition.	Achieve	<b>NEW MEASURE</b> New measure as consulted on and adopted in the Long Term Plan 2024-2044 Process.	<b>✓ ACHIEVED</b> 97% (target is 85% as per contract) of public toilet maintenance contracts were administered and monitored as per contract specifications.
<b>Service:</b> Clean and safe public toilets.	Achieve	<b>NEW MEASURE</b> New measure as consulted on and adopted in the Long Term Plan 2024-2044 Process.	<b>✗ NOT ACHIEVED</b> There was a continuous availability of 6.7% of developed plots (of any type) across the district's cemeteries at any given time. Availability increased over the year due to additional beams created at Levin and Foxton cemeteries.  Note: We only count available plots when the concrete beam is in place & a plot number is created in our records system, rather than the available land for internment. We have land to meet the measure, but the beams have not been poured. We are part way through a phased multi-year programme of pouring new beams across the district cemeteries. Though we are under the 10% target, there is still more beams than internment demand, so there has not been a need to accelerate the programme. By the end of the 2025/26 financial year, it is expected we will be back above the 10% target.
<b>Measure:</b> Public toilet maintenance contracts are administered and monitored on a regular basis, as per contract specifications.	Achieve	<b>NEW MEASURE</b> New measure as consulted on and adopted in the Long Term Plan 2024-2044 Process.	
<b>Service:</b> Cemeteries are fit for purpose and meet the changing needs of our community now and into the future.	Achieve	<b>NEW MEASURE</b> New measure as consulted on and adopted in the Long Term Plan 2024-2044 Process.	
<b>Measure:</b> Across the district's cemeteries, there is a continuous availability of 10% of developed burial plots (of any type) at any given time.	Achieve	<b>NEW MEASURE</b> New measure as consulted on and adopted in the Long Term Plan 2024-2044 Process.	

**Community Infrastructure Funding Impact Statement**  
**For the year ended 30 June 2025**

	Note	Actual 2024 \$000	Long Term Plan/ Annual Plan 2024 \$000	Long Term Plan 2025 \$000	Actual 30 June 2025 \$000
<b>Sources of operating funding</b>					
General rates, uniform annual general charges, rates penalties		5,954	5,805	6,355	6,369
Targeted rates		–	–	–	–
Subsidies and grants for operating purposes		110	365	80	84
Fees and charges	1	618	290	339	495
Local authorities fuel tax, fines, infringement fees, and other receipts		158	(365)	–	8
Internal charges and overheads recovered		–	–	–	–
<b>Total operating funding (A)</b>		<b>6,840</b>	<b>6,095</b>	<b>6,774</b>	<b>6,956</b>
<b>Applications of operating funding</b>					
Payments to staff and suppliers	2	4,354	4,385	4,372	4,819
Finance costs		419	287	260	356
Internal charges and overheads applied		1,170	1,041	1,161	1,132
Other operating funding applications		–	–	–	–
<b>Total applications of operating funding (B)</b>		<b>5,943</b>	<b>5,713</b>	<b>5,793</b>	<b>6,308</b>
<b>Surplus (deficit) of operating funding (A-B)</b>		<b>897</b>	<b>382</b>	<b>981</b>	<b>648</b>
<b>Sources of capital funding</b>					
Subsidies and grants for capital expenditure		732	586	586	637
Development and financial contributions		–	207	306	286
Increase (decrease) in debt	4	(1,771)	(3,355)	(2,879)	(271)
Gross proceeds from sale of assets		–	5,558	–	–
Lump sum contributions		–	–	–	–
Other dedicated capital funding		–	–	–	–
<b>Total sources of capital funding (C)</b>		<b>(1,039)</b>	<b>2,996</b>	<b>(1,987)</b>	<b>652</b>

	Note	Actual 2024 \$000	Long Term Plan/ Annual Plan 2024 \$000	Long Term Plan 2025 \$000	Actual 30 June 2025 \$000
<b>Applications of capital funding</b>					
Capital expenditure					
- to meet additional demand	3	23	261	687	158
- to improve the level of service	3	80	1,031	174	595
- to replace existing assets	3	1,491	2,743	1,090	475
Increase (decrease) in reserves	4	(1,736)	(657)	(2,957)	72
Increase (decrease) of investments		-	-	-	-
<b>Total applications of capital funding (D)</b>		<b>(142)</b>	<b>3,378</b>	<b>(1,006)</b>	<b>1,300</b>
<b>Surplus (deficit) of capital funding (C-D)</b>		<b>(897)</b>	<b>(382)</b>	<b>(981)</b>	<b>(648)</b>
Funding balance ((A-B)+(C-D))					
Depreciation		1,373	724	1,405	1,498

**Notes:**

1. Higher than budgeted revenue resulted from user charges related to Parks and Reserve grounds rentals.
2. Payments to Staff and Suppliers was over budget largely due to an unplanned ground maintenance, increased tipping fees for general/green waste and increased cleaning costs.
3. Capital expenditure is lower than budget mainly due to underspending in reserve renewals. \$48k Strategic Recreation Investment Framework being proposed to carry forward to 2025/26.
4. Planned proceeds from sale of assets did not eventuate causing timing differences in repayment of debt and changes in reserves.

	Internal \$000
<b>Loans</b>	
Loans as at 01/07/2024	7,555
Raised during year	2,056
Repaid during year	(2,328)
<b>Loans as at 30/06/2025</b>	<b>7,284</b>
Interest expense	356



# Property Ngā Rawa

## WHAKATAUKI

**Hei āwhina i te hapori, ka ora ai te hapori.**  
Helping the community to thrive.



THIS ACTIVITY CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES



## Description of activity

Council owns a substantial number of properties throughout the Horowhenua District, which support the delivery of Council's activities. The Property Activity ensures that these assets are managed and maintained effectively.

## What the activity involves

- Overseeing the management, upkeep, acquisition, and divestment of Council-owned properties.
- Issuing permits and facilitating community and commercial leases and licenses.
- Aligning these actions with the guidelines outlined in the Property Strategy 2015 (as amended in May 2025), guiding future decisions regarding property maintenance, investment, or disposal.

## Council owns a range of properties including:

- The Council Civic building in Levin.
- Endowment property – Council owns land in Foxton Beach that was formerly owned by the Foxton Harbour Board. Much of this land is subject to perpetual 21-year leases including a number of residential properties with rights of purchase. There are also

a number of other properties including Gazetted Reserve, development land, and the Foxton Beach Holiday Park.

- General Properties and land including – historic and cultural buildings, depots, carparks, and residential and commercial land.
- Council has interest in two campgrounds: Waitārere Beach Motor Camp and Playford Park Motor Camp, both of which are full Operational Leases in the General Property sub-activity.

## How our work delivers on community wellbeing

### SOCIAL WELLBEING

The Property function is responsible for ensuring that Building Warrants of Fitness are achieved across its portfolio. Council completes an annual renewals programme on its property portfolio to ensure the portfolio is maintained in a fit for purpose state. However, this does not include infrastructure buildings or Community Facilities (Te Awahou Nieuwe Stroom, Te Takeretanga o Kura-hau-pō or aquatics), where renewals budgets are generated by the relevant activity.

Council continues to facilitate a range of voluntary organisations through its community leases

policy that contribute to developing community sustainability and community outcomes.

### ENVIRONMENTAL WELLBEING

Council considers environmental impact when completing property renewal works where opportunities present themselves, including upgrading buildings with LED lighting to reduce energy demand and lessen its carbon footprint. The main Council building utilises grey water for flushing its wastewater and considers sustainability matters in developing its property projects.

### ECONOMIC WELLBEING

Council provides leases to a number of corporate clients in its commercial property portfolio. Council employs a number of local tradespeople in managing its assets and provides jobs for a range of locals via its contracted services portfolio.

### CULTURAL WELLBEING

Iwi are our partners when working together within this activity. Officers also work with many of the local groups including Progressive Associations and special interest groups. Council looks to incorporate tikanga and ways to improve cultural connectedness within the property activity.



## LONG TERM PLAN ACTIVITY INSIGHTS

What we planned	What we did
<b>RENEWALS</b>	
<b>Community buildings programmed renewals</b>	New signage at Foxton Beach Community Centre to promote the centre and services they provide.
<b>Levin Town Centre Development – property purchase – Better Off Funded</b>	Council purchased two further properties identified as meeting specific criteria to support the Levin Town Centre Transformation Strategy during this financial year. This has brought the total number of properties purchased to six. Four properties were purchased during the 2023/24 financial year.
<b>Property renewals programme</b>	<ul style="list-style-type: none"><li>Renewals were made at numerous buildings across our district. These include fire compliance work at Foxton Coronation Hall, an alarm system upgrade at the Levin Depot, new lights in the Civic building, new fencing in Foxton Main Street, new security cameras in Shannon, replaced H-vac piping at Te Takeretanga o Kura-hau-pō (Levin Community Centre and Library) and a new light at Levin Public Garden.</li><li>Council spent \$88,099 of this budget. The remainder to be carried over, subject to Council approval, to replace the Civic building roof.</li></ul>

### Successes

#### **PROPERTY STRATEGY AMENDMENT – FIRST RIGHT OF REFUSAL**

Since 2014, Council has been refining its approach to managing its property portfolio, following expert advice to split assets into core and non-core. The Property Strategy provides a structured assessment framework to guide decisions and long term planning. Over time, non-core properties have been sold in line with this Strategy. In 2023, Council resolved to explore including a Right of First Refusal clause for mana whenua on the disposal of non-core property. Since then, Council Officers have met and liaised with Te Tūmatakahuki, Muaūpoko Tribal Authority, Rangitaane and Ngāti Tukorehe regarding the proposed amendment. In May 2025, Council resolved to amend the Property Strategy to include a Right of First Refusal clause meaning any non-core properties that are to be disposed on the open market are offered to Iwi/Hapū first, at market value for 30 working days, before it is listed publicly.

#### **TRADES SERVICES PANEL**

Council has established a refreshed Trades Services Panel to respond quickly and cost-effectively to urgent repairs and maintenance across its operations – ensuring value

for ratepayers and reliable service delivery. A total of 41 businesses applied, including previous providers who were required to reapply. Applicants were assessed on key criteria like response times, experience, local impact, and alignment with Council's Community Outcomes. The process was designed not just to secure great service, but to support businesses that positively contribute to the district. While not all were successful, five businesses took the opportunity to meet with the panel for feedback. Agreements are now in place, with each trade category supported by two to three preferred suppliers ready to step in when needed.

#### **LICENCES TO OCCUPY**

Mobile traders often provide an additional service to communities, particularly during peak periods such as summer at our local beaches. This year we have had a few enquiries for Licence to Occupy Agreements at Council owned locations and with our new process in place it has been easier to negotiate and work with these businesses on an agreement. The licenses also allow for additional income for Council. Over summer we have signed agreements with two mobile traders for Foxton Beach and one for Waitārere Beach.

### Challenges

Due to Council's financial constraints, Officers prioritised high risk asset renewals for capital expenditure (CAPEX) during this financial year. As a result, not all of the CAPEX was spent. Renewals that were not completed were either deferred or deemed unnecessary due to changing circumstances for that asset.

### **Looking Forward**

#### **REPLACING THE CIVIC BUILDING ROOF**

We are looking to replace the Civic Building roof upon approval from Council. It was part of the 2024/25 asset renewal programme; however, work is more extensive than anticipated due to the mini tornado hitting Levin on 8 April 2025 and changing building codes. We are expecting this work to start at the beginning of 2026.

#### **LEASING PORTFOLIO AUDIT**

Officers are continuing an audit of our leasing portfolio and tidying up legacy issues. This coincides with the bigger review of our Community Leases Policy which is expected to be brought back to Council with amendments in the new financial year.

#### **PROPERTY ACTIVITY PERFORMANCE**

There are no Level of Service performance measures for this activity.

# Property Funding Impact Statement

## For the year ended 30 June 2025

	Note	Actual 2024 \$000	Long Term Plan/ Annual Plan 2024 \$000	Long Term Plan 2025 \$000	Actual 30 June 2025 \$000
<b>Sources of operating funding</b>					
General rates, uniform annual general charges, rates penalties		1,006	981	946	948
Targeted rates		–	–	–	–
Subsidies and grants for operating purposes		–	–	–	–
Fees and charges		315	267	334	441
Local authorities fuel tax, fines, infringement fees, and other receipts	1	27	27	11	253
Internal charges and overheads recovered		276	452	719	570
<b>Total operating funding (A)</b>		<b>1,624</b>	<b>1,727</b>	<b>2,010</b>	<b>2,212</b>
<b>Applications of operating funding</b>					
Payments to staff and suppliers	2	1,149	625	565	1,180
Finance costs		407	424	295	179
Internal charges and overheads applied		386	357	302	300
Other operating funding applications		–	–	–	–
<b>Total applications of operating funding (B)</b>		<b>1,942</b>	<b>1,406</b>	<b>1,162</b>	<b>1,659</b>
<b>Surplus (deficit) of operating funding (A-B)</b>		<b>(318)</b>	<b>321</b>	<b>848</b>	<b>552</b>
<b>Sources of capital funding</b>					
Subsidies and grants for capital expenditure		2,201	1,233	735	729
Development and financial contributions		–	–	–	–
Increase (decrease) in debt	3	(5,248)	(3,288)	295	(57)
Gross proceeds from sale of assets	3	196	6,316	2,533	–
Lump sum contributions		–	–	–	–
Other dedicated capital funding		–	–	–	–
<b>Total sources of capital funding (C)</b>		<b>(2,851)</b>	<b>4,261</b>	<b>3,563</b>	<b>672</b>

	Note	Actual 2024 \$000	Long Term Plan/ Annual Plan 2024 \$000	Long Term Plan 2025 \$000	Actual 30 June 2025 \$000
<b>Applications of capital funding</b>					
<b>Capital expenditure</b>					
- to meet additional demand		-	53	53	26
- to improve the level of service	4	-	1,500	-	1,598
- to replace existing assets	4	3,687	4,709	1,107	182
<b>Increase (decrease) in reserves</b>	<b>3</b>	<b>(6,856)</b>	<b>(1,680)</b>	<b>3,251</b>	<b>(583)</b>
<b>Increase (decrease) of investments</b>					
<b>Total applications of capital funding (D)</b>		<b>(3,169)</b>	<b>4,582</b>	<b>4,411</b>	<b>1,224</b>
<b>Surplus (deficit) of capital funding (C-D)</b>		<b>318</b>	<b>(321)</b>	<b>(848)</b>	<b>(552)</b>
Funding balance ((A-B)+(C-D))					
Depreciation		660	266	715	754

**Notes:**

1. This relates to the Boys Brigade Buildings coming into Council ownership.
2. This largely relates to the Boys Brigade Buildings coming into Council ownership and is partially offset by the revenue above. There was also increased costs in reactive facility maintenance, roadside rubbish bin emptying, and property rates for Council owned properties.
3. Planned proceeds from sale of assets did not eventuate causing timing differences in repayment of debt and changes in reserves.
4. Additional capital expenditure to improve level of service was completed through projects with the Better Off Funding initiatives, offset by underspending in property renewal projects with \$275k proposed to be carried forward to 2025/26.

	Internal \$000
<b>Loans</b>	
<b>Loans as at 01/07/2024</b>	<b>3,807</b>
Raised during year	1,070
Repaid during year	(1,127)
<b>Loans as at 30/06/2025</b>	<b>3,750</b>
Interest expense	179



# Representation and Community Leadership

## Te Whakakanohi me te Hautū i te Hapori

### WHAKATAUKI

**Mā pango, mā whero ka oti ai te mahi.**  
If the leaders work together with the community, the job will get done.



THIS ACTIVITY CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES



## Description of activity

This Activity includes how Council meets its responsibility to represent and provide leadership for the Community as well as how Council will involve the Community in its strategic planning and decision making.

## What the activity involves

- Employing the Chief Executive who is empowered to implement decisions of Council.
- Hosting Local Body elections.
- Encouraging Horowhenua residents to become involved in Council activity and communicating Council decisions.
- Council, Committee and Community Board meetings.
- Setting the strategic and policy direction of Council. This includes preparing the key strategic policy and planning documents such as the Long Term Plan and Annual Plans.
- Reviewing the District Plan and preparing plan changes.
- Monitoring the District's State of the Environment and efficiency and effectiveness of the District Plan.
- Leading key strategic projects including the Levin Town Centre Transformation and implementation of the Horowhenua Blueprint.

- Growth planning at a district and regional level including preparing a district growth strategy and working collaboratively with neighbouring councils including those that are members of the Wellington Regional Leadership Committee.
- Representing the views and interests of residents and ratepayers.

## How our work delivers on community wellbeing

### SOCIAL WELLBEING

Focused engagement with key stakeholders when developing Community Plans, Plan Changes, Bylaws, Policies, Strategies and the Annual Plan 2025/26 ensured community input into local decisions and priority projects. The development of the Shannon Community Plan provided opportunity for local communities to identify the 'sense of place' that is important to not only the community at the centre of the plan, but also the wider Horowhenua community. Awarding of Civic Honours ensures recognition of those who have contributed to community outcomes and who have longstanding volunteer roles within the various groups, clubs and organisations across our district.

### ENVIRONMENTAL WELLBEING

District Plan Changes have increased the supply of urban land – primarily Residential, to meet the needs of a growing population. These include provisions/rules to ensure that the environment is protected as development occurs.

Council has also retained the focus on the Manawatū River Loop at Foxton and Lake Horowhenua.

### ECONOMIC WELLBEING

Timely and efficient delivery of services within statutory time limits ensures that legislatively governed processes are not an impediment to economic progress while also ensuring that due process is applied correctly. Economic development is delivered in collaboration with The Horowhenua Company Limited, who work with local businesses to realise local opportunities, source economic data for informed decision making and facilitate access to capability and funding mechanisms.

The Levin Town Centre Transformation will deliver an attractive and vibrant urban town centre environment that supports economic growth, fosters community engagement and promotes sustainable development, ultimately enriching the quality of life for residents and visitors in Levin and the Horowhenua District.

### CULTURAL WELLBEING

Engaging and consulting with tangata whenua has continued to be a priority. Resourcing Agreements have been developed as one way of supporting participation, growth and capacity of our iwi partners. Regular hui take place with Te Tūmatakahuki (a Ngāti Raukawa Hapū collective) as well as representatives from Muaūpoko where discussion takes place regarding projects, review of strategies and plans, and Council's work programme.



## LONG TERM PLAN ACTIVITY INSIGHTS

### What we planned

### What we did

#### RENEWALS

##### Levin Town Centre strategy activation projects

This update reflects the strides made and the strategic adjustments shaping our path forward on the Levin Town Centre Transformation.

Following the reprioritisation of key initiatives, most of the project capex budget has been carried over to the next financial year, due to the succession of future projects pending confirmation of the Levin War Memorial Hall and Village Green development. This ensures resources are aligned with our community's most pressing priorities.

Significant milestones have been achieved. The Project Steering Group and Reference Group have been established, providing invaluable guidance and fostering inclusive decision-making. Completed projects include the Earthquake Prone Building Plan and the Strategic Property Acquisition – both critical steps in ensuring the east west connectivity.

The Levin War Memorial Hall and Village Green EOI/RFP process progressed through community consultation and commercial negotiations, laying the groundwork for transformative development.

Collaboration with KiwiRail and Greater Wellington Regional Council has advanced the Transport Hub analysis, while the Levin Town Centre Access and Carparking Strategy is under preparation to enhance connectivity and convenience. Additionally, pre-work on the former Women's Bowling Green Space has been completed, setting the stage for future activation and use of this space.

### Successes

#### PREPARING FOR THE 2025 ELECTIONS AND POTENTIAL REFERENDUM

- Development and publication of the Chief Executive's Pre-election Report before the legislative due date.
- Public Places Bylaw adopted with clear provisions for election signage, improving processes and ensuring compliance.
- Attendance at key local events to promote voter enrolment and awareness of the 2025 local election, resulting in over 50 enrolments or updates.
- Detailed Project and Communications Plan developed to increase voter turnout, encourage candidate nominations, promote enrolment, and raise public understanding of the referendum and electoral process.

#### DISTRICT PLAN

##### Plan Change 6A

Plan Change 6A (a greenfield rezoning in North West Levin) was lodged with Council as a private plan change at the end of 2024, before being adopted by Council as its own plan change. This is our first plan change.

in ePlan format. It was notified in April 2025 and, if approved, will enable 500+ additional homes within our district. The submission period for this plan change closed in May 2025. The next step in the process is to notify the summary of submissions, which will commence the further submission period.

##### Other District Plan Matters

During 2024/25 Council was working on a 'omnibus' plan change to introduce standardised definitions, updated land development provisions to address implementation challenges, and reviewed the notable tree list. This was intended to be progressed in 2025/26.

*UPDATE JULY 2025: In July 2025 the Minister for Resource Management Reform announced that councils must stop almost all District Plan work in anticipation of wider resource management reform. As such, work on this omnibus plan change has ceased. Council is now focusing on engaging in the reform process and preparing for transition.*

##### Annual Plan 2025/26

Development and adoption of the Annual Plan 2025/26.

### COMMUNITY PLANS

#### Foxton and Foxton Beach Community Plan on a Page

Momentum for this plan grew as a shared vision began to take shape in 2024, weaving together the aspirations of a vibrant future for Foxton and Foxton Beach. Community members, actively engaged in workshops where voices from all corners of Foxton and Foxton Beach were heard. These sessions saw ideas flowing freely, and the community's priorities emerge. Through thoughtful dialogue the Community Plan on a Page emerged as a concise yet clear plan toward a thriving future.

In November 2024, the Te Awahou Foxton Community Board endorsed this vision, a milestone that marked the community's unity and resolve. By December 2024, the Council lent its full support, solidifying the plan as a guiding light for progress. The momentum carried into 2025 as community members came together with enthusiasm breathing life into the plan, drafting detailed action plans to outline clear steps to transform vision into reality. The Community Plan on a Page is not just a document, but a living, evolving commitment to a brighter future for Foxton and Foxton Beach.

## **Shannon/Otāuru Community Plan**

The journey to develop the first Shannon Community Plan began in October 2024 with Council and Ngāti Whakatere inviting Shannon residents to the Whakawehi Marae, followed by two public meetings at the Shannon Memorial Hall and the Shannon Library. The Shannon Community Plan Working Group was established to drive the development of the plan. Wider community feedback was sought through extensive engagement from mid-January to late February 2025, including a maildrop to all homes in Shannon. A total of 297 submissions were received – very impressive at 18.5% of the town's population. If we consider representation by households (297 submissions against 624 households in Shannon), that would be a 48% response rate. There was strong representation from Māori, Pasifika, and younger people. These are groups who have historically been underrepresented in local government consultations. Of the 297 submissions, we received 85 online, 97 in paper form and 115 from children through the tailored activity sheets, showing participation across generations.

Submissions were analysed and shaped the first draft Community Plan on a Page, finalised by the Working Group. During May 2025 the Working Group presented the draft Plan on a Page, firstly to the community and then to Council. In June 2025 Council held its first meeting in Shannon to adopt the Shannon Community Plan. This marked a significant milestone of this journey. This plan has been a truly Iwi and community-led initiative, championed through the leadership of Councillor Olsen and strong support from the community. Everyone involved was very proud when our project *To Kotahitanga o te Hāpori – Engaging as One, Thriving Together* was awarded Highly Commended at the Local Government New Zealand

Conference Awards. This Award focused on the engagement work carried out with the Shannon working group and wider community on the Shannon Community Plan.

### **POLICY AND STRATEGIC REVIEWS**

Delivered stocktakes of Council's Strategies, Policies and Bylaws to inform the review programme, and reviewed the following:

- Land Transport Bylaw – adopted 30 October 2024
- Climate Action Plan – adopted 27 November 2024
- Public Places Bylaw – adopted 27 November 2024
- Responding to External Consultations Policy – adopted 14 May 2025
- Local Waters Combined Bylaw – adopted 14 May 2025
- Review of Dog Policy and Dog Control Bylaw – adopted 25 June 2025

### **COUNCIL ADVOCACY**

Advocated for Horowhenua to Parliament, central government agencies and other councils through the following submissions:

- Council has actively and consistently advocated to central government and NZTA Waka Kotahi on key issues affecting our district. Council's strong advocacy contributed to the successful reinstatement of critical Ōtaki to North of Levin (Ō2NL) design elements that, if removed, would have had negative impacts on the community – an excellent outcome for our district. In parallel, Council continues to seek clarity on the State Highway 1 and 57 revocation process and is actively participating in a shared operational programme to ensure smooth integration into the wider project.

### **Legislation**

- Māori Wards
- Tolling Proposal for the Ōtaki to North of Levin (Ō2NL) Highway – October 2024

- Term of Parliament (Enabling 4-year Term) – May 2025
- Vocational education and training reform – Mayor Bernie, along with mayors from Palmerston North, Ruapehu, Tararua, Rangitikei, Manawatū, Masterton and Kāpiti, and Rangitāne o Manawatū made a joint submission on the vocational education and training reform, calling for the restoration and enhancement of UCOL as one of the region's vocational education and training providers.

### **Central Government Agencies**

- Emergency Management Bill – May 2025
- NZTA Waka Kotahi Manawatū-Whanganui proposed Speed Limit Reversals – March 2025
- Commerce Commission Levy for the economic regulation of water services – Jan 2025
- MBIE submission form making it easier to build granny flats – August 2024
- MfE Proposed Amendments to Waste Legislation – May 2025

### **Other Councils**

- Greater Wellington Regional Council – Public Transport options – April 2025
- Horizons Regional Council – LTP Amendment re Public Transport – May 2025

### **CHALLENGES**

#### **Resource Management Act (RMA) Changes**

The New Zealand Government is proposing to replace the Resource Management Act 1991 (RMA). An Expert Advisory Group was established to prepare a 'blueprint' for the replacement legislation. This 'blueprint' was released in March 2025 and included 21 key recommendations, which Cabinet have since released recommendations on. Cabinet's recommendations give an indication of the likely content of subsequent Bills, which are currently being drafted and are expected to be introduced to the House later



in 2025. Current indications are that the RMA will be repealed and replaced by two acts – the Planning Act and the Natural Environment Act. If passed into law, these will require major changes to resource management planning nationwide – including the replacement of District Plans.

Under the proposed changes, District Plans would be replaced by new regional level planning documents, made up of regional spatial strategies and individual chapters from each territorial authority, among other components. We are closely monitoring the reforms and will continue to factor them into our planning. We also intend to participate in the process, including through submissions, when opportunities arise.

As mentioned above, almost all District Plan Change work must stop in the interim. This may limit Council's ability to respond to resource management issues, including growth, in the short term.

## **Looking Forward**

### **CENTRAL GOVERNMENT DIRECTION AND REFORMS**

The reform programme remains busy, and Council will continue to advocate in our community's interests. There are some key challenges and opportunities ahead. Some of these are set out below.

#### **Local Government reforms**

The Government has signalled that a number of pieces of local government reform are coming. A Local Government (Systems Improvement) Amendment Bill has been signalled and is expected to remove the four wellbeings from the Act, and to 'refocus' local government on core services.

Rates capping and changes to development contributions have also been signalled. Further detail about each of these reforms is expected in the next financial year, and before the end of 2025.

#### **Regional and City Deals**

Regional and City Deals are a Government initiative to establish long term agreements between

central and local government to promote economic growth, deliver infrastructure and improve the supply of quality housing. The programme aims to unlock funding and resource opportunities to support councils in delivering regional improvements. Each deal will be based on a 30-year vision for the region and a 10-year strategic plan with clear outcomes and actions. Regions for City and Regional Deals can include regional, sub-regional, or other suitable areas as long as they are clearly defined economic and geographic areas with functioning local authorities. Horowhenua is part of the Greater Manawatū City and Regional Deal proposal that was submitted to the Department of Internal Affairs (DIA) in February 2025. The Greater Manawatū City and Regional Deal includes Horowhenua, Manawatū, Palmerston North, Tararua districts, and Horizons Regional Council. The next steps will be dependent on the timing and nature of the response from DIA to this proposal.

## Representation and Community Leadership Activity Performance

Service/ Measure	Target	2023/2024 Results	2024/2025 Results
<b>Service:</b> Council supports residents and ratepayers to have their views heard and considered in Council decision-making.	100 opportunities per year	<b>NEW MEASURE</b> New measure as consulted on and adopted in the Long Term Plan 2024-2044 Process.	✓ <b>ACHIEVED</b> 113 opportunities were provided for the community to influence decision-making.
<b>Measure:</b> Regular opportunities <sup>9</sup> are provided for the community to influence decision-making.			
<b>Service:</b> Council is transparent and accountable to the community.	≥ 95% of agenda and minutes	<b>NEW MEASURE</b> New measure as consulted on and adopted in the Long Term Plan 2024-2044 Process.	✗ <b>NOT ACHIEVED</b> 100% of Council agendas were available on the website two working days prior to the relevant meeting and 81% of Council meeting minutes were available on the website two working days after the relevant meeting. From 42 meetings, 8 were published on the website late. Note: This target wasn't achieved due to timing and capacity issues. We had several meetings taking place in quick succession, which created a backlog of work. At the same time, resourcing constraints meant we couldn't get the minutes uploaded to the website as promptly as planned. However, we have re-engineered our processes and resourcing to avoid future delays
<b>Measure:</b> Council agendas are available on the website 2 working days prior to the relevant meeting. Council meeting minutes are available on the website 2 working days after the relevant meeting <sup>10</sup> .			
<b>Service:</b> Develop and deliver strategic projects, plans and corporate documents that achieve or contribute to our Community Outcomes.	100% of milestones	<b>NEW MEASURE</b> New measure as consulted on and adopted in the Long Term Plan 2024-2044 Process.	✓ <b>ACHIEVED</b> 100% of strategic projects, plans and corporate documents developed and delivered contributed to our Community Outcomes.
<b>Measure:</b> Community Outcomes are achieved or contributed to by milestones of strategic projects, plans and corporate documents being met.			<p><b>Activating the Levin Town Centre</b></p> <ul style="list-style-type: none"> <li>• Council voted to sell the Levin War Memorial Hall and Village Green properties to The Wellington Company Ltd for redevelopment after requesting an additional step to provide iwi partners' further opportunity to assess the proposal.</li> <li>• Preparation of Draft Access and Car Parking Strategy for Levin Town Centre.</li> <li>• Engaged THCL to provide a Retail Transformation strategy and plan.</li> <li>• Work has begun on a 3D digital visualisation of the Levin Town Centre.</li> </ul> <p><b>Annual Plan 2025/26</b></p> <ul style="list-style-type: none"> <li>• Annual Plan budget and consultation approach agreed by Council – 11 Dec 2024.</li> <li>• Annual Plan 2025/26 and Fees and Charges Schedule 2025/26 adopted – 14 May 2025.</li> <li>• Rates set by Council – 25 June 2025.</li> </ul> <p><b>Annual Report 2023/24</b></p> <ul style="list-style-type: none"> <li>• Annual Report Adoption within statutory timeframe – 30 Oct 2024.</li> <li>• Annual Report clean Audit Report received – 30 Oct 2024.</li> </ul>

9 Such as live streaming, public forums, open meetings, workshops etc, cuppa with a councillor.

10 Council meetings, committee meetings, and Board Meetings.

<b>Service/ Measure</b>	<b>Target</b>	<b>2023/2024 Results</b>	<b>2024/2025 Results</b>
			<p><b>Climate Action Plan</b></p> <ul style="list-style-type: none"> <li>• Climate Action Plan adopted – 27 Nov 2024.</li> </ul>
			<p><b>District Plan Changes</b></p> <ul style="list-style-type: none"> <li>• District Plan Changes are on track – namely Plan Change 6A (North West Levin) was notified in April 2025.</li> <li>• The District Planning and Growth steering group confirmed the scope of the 'omnibus' plan change.</li> </ul>
			<p><b>Foxton and Foxton Beach Community Plan</b></p> <ul style="list-style-type: none"> <li>• Foxton Community Plan developed with high level of community engagement; contributing to successful adoption of the Community Plan and a refreshed Foxton Futures Group, with new members engaged in defining the action plan to bring the Community Plan to life.</li> </ul>
			<p><b>Shannon/Otāuru Community Plan</b></p> <ul style="list-style-type: none"> <li>• Shannon/Otāuru Community Plan developed in community-led process, receiving wide response to engagement (18.5% population), presented to a Council Workshop then adopted by Council, in Shannon, on 18 June 2025.</li> </ul>

**Representation and Community Leadership Funding Impact Statement**  
**For the year ended 30 June 2025**

	Note	Actual 2024 \$000	Long Term Plan/ Annual Plan 2024 \$000	Long Term Plan 2025 \$000	Actual 30 June 2025 \$000
<b>Sources of operating funding</b>					
General rates, uniform annual general charges, rates penalties	149	146	2,535	1,813	
Targeted rates	5,940	5,791	2,281	3,014	
Subsidies and grants for operating purposes	735	–	954	556	
Fees and charges	–	–	–	–	
Local authorities fuel tax, fines, infringement fees, and other receipts	4	–	25	5	
Internal charges and overheads recovered	–	–	211	47	
<b>Total operating funding (A)</b>	<b>6,828</b>	<b>5,937</b>	<b>6,006</b>	<b>5,434</b>	
<b>Applications of operating funding</b>					
Payments to staff and suppliers	1	2,051	3,383	4,575	2,754
Finance costs		137	259	231	285
Internal charges and overheads applied		5,281	5,090	2,608	2,713
Other operating funding applications		–	–	–	–
<b>Total applications of operating funding (B)</b>	<b>7,469</b>	<b>8,732</b>	<b>7,414</b>	<b>5,752</b>	
<b>Surplus (deficit) of operating funding (A-B)</b>	<b>(641)</b>	<b>(2,795)</b>	<b>(1,408)</b>	<b>(318)</b>	
<b>Sources of capital funding</b>					
Subsidies and grants for capital expenditure		–	–	–	–
Development and financial contributions		–	–	–	–
Increase (decrease) in debt	2	3,000	5,596	3,623	(1,211)
Gross proceeds from sale of assets		–	–	–	–
Lump sum contributions		–	–	–	–
Other dedicated capital funding		–	–	–	–
<b>Total sources of capital funding (C)</b>	<b>3,000</b>	<b>5,596</b>	<b>3,623</b>	<b>(1,211)</b>	

	Note	Actual 2024 \$000	Long Term Plan/ Annual Plan 2024 \$000	Long Term Plan 2025 \$000	Actual 30 June 2025 \$000
<b>Applications of capital funding</b>					
Capital expenditure					
- to meet additional demand		-	-	500	5
- to improve the level of service		-	-	-	-
- to replace existing assets	3	277	2,875	1,500	15
Increase (decrease) in reserves	4	2,081	(74)	215	(1,550)
Increase (decrease) of investments		-	-	-	-
<b>Total applications of capital funding (D)</b>		<b>2,359</b>	<b>2,801</b>	<b>2,215</b>	<b>(1,530)</b>
<b>Surplus (deficit) of capital funding (C-D)</b>		<b>641</b>	<b>2,795</b>	<b>1,408</b>	<b>318</b>
Funding balance ((A-B)+(C-D))					
Depreciation		-	-	54	-

**Notes:**

1. Mainly savings identified in professional services costs related to District Plan.
2. Increase in debt is lower than expected due to less capital expenditure.
3. Capital expenditure is lower than budget due to the Levin Town Centre Strategy activation projects having not yet commenced. Unspent funds is proposed to be carried forward to 2025/26, pending a decision by Council on current opportunities associated with the Levin Town Centre programme.
4. Increase in reserve is higher due to less operational expenditure.

	Internal \$000
<b>Loans</b>	
Loans as at 01/07/2024	6,047
Raised during year	20
Repaid during year	(1,232)
<b>Loans as at 30/06/2025</b>	<b>4,836</b>
Interest expense	285



# Community Support

## Te Tautāwhi i te Hapori

### WHAKATAUKI

**Mahia i runga i te rangimārie  
me te ngākau māhaki**

With a peaceful mind and  
respectful heart, we will  
always get the best results

Please be

**READY**

with the  
right ID for  
what you  
need to do.

THIS ACTIVITY CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES



## Description of activity

The Community Support Activity is made up of a number of sub-activities which aim to provide for the Community's social and economic wellbeing.

The Community Support Activities includes the following:

- Emergency Management
- Community Development
- Visitor Information
- Destination Management
- Economic Development
- Communications and Engagement

## What the activity involves

### EMERGENCY MANAGEMENT

The Emergency Management Activity aims to ensure the Horowhenua District is ready for, and able to respond to, emergencies or natural hazards that may cause loss of life, injury, or illness.

#### What it involves

- Facilitating community resilience and emergency preparedness planning with external agencies and community groups through the Manawatū-Whanganui Emergency Management Group and the Horowhenua Emergency Management Committee. This includes identifying hazards and developing and implementing measures to minimise impacts (reduction).
- Readiness plans are in place and that the Community is aware of the 'hazardscape' and is prepared.
- Engaging with, and educating, our community about 'Being Prepared' (readiness).
- Providing a fully functional Emergency Operating Centre (EOC) to co-ordinate response activities during an emergency. Ensuring critical services can be provided during and after an emergency (response).
- Co-ordination of recovery activities (recovery).
- Being an active member of the Manawatū-Whanganui Civil Defence Emergency Management Group.

## COMMUNITY DEVELOPMENT

The Community Development Activity aims to enhance community wellbeing within the Horowhenua District, to improve Council's cultural competency and community empowerment. This function focuses on fostering a sense of belonging, encouraging civic participation, and nurturing social cohesion. By implementing programmes that address local needs and aspirations, we promote an inclusive and thriving community spirit.

#### What it involves

- Deliver on the Horowhenua Community Wellbeing Strategy (He Hāpori Pakari | Strong Communities).
- Support and implement the Community Wellbeing Strategy Action Plan.
- Support community-led development within the Community to help the community respond to local needs.
- Facilitate and enable the following community networks to be meaningful and effective in their delivery and grassroots community engagement:
  - Access and Inclusion
  - Youth Services
  - Youth Voice
  - Older Persons
  - Education Horowhenua
  - Horowhenua Former Refugee Support Committee and Welcoming Communities
- Advocate on behalf of the Community for better health, safety, housing and social belonging outcomes through the Community Wellbeing Committee.
- Facilitate a Community Capacity Building Programme: provide free or subsidised training to the not-for-profit sector and the wider community with the aim to increase their ability to respond to the community's needs.

- Provide funding support for local Surf Life Saving, Waitārere and Foxton Beach Wardens, Neighbourhood Safety providers, Neighbourhood Support and other contracted community services.

- Provide the following contestable grant schemes:

- Youth Empowerment Fund
- Climate Action Fund
- Community Events and Programme Fund
- Operations and Small Assets Fund
- Horowhenua Rural Halls Fund
- Waste Minimisation Fund
- Urupā Whānau Maintenance Fund

- Provide administrative support to externally funded contestable grant schemes:

- Creative Communities New Zealand Scheme
- Shannon Community Development Trust

## Cultural Outcomes

- Create and support implementation of Council's Iwi/Hapū Relationships Framework.
- Facilitate and support Officers to be equipped in Tikanga and Te Ao Māori.
- Enable opportunities for the community to celebrate our diverse cultures.
- Assist with the development of tikanga-led protocols and processes for Council.

## VISITOR INFORMATION

The Visitor Information Activity manages the provision of visitor information services in Levin and Foxton.

#### What it involves

- Domestic travel and accommodation bookings.
- Horowhenua attractions, activities and accommodation bookings.
- Local regional and national visitor information, travel maps and resources.

- Working partnerships with local tourism providers and operators to promote local experiences.

## DESTINATION MANAGEMENT

Destination Horowhenua works to sustainably grow tourism so that our community benefits first. The Destination Management Activity supports local businesses and jobs, enhances community pride and sense of place, protects and shares our natural and cultural heritage, and contributes to a thriving local economy that aligns with Council's priorities.

### What it involves

- Drive sustainable visitor growth to our district.
- Build Local Tourism Capability.
- Provide strategic direction, coordinate and implement Destination Management and Development efforts.
- Create resources and facilitate collaboration between Council, Businesses, Iwi/Hapū and Community.
- Identify, grow and diversify key visitor markets.
- Attract Major Events to our district.
- Maintain, grow and optimise destination HorowhenuaNZ digital channels and marketing efforts:
  - [www.horowhenuanz.co.nz](http://www.horowhenuanz.co.nz)
  - <https://www.facebook.com/HorowhenuaNZ/>
  - <https://www.instagram.com/horowhenuanz/>

## ECONOMIC DEVELOPMENT

The purpose of the Economic Development Activity is to facilitate economic growth to support improved social and economic wellbeing in the Horowhenua District.

### What it involves

- The District is poised for significant change and has the opportunity to considerably advance its economic wellbeing and prosperity. This will require quality leadership and decision

making, as well as, coordinated action with businesses and the wider community to take advantage of available opportunities and investment in our district.

- On behalf of Council, The Horowhenua Company Limited (THCL) provide business support and advice to local businesses, support Iwi and Māori economic development, inward investment, training opportunities, communications and economic data. All these services are designed to promote local businesses and attract people to our retail areas and attracting a more diverse range of businesses.

## COMMUNICATIONS AND ENGAGEMENT

The Communications and Engagement Activity develops and grows the connection between community and Council, in a bid to show the value Council provides and in turn building trust and confidence in the organisation.

### What it involves

- Monitor, update and create relevant content for Council's social media channels.
- Respond and provide information to media outlets.
- Ensure internal Officers and Elected Members are kept up to date with what Council is doing.
- Produce and distribute Council publications (e.g. media releases, Community Connection, public notices, Antenno updates and strategies).
- Define and deliver Council's content strategies.
- Oversee, maintain and optimise Council's websites:
  - [www.horowhenua.govt.nz](http://www.horowhenua.govt.nz)
  - [www.teawahou.com](http://www.teawahou.com)
  - [www.tetakere.org.nz](http://www.tetakere.org.nz)
  - [www.aquatics.horowhenua.govt.nz](http://www.aquatics.horowhenua.govt.nz)
- Lead the delivery of community engagement initiatives via [www.letskorero.horowhenua.govt.nz](http://www.letskorero.horowhenua.govt.nz).

- Lead Public Information Management for Civil Defence Emergency Management.

## How our work delivers on community wellbeing

### SOCIAL WELLBEING

Council continues to engage and connect with its community through a range of campaigns and channels, including Let's Kōrero (our community engagement platform), Citizens' Panels, the delivery of our Strategic Communications Framework and an always on multi-channel media strategy.

Council continues to invest in promoting Horowhenua as a visitor destination, building on the foundations laid through its refreshed destination brand. This year, our focus on digital marketing, storytelling, and visitor information has driven strong growth across key channels. From July 2024 to June 2025, the website had 148,557 views, 99,242 sessions, from 82,739 active users, with an engagement rate of 60.36%.

The average monthly domestic visitor population remains strong for Horowhenua, with domestic tourism electronic card spend reaching \$116.3 million in the year to March 2025. International visitor spend totalled \$7.48 million, accounting for around 6% of overall tracked spend. Wellington and the wider Manawatū-Whanganui region, were our district's top domestic markets, reflecting our district's appeal as a convenient, driveable destination.

Horowhenua NZ Facebook visits increased by 42% year-on-year to 14,341, while Instagram visits rose by 64.1% to 919. Facebook reach (impressions) climbed 37.1% to 3.23 million, and Instagram reach saw a modest 1.3% lift to 86,595. Follower growth remained strong, with Facebook up 16.1% to 5,172 and Instagram up 10.9% to 1,167.

Council's aim is to continue to listen to its community, understand them and their needs, and engage with them in channels that resonate.



Council's strong support for community has a positive impact on building robust communities and improving community wellbeing.

Sector network meetings coordinated and facilitated by Council continue to attract good membership and participation. The networks are effective as the conduit for information between members and Council.

Council facilities, community hubs and online platforms provide a place for Council to undertake Community Capacity Building Programmes that build resilience and capability for not-for-profit organisations, and community groups ensures we have a community with a diversity of skills and experience and helps provide extra support to organisations in the governance and operational challenges they are facing.

#### **ECONOMIC WELLBEING**

Horowhenua's economic development agency has actively engaged with businesses and other community partners to

solve business problems and to support business growth and development, ultimately improving economic wellbeing. This includes a comprehensive set of investment attraction activity, which has resulted in the relocation and establishment of a range of new businesses, creating exciting new jobs and opportunities for local suppliers. In addition, regular business networking and local initiatives to improve labour market outcomes have continued throughout the year, ensuring the Horowhenua business community is connected to the latest data, insights and economic analysis.

Council has delivered programmes, forums and provided support that has impacted positively across Horowhenua's economic wellbeing. This has included but is not limited to development forums, destination management workshops, promoting Horowhenua at exhibitions, supporting community-driven initiatives and events, and the provision of data and information to support investment decision making.

#### **CULTURAL WELLBEING**

To support cultural wellbeing, Council provides a Community Events and Programmes Grant and administers a Central Government fund, Creative Communities NZ. These funds enable a wide range of art, culture and heritage projects and programmes that contribute to a rich vibrant community growing a sense of pride by the creators, artists and community. Council actively encourages people to uptake the grants and supports community participation in diverse outcomes. Funded by Chorus, Council also administers a Chorus Cabinet beautification programme where artists are selected to bring their art to the streets by painting a Chorus cabinet in the rohe (district).

Council supports a wide range of community-led events by encouraging shared local visions, offering event management advice, introducing collaborations and providing event support up to the event and on the day. This has proven to be extremely effective in growing strong relationships between community groups and Council.

## LONG TERM PLAN ACTIVITY INSIGHTS

What we planned	What we did
<b>RENEWALS</b>	
<b>10 x Laptops for Emergency Operations Centre</b>	Extra laptops have been purchased to increase capability and resilience in our Emergency Operations Centre (EOC).
<b>10 x Tablets for needs assessments</b>	Tablets purchased to enable Needs Assessments during emergency events.
<b>2 x HDMI TVs including Mobile Trolleys</b>	These TVs and Stands have been purchased to increase capability and resilience in our Emergency Operations Centre.
<b>Portable Water Storage Bladders</b>	Twenty-four 4,000-litre water tanks have been delivered to strengthen community resilience by providing an emergency backup supply should regular water sources be disrupted.
<b>RENEWALS</b>	
<b>Website Development</b>	We Delivered the Te Takeretanga o Kura-hapu-pō website refresh <a href="https://www.tetakeretangakura-hau-po.org.nz/Home">https://www.tetakeretangakura-hau-po.org.nz/Home</a>

### Successes

#### EMERGENCY MANAGEMENT

As result of LTP Funding, Council Officers have been working with the Emergency Management Team to procure equipment to increase capability and resilience in our Emergency Operations Centre (EOC) and out in the field, as well as communications resilience in emergency events. Extra laptops have been purchased for EOC deployment along with Tablets which will enable Needs Assessments to be undertaken out in the community in response to disasters and emergency events. Officers are currently working through the process to purchase Starlink devices that will be able to be deployed to provide connectivity for our communities during such events where normal communications are unavailable. Twenty-four x 4,000 litre water tanks have been delivered as part of our LTP funded Emergency Water Supply Resilience project. These have been deemed the most suitable assets to support our communities should regular water supplies be affected both in emergencies or business as usual disruptions.

#### Weather event 8 April 2025

The importance of being prepared for an emergency event was emphasised on 8 April 2025 when a mini tornado hit Levin, bringing down trees, damaging utility lines, and lifting roofs and fences. This event necessitated activation of the Horowhenua EOC, who immediately jumped in to assess the situation and open communication lines to keep the community updated. Council officers worked alongside other organisations and community members to deal with the aftereffects which included arranging for clean-ups, setting up support for the community through a welfare support centre, and picking up displaced animals. The Mayor activated the Mayoral Relief Fund to assist those experiencing hardship as a result of the event, and in addition, Officers have been working with neighbours of our properties, or their insurance companies, where fencing was damaged to replace fencing with each side paying its 50% share.

Council continued to invest in day-to-day readiness, ensuring Council Officers are trained, resourced, and confident in their roles within the Emergency Operations Centre and in the field. This included regular exercises, inter-agency collaboration, and capability development to strengthen our ability to respond effectively to future events.

#### COMMUNITY DEVELOPMENT

##### Community Wellbeing Strategy He Hāpori Pakari, Strong Communities

He Hāpori Pakari Strong Communities | Community Wellbeing Strategy was adopted by Council on 12 June 2024, and since then, Council Officers had been working hard in the background to prepare the organisation for how their mahi (work) will contribute to delivering on the priorities and actions of the Strategy. This background work included laying the foundations to allow various Council teams to deliver but also work on the reporting framework to keep ourselves accountable on delivering on our actions. By 30 June 2025, most of the actions identified for Year 1 of the Strategy's Action Plan were either completed or on track to be completed.

Our Strategy's overall vision is for Horowhenua to be a safe, vibrant, inclusive and connected community. We unite people, partnerships, and place, leveraging our collective experience and skills to foster unity and enhance the wellbeing of our entire community. Council's Community Wellbeing Committee holds responsibility for ensuring that the Strategy is delivered accordingly.

## Youth Voice

Youth Voice is going from strength to strength, growing in both size and diversity as they work to reflect the rangatahi of our district. This year, the group made a powerful impression at a Council meeting, presenting in support of their submission on the future of Levin Memorial Hall and Village Green – bringing a fresh youth perspective to the conversation. They also made their voices heard at a regional level, submitting on the Horizons Long Term Plan amendment to advocate for improved public transport in Horowhenua.

## Grants

Council offers a range of grants to support community groups, events, and initiatives that strengthen and connect our district. This includes funding for one-off events, educational programmes, arts and cultural projects, waste minimisation initiatives, rural hall improvements, and support for young people through the Youth Empowerment Fund. The Community Events and Programmes Fund and Creative Communities Fund are offered twice a year, while other funds like the Operations & Small Assets Fund, Shannon Community Development Trust, and Major Events Fund are available annually or year-round. For those facing exceptional circumstances, the Mayoral Relief Fund is also available. Whether running a local event, launching a creative project, or improving community spaces, there's funding available to help bring these ideas to life. Council's Community Development Team also held drop-in sessions to help guide people through the process and help them find the right fund for their needs.

## VISITOR INFORMATION AND DESTINATION MANAGEMENT

Levin and Foxton i-SITE services are delivered by Council, from Council run facilities.

Throughout the 2024/25 financial year, our Destination Management team delivered a dynamic and well-

rounded programme of activity designed to strengthen our district's profile, support the local tourism sector, and drive visitor engagement. Starting in August 2024, we welcomed a dedicated Destination Management Lead, kicked off key recruitment for the advisory group, and saw strong momentum across our digital campaigns – including a standout glamping blog that alone generated over 2,300 website views. The Strategy was endorsed by Council and presented to The Horowhenua Company Ltd to get their feedback and shape future direction, while ongoing enhancements to the Horowhenua website and digital content contributed to a 50% rise in new users. Participation in events such as the Taste Horowhenua-Kāpiti event at Parliament further strengthened industry relationships, and the launch of several new blogs and the 'What's On' Event Guide supported continued digital visibility.

Over the following months, momentum continued to build. Campaigns from October 2024 through February 2025 drove tens of thousands of website views, with a consistent majority of users arriving via paid social and search. Council conducted surveys and hosted a visitor sector hui to gather stakeholder insights, which identified both strengths and opportunities in the tourism sector. Content-led engagement remained strong, particularly with blogs such as 'Kiwi Camping' and 'Accommodation that Inspires'. The first printed Horowhenua NZ visitor map launched with high demand from local businesses, and a major business capability workshop in May 2025 produced a robust list of aspirational sector actions – which included the desire for better collaboration from the industry, the establishment of famils (a hosted visit/tour to experience a destination) and the need for additional sector resources. Strategic collaboration also deepened, with strong connections

made through TRENZ, New Zealand's biggest tourism industry event, and cross-regional initiatives now in development. Council staff worked closely with tourism strategists on a refreshed Destination Management Plan to ensure it reflects current opportunities and challenges, and supports a more connected, coordinated and future-focused visitor economy. Together, these efforts have strengthened our digital presence, supported sector capability, and laid the groundwork for continued growth in the year ahead.

## ECONOMIC DEVELOPMENT

Council's contracted economic development service provider, The Horowhenua Company Ltd (THCL), engaged the community through various organised events and workshops. These include facilitating or coordinating the Electra Business After Five Events, Women in Business Networking Luncheon, Retailers and Business Drop-in sessions in Foxton. They also featured numerous posts covering a range of topics including the Tim Costley's Parliamentary Taste Horowhenua-Kāpiti event, Electra BA5, RBP funding for accounting, Carters' opening, Nuivaka Trust, and various other relevant stories.

These engagements are designed to foster business development and connections within the Horowhenua district.

THCL lead the development of proposals to Kanoa for the Levin Transport Hub and Foxton River Loop to test the fit with the Regional Infrastructure Fund, seeking to bring additional investment funding into district.

Support to the Foxton Futures Community Plan through the Foxton Futures Group to help establish the plan for the community that aligns the aspirations (including business and economic aspirations and opportunities) for the Foxton and Foxton Beach community.

Contribution to the Levin Town Centre Transformation through the Levin Town Centre Reference Group,

providing valuable insights to help shape the next moves in the timing of the Transformation programme.

Futures Day organised and hosted for local Year 10 students, providing them with insights and exposure to potential local career pathways and opportunities.

Work during this financial year was also focused on developing the Horowhenua Economic Development Strategy 2025-2035. Working to obtain input from business leaders, Te Tūmatahuki and Muaūpoko Tribal Authority to prepare the Strategy. The Strategy capturing the vision outlining the key focus areas for economic development over the next 10 years was adopted by Council on 25 June 2025.

A section 17A service Delivery Review for economic development services was completed in December 2024, following an independent review undertaken by MartinJenkins. The report identified a series of recommendations, which Council deliberated on before deciding to continue with the enhanced version of the current service delivery model. A new three-year contract with The Horowhenua Company Limited will commence 1 July 2025.

Focus for the new financial year will be working together with THCL, to commence implementing the Strategy and delivering on the new contract.

## **COMMUNICATIONS AND ENGAGEMENT**

- Implemented the Strategic Communications and Engagement Framework and always on media strategy, which grew engagement, community participation in decision-making and reach across key communications channels.
- Engaged the community in shaping the Draft Foxton and Foxton Beach Community Plan.
- Promoted and supported events like the Future Pathways Expo and the Chorus Arts programme to involve local artists.

- Kept the community informed about key decisions, including Council's decision to keep Māori Wards, and encouraged eligible ratepayers to apply for Rates Rebates.
- Continued roll-out of the Strategic Communications Framework, covering climate action, water conservation, and community events through mixed channels (radio, digital billboards, print, social media).
- Launched the Te Takeretanga o Kura-hau-pō website refresh.
- Delivered strong community consultation on the Levin War Memorial Hall (over 300 submissions) and launched the Local Waters Done Well consultation with a comprehensive multi-channel approach.

## **Challenges**

### **VISITOR INFORMATION AND DESTINATION MANAGEMENT**

- The start-up nature of the destination management function itself: building trust, systems and relationships from scratch while still needing to deliver visible outcomes early.
- Constantly balancing encouraging visitation with protecting Horowhenua's environment, heritage and community character, which requires ongoing care and engagement.
- Limited resourcing and capacity, meaning careful choices between strategy work, stakeholder engagement, content creation and marketing.
- Bringing together diverse aspirations from Iwi and Hapū, local businesses, community groups, Council teams and regional or national partners, which adds complexity and requires sustained relationship building.
- Shifting policy and economic settings, including changes at central government level and cost-of-living pressures affecting domestic travel, making it important to stay agile and responsive.

- Community sentiment, as growing broad support in a district where tourism is still emerging takes clear storytelling and transparency about local benefits.
- Gaps in robust, localised visitor data, which can make it harder to measure impact and tell the full story of our progress.

## **ECONOMIC DEVELOPMENT**

The financial uncertainty surrounding Ōtaki to North of Levin (Ō2NL) and whether it would be constructed made it difficult to explore, understand and commit with confidence to the economic development opportunities associated with Ō2NL until there was more certainty.

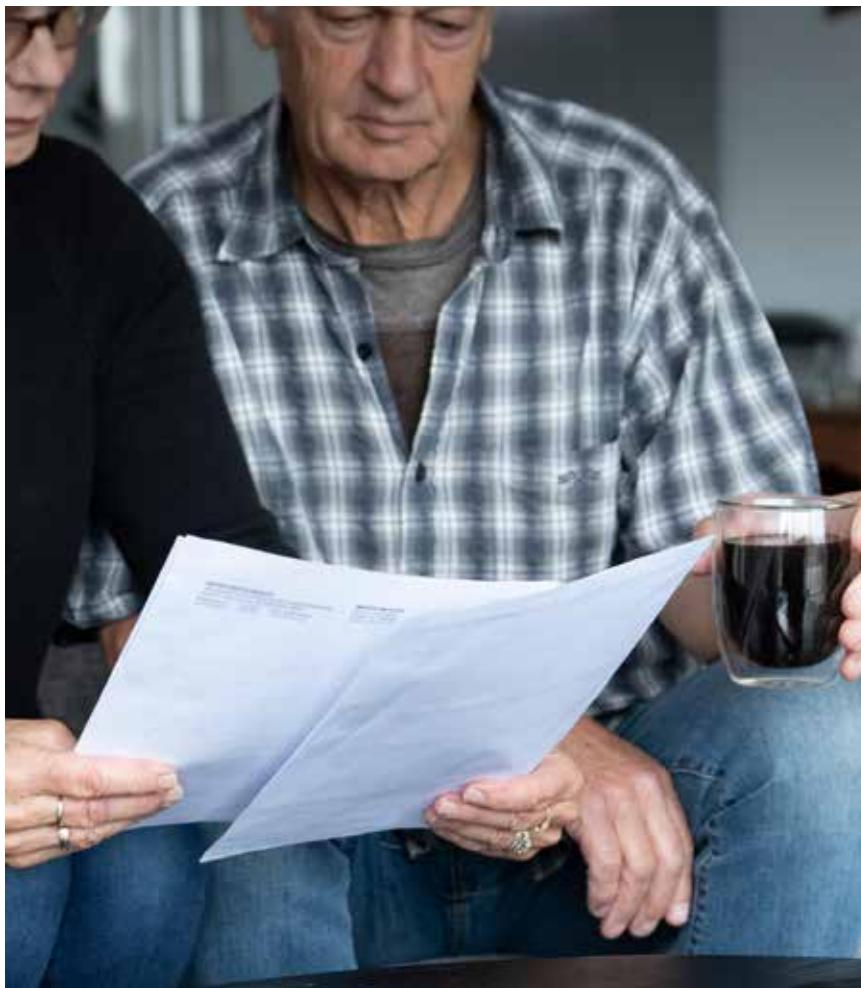
Engagement with Iwi on economic development aspirations has been challenging with capacity of iwi stretched across other key projects in our district such as Ō2NL.

Continued ongoing engagement with Iwi will be a key part of developing the Māori/Iwi Development Plan.

Completing the section 17A Review during this year, reduced the longer term certainty for those delivering the contract until the outcome of the section 17A Review process was confirmed. With Council making the decision in December 2024, not all of the recommended improvements were able to be worked through before the end of the financial year.

## **COMMUNICATIONS AND ENGAGEMENT**

- Managing large volumes of community feedback through social and other media on complex topics like the Levin War Memorial Hall and Local Waters, requiring significant time and resource.
- Balancing multiple concurrent projects and campaigns (e.g., website refresh, consultations, events) while ensuring consistent quality and engagement.
- Navigating a rapidly changing national context and shifting central government policy direction on water reform, which meant needing to adapt messaging quickly.



## ECONOMIC DEVELOPMENT

The updated Economic Development Strategy was prepared and adopted by Council in May 2024. The Strategy identifies a range of actions and initiatives, some of which were underway already and others that are yet to start. The implementation of the Strategy and the actions and initiatives within it, will continue to be a focus in the new financial year.

In preparing the Economic Development Strategy, engagement with Iwi identified the desire to develop a Māori/Iwi Development Plan, while the engagement undertaken has provided the platform for this work, the development of the Plan would be a focus in the new financial year.

Not all recommendations from the Section 17A Review were able to be implemented before the end of the financial year. Continued work on these recommendations will be a focus for the new financial year.

## COMMUNICATIONS AND ENGAGEMENT

- Continued roll out of the refreshed Strategic Communications Framework. Fully shifting from a largely reactive model to a proactive, planned programme of storytelling about Council work, people and community impact.
- Developing and rolling out the Council Officer storytelling video and photo series to help humanise Council work and attract talent.
- Growing our use of data and analytics to measure what content works, refine strategy and better report on our impact.
- Deepening engagement with harder-to-reach groups in the community, including young people, rangatahi, Māori and minority communities.

- Running consultation and engagement within tight timeframes to meet legislative and project deadlines, while still aiming to provide clear, balanced information to the community.
- Navigating the evolving expectations around multi-channel communications, needing continuous optimisation to maintain reach and relevance.

- Deepening partnerships with Iwi and Hapū to ensure cultural stories, sites and values are reflected and respected in all visitor-facing work.
- Growing industry capability and connection through workshops, networking events and regular stakeholder updates.
- Strengthening the link between destination management and broader community outcomes like economic resilience, environmental stewardship and cultural wellbeing.
- Refreshing and improving visitor experiences, infrastructure, signage and wayfinding to create a more welcoming and consistent experience.
- Expanding seasonal and thematic campaigns to help manage demand and spread visitor benefits throughout the year.

## Looking Forward

### VISITOR INFORMATION AND DESTINATION MANAGEMENT

- Completing and launching the Destination Management Plan, including weaving in Iwi and Hapū aspirations and aligning with wider council strategies and community plans.
- Establishing an ongoing programme of visitor research and data collection to better measure impact, track trends and inform decision-making.

## Community Support Activity Performance

Service/ Measure	Target	2023/2024 Results	2024/2025 Results
<b>Service:</b> The community is supported to be prepared for an emergency. <b>Measure:</b> Staff are trained and ready to respond and support the community in an emergency.	80% of full-time staff completed Integrated Training Framework Foundation within 6 months of commencing. 50% of full-time staff completed Integrated Training Framework Intermediate within 1 year of commencing	<b>NEW MEASURE</b> New measure as consulted on and adopted in the Long Term Plan 2024-2044 Process..	<b>NOT APPLICABLE</b> As this is a new measure, a baseline was created in 2024/25 to allow for reporting at the end of the 2025/26 financial year. <b>Baseline for 2025/26:</b> 65 new Full Time (FT) staff joined the organisation between 1 July 2024 and 30 June 2025. As a six month and one year period has not passed since financial year end, full data is not available to report on this measure. Below are the stats of how our 65 new FT employees' training are progressing: <ul style="list-style-type: none"> <li>59 (90.76%) have completed CDEM Induction</li> <li>45 (69.2%) have completed the Foundation course</li> <li>22 (33.85%) have completed the Intermediate course within 1 year of commencing.</li> <li>45 (69.23%) staff have attended Function courses.</li> </ul> These stats will inform reporting for the Annual Report 2025/26.
<b>Service:</b> We are able to continue to operate during high impact emergency events. <b>Measure:</b> Complete a comprehensive Emergency Operations Centre (EOC) capability audit every two years to ensure compliance with the Civil Defence Emergency Management (CDEM) Act 2002. This audit must be conducted by an independent suitably qualified person.	An audit is conducted every two years	<b>NEW MEASURE</b> New measure as consulted on and adopted in the Long Term Plan 2024-2044 Process. A similar measure for 2023/24 was that the Council maintains a functional EOC. Thus, that Council's EOC (and alternates) are fully functional and meet the requirements of the CDEM Act 2002. This measure was marked as achieved during the 2023/24 financial year noting that EOC arrangements will be independently audited bi-annually to ensure they remain fit for purpose, and that the next audit will be undertaken in 2025.	<span style="color: green;">✓</span> <b>ACHIEVED</b> A comprehensive Emergency Operations Centre (EOC) capability audit was carried out in May 2025 by Toa Consulting. The EOC Audit Report was received from Toa Consulting in June 2025. The report was complimentary of the EOC Capability noting that " <i>Horowhenua District Council is well set up to manage and coordinate emergencies in their district</i> ".
<b>Service:</b> Community organisations to ensure transparency regarding the allocation of Council-provided financial support. <b>Measure:</b> Community organisations receiving funds for essential services to fulfil monitoring and reporting obligations.	100%	<b>NEW MEASURE</b> New measure as consulted on and adopted in the Long Term Plan 2024-2044 Process.	<span style="color: red;">✗</span> <b>NOT ACHIEVED</b> None of the community organisations receiving funds for essential services fulfilled monitoring and reporting obligations. Reports were due on 31 July 2025, the due date falling within the new financial year. Going forward, the due date for reporting will be set for 30 June to allow for reporting on this SSP.

Service/ Measure	Target	2023/2024 Results	2024/2025 Results																					
<b>Service:</b> <b>2024/25:</b> Collaboration with and advocacy (including business development and new business investment in the Horowhenua District) for all sectors of local business.	$\geq 75\%$	<b>✗ NOT ACHIEVED</b> The Annual Customer Satisfaction Survey result was 42%.	<b>✗ NOT ACHIEVED</b> The Annual Customer Satisfaction Survey result showed that 43% of the District's Businesses were satisfied, or more than satisfied, with Council's support to local businesses and overall performance in the Economic Development activity.																					
<b>2023/24:</b> Council advocates for and facilitates business development and new business investment in the Horowhenua District.																								
<b>Measure:</b> Percent of District's Businesses that are satisfied, or more than satisfied, with Council's support to local businesses and overall performance in the Economic Development activity.																								
			<table border="1"> <thead> <tr> <th>Results</th><th>2024/25</th><th>2023/24</th></tr> </thead> <tbody> <tr> <td>Very satisfied</td><td>2</td><td>5</td></tr> <tr> <td>Satisfied</td><td>17</td><td>13</td></tr> <tr> <td>Neutral</td><td>22</td><td>31</td></tr> <tr> <td>Unsatisfied</td><td>3</td><td>5</td></tr> <tr> <td>Very unsatisfied</td><td>0</td><td>1</td></tr> <tr> <td>Total</td><td>44</td><td>55</td></tr> </tbody> </table> <p>There is a large number of respondents who opted for neutral. The number of respondents who opted for unsatisfied or very unsatisfied improved from a total of 6 last year to 3 for this financial year. In 2023/24 the methodology was changed from a survey campaign specifically targeting the Horowhenua Company Business Customers to Council's organisation wide survey campaign which contacts a wider audience.</p>	Results	2024/25	2023/24	Very satisfied	2	5	Satisfied	17	13	Neutral	22	31	Unsatisfied	3	5	Very unsatisfied	0	1	Total	44	55
Results	2024/25	2023/24																						
Very satisfied	2	5																						
Satisfied	17	13																						
Neutral	22	31																						
Unsatisfied	3	5																						
Very unsatisfied	0	1																						
Total	44	55																						
<b>Service:</b> Providing opportunities for local businesses and the local community to understand business support and economic development initiatives available.	$\geq 30$	<b>NEW MEASURE</b> New measure as consulted on and adopted in the Long Term Plan 2024-2044 Process.	<b>✓ ACHIEVED</b> 170 opportunities for local businesses and the local community to understand business support and economic development initiatives available, were provided by Council. This is made up of 24 events and 146 communication posts (website news or other).																					
<b>Measure:</b> Number of opportunities <sup>11</sup> provided by Council.																								

<sup>11</sup> Networking events, social media posts, case studies, other comms, other events etc.

**Community Support Funding Impact Statement**  
**For the year ended 30 June 2025**

	Note	Actual 2024 \$000	Long Term Plan/ Annual Plan 2024 \$000	Long Term Plan 2025 \$000	Actual 30 June 2025 \$000
<b>Sources of operating funding</b>					
General rates, uniform annual general charges, rates penalties		2,965	2,891	3,733	3,742
Targeted rates		-	-	500	500
Subsidies and grants for operating purposes		577	35	360	320
Fees and charges		-	-	38	2
Local authorities fuel tax, fines, infringement fees, and other receipts		6	(35)	3	38
Internal charges and overheads recovered		(54)	-	-	163
<b>Total operating funding (A)</b>		<b>3,494</b>	<b>2,891</b>	<b>4,634</b>	<b>4,765</b>
<b>Applications of operating funding</b>					
Payments to staff and suppliers	1	1,798	1,808	3,176	2,467
Finance costs		(2)	-	(1)	2
Internal charges and overheads applied		1,310	1,363	1,439	1,572
Other operating funding applications		-	-	-	-
<b>Total applications of operating funding (B)</b>		<b>3,106</b>	<b>3,171</b>	<b>4,614</b>	<b>4,040</b>
<b>Surplus (deficit) of operating funding (A-B)</b>		<b>388</b>	<b>(280)</b>	<b>20</b>	<b>724</b>
<b>Sources of capital funding</b>					
Subsidies and grants for capital expenditure		(5)	-	-	-
Development and financial contributions		-	-	-	-
Increase (decrease) in debt		72	18	(54)	(67)
Gross proceeds from sale of assets		-	-	-	-
Lump sum contributions		-	-	-	-
Other dedicated capital funding		-	-	-	-
<b>Total sources of capital funding (C)</b>		<b>67</b>	<b>18</b>	<b>(54)</b>	<b>(67)</b>

	Note	Actual 2024 \$000	Long Term Plan/ Annual Plan 2024 \$000	Long Term Plan 2025 \$000	Actual 30 June 2025 \$000
<b>Applications of capital funding</b>					
Capital expenditure					
- to meet additional demand		27	-	7	3
- to improve the level of service		-	-	10	38
- to replace existing assets		5	26	52	23
Increase (decrease) in reserves	2	423	(288)	(103)	593
Increase (decrease) of investments		-	-	-	-
<b>Total applications of capital funding (D)</b>		<b>455</b>	<b>(262)</b>	<b>(34)</b>	<b>658</b>
<b>Surplus (deficit) of capital funding (C-D)</b>		<b>(388)</b>	<b>280</b>	<b>(20)</b>	<b>(724)</b>
Funding balance ((A-B)+(C-D))		-	-	-	-
Depreciation		3	9	20	9

**Notes:**

- Underspending mainly relates to the Mayor's Taskforce for Jobs initiative - this is a result of lower funding for this project.
- Increase in reserve is higher due to less operational expenditure.

	Internal \$000
<b>Loans</b>	
Loans as at 01/07/2024	34
Raised during year	53
Repaid during year	(120)
<b>Loans as at 30/06/2025</b>	<b>(33)</b>
Interest expense	2



# Regulatory Services

## Ngā Ratonga Whakariterite ā-Ture

### WHAKATAUKI

I orea te tuatara  
ka patu ki waho

A problem is solved by  
continuing to find solutions.

THIS ACTIVITY CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES



## Description of activity

The Regulatory Services Activity provides advice, consenting services, assessment, education, compliance and enforcement. These Activities aim to protect the health and safety of our Community and the environment they live within.

The Regulatory Services Activity includes the following sub-activities:

- Resource Consenting
- Building Consenting
- Environmental Health
- Food and Alcohol Licensing
- Parking Enforcement
- Building Compliance
- Resource Management Compliance
- Animal Control
- General Regulatory Services

## What the activity involves

### RESOURCE CONSENTING

The Resource Consenting Activity is undertaken to ensure Council is meeting its obligations under the Resource Management Act 1991 (RMA).

### What it involves

- Processing resource consents and other applications made under the RMA.
- Providing advice to the public on the District Plan and RMA.
- Processing section 223 and 224 applications to certify approved subdivision applications.
- Engagement with the planning industry to stay informed about best practice and relevant issues.
- Provision of planning information relating to building consent applications and development engineering tasks.

### BUILDING CONSENTING

The Building Consenting Activity aims to ensure that buildings are constructed and/or altered in a manner, which means they are safe to use.

## What it involves

- Processing building consent applications by assessing their compliance with the Building Code.
- Undertaking inspections of the consented building work to ensure compliance with the approved building consent.
- Providing advice to the public on building consent applications and the Building Act 2004.
- Maintaining accreditation requirements in accordance with the Building (Accreditation of Building Authorities) Regulations 2006.
- Engagement with the building industry to stay informed about best practice, relevant issues and changes to processes.
- Processing code compliance certificate applications and subsequent approval where Council is satisfied the building work complies with the Building Code.

### ENVIRONMENTAL HEALTH

Environmental Health (Food Safety) ensures that food services used by the Community are healthy and safe.

### What it involves

- Registration and verification of food businesses in accordance with the Food Act 2014 and associated regulations and legislation.

### FOOD AND ALCOHOL LICENSING

The Alcohol Licensing Activity aims to ensure that the sale and supply of Alcohol is conducted in a manner, which complies with the Sale and Supply of Alcohol Act 2012.

### What it involves

- Processing applications for licenses and managers' certificates.
- Monitoring and inspection of all licensed premises to ensure compliance with both legislation and licence conditions.
- Undertaking 'Controlled Purchase Operations' with partner agencies.
- Providing information and advice to customers on licensing requirements.

## PARKING ENFORCEMENT

The Parking Enforcement Activity aims to ensure that people can easily access car parks for on- and off-street parking.

### What it involves

- Enforcing the parking requirements for mobility car parks, metered parking, time restricted parking, and illegal parking, including issuing infringement notices for non-compliances.
- Monitoring and enforcement of expired vehicle registrations, certificates of fitness and warrants of fitness.
- Monitoring of unauthorised parking on taxi stands, loading zones, broken yellow lines, double parking, parking on the footpath, bus stops, or inconsiderate parking.
- Monitoring and enforcement of the parking control measures specified in Council's Land Transport Bylaw of 2017 and 2024 (effective from 1 November 2024) and relevant legislation.

### BUILDING COMPLIANCE

The Building Compliance Activity aims to support the Building Consenting Activity and protect health and safety by ensuring buildings in the Horowhenua meet legislative requirements and that the Community is complying with the Building Act requirements.

### What it involves

- Responding to complaints relating to non-compliances with the Building Act 2004 and associated codes and regulations, and taking appropriate action when non-compliance is observed.
- Monitoring and enforcement of the Building (Pools) Amendment Act 2016, primarily undertaking inspections of swimming pool fencing.
- Monitoring, enforcement and actions related to the Building (Earthquake-prone Buildings) Amendment Act 2016.

- Ensuring Building Warrants of Fitness (BWOFs) are renewed and are accurate.
- Providing information and advice to customers on licensing requirements.

## **RESOURCE MANAGEMENT COMPLIANCE**

The Resource Management Compliance Activity aims to support Council's Resource Consenting Activity and the sustainable management of the environment by ensuring compliance with the Resource Management Act 1991, the Operative District Plan and resource consent conditions.

### **What it involves**

- Responding to complaints and queries relating to the Resource Management Act 1991, Operative District Plan or conditions of resource consents, and taking appropriate action when a non-compliance is observed.
- Monitoring of compliance with resource consent conditions and taking appropriate enforcement measures in respect of non-compliance.

## **ANIMAL CONTROL**

The Animal Control Activity aims to implement, and enforce, legislation and Council bylaws related to dogs and animals to improve public safety by mitigating the risk of harm, injury, or nuisance in our community.

### **What it involves**

- Maintaining a register of dogs in our District.
- Patrolling our District for animal nuisances.
- Responding to complaints about dogs and livestock.
- Providing impounding facilities for dogs and livestock.
- Educating the public on the responsibilities of dog ownership.
- Re-homing or euthanising unclaimed animals.

- Enforcement of Council's bylaws related to Animal Control – Dog Control Bylaw 2015, Animal Nuisance and the Keeping of Pigs, Poultry and Bees Bylaw 2014 and Land Transport Bylaw 2024 (Part 2 – Stock Control and Movement). Enforcement of relevant legislation – Dog Control Act 1996 and Impounding Act 1955.

## **GENERAL REGULATORY SERVICES**

The General Regulatory Services Activity consists of a number of sub-activities undertaken as part of Council's general regulatory functions, with the aim of dealing with statutory nuisance-related matters, registration, permitting and inspection of appropriate activities.

### **What it involves**

- Review, develop and/or input to and relevant bylaws and policies.
- Respond to general noise complaints and take appropriate action.
- Respond to complaints regarding vehicles reported as being abandoned in public places and take appropriate action.
- Permitting and inspection of amusement device.
- Respond to general bylaw complaints.
- Inspecting registered camping grounds, funeral directors, and hairdressing premises to ensure compliance with relevant regulations and legislation.
- Investigating health nuisance complaints and carrying out enforcement action when appropriate.

## **How our work delivers on community wellbeing**

### **SOCIAL WELLBEING**

Continued delivery of all relevant services in relation to legislation, policies and bylaws contributes to the health and safety of the community.

Close engagement with key stakeholders when reviewing bylaws and policies ensures community input into local decisions.



## **ENVIRONMENTAL WELLBEING**

Providing services in alignment with relevant legislation, policies, and bylaws helps safeguard the wellbeing of the community. Meaningful engagement with stakeholders during reviews supports informed local decision-making and reflects community views.

## **ECONOMIC WELLBEING**

Timely and efficient delivery of services within statutory time limits ensures that regulatory processes are not an impediment to economic progress whilst at the same time ensuring that due process is applied correctly.

## **CULTURAL WELLBEING**

Consenting processes ensure that community facilities and infrastructure are built resiliently to combat climate change and natural hazards.



## Successes

- Bylaw reviews:** This financial year, Council completed reviews of the Land Transport Bylaw, the Public Places Bylaw, and the Dog Control Policy and Bylaw. These reviews provided an important opportunity to ensure our regulatory frameworks remain relevant, fair, and reflective of community expectations.

A strong level of public engagement was achieved across all three reviews, with many individuals and organisations taking the time to provide feedback. Council facilitated a transparent and inclusive process by managing public hearings and enabling submitters to speak directly to their submissions. This ensured that community voices were not only heard but meaningfully considered in shaping the final decisions.

- Community-centric approach:** The processes highlighted Council's commitment to a community-centric approach, valuing diverse perspectives,

listening carefully, and making decisions that balance safety, accessibility, and wellbeing for all who live, work, and visit our district.

- Dogs:** A review of the Dog Registration Selected Owner Policy was completed, replaced with the new Responsible Dog Owner Approval (RDOA) Process from 30 September 2025; and applied to the 2026/2027 registration period.

- Consents:** We've seen a strong lift in our performance this year, with more building and resource consents being processed on time compared to 2023/24. In the 2024/25 financial year, 96% of building consent applications and 79% of resource consent applications were processed within statutory timeframes – up from 77% and 65% respectively last year.

- Buildings:** A total of 259 new dwelling units were consented compared to 370 in 2023/24. Nine building consent applications lodged this year were withdrawn, representing 1.6% of the total

number of applications lodged, which is significantly less than the 4.7% withdrawn during the previous financial year. In April 2025, we successfully completed our biennial International Accreditation New Zealand (IANZ) assessment. Initial results indicate that Council continues to be considered to be low risk, this is expected to be confirmed by September 2025.

## Challenges

- Resource and Building Consenting:** Recruitment and retention of skilled and experienced staff continue to be challenging. Additional contractors have been engaged for the building activity, which has included engaging Central Hawkes Bay District Council to carry out inspections.

## Looking Forward

- Review the TAB and Class 4 Gambling Policy
- Local Alcohol Policy review
- Update the Animal Nuisance and the Keeping of Pigs, Poultry and Bees Bylaw.

## Regulatory Services Activity Performance

Service/ Measure	Target	2023/2024 Results	2024/2025 Results
<b>Service:</b> Processing of applications under the Resource Management Act (RMA) 1991.	95%	<b>✗ NOT ACHIEVED</b> 197 consents have been approved for Land Use, Subdivision, Boundary Activities and "other". Approximately 65% of consents were approved within statutory timeframes. This has been due to the imbalance between resourcing and workloads, recruiting staff in this discipline has been, and continues to prove difficult. Daily reviews in place until resolved.	<b>✗ NOT ACHIEVED</b> 79% (176/224) resource consent applications were processed within statutory timeframes. The level of compliance with statutory timeframes increased throughout the year as additional measures were put in place to drill down into and review the reasons for consents going over timeframes and address these. More than 50% of consents that were issued over statutory timeframes were lodged in previous financial years and are likely to reflect on historic issues with resourcing and workloads. Approximately 88% of consents applied for and issued in 2024/25 were issued within statutory timeframes. The impact of improved processes is not immediate due to the time it can take for consents to work through the process. It is anticipated that performance will continue to improve next year.
<b>Service:</b> Carry out Building Consent Authority functions including enforcement of legislation relating to construction of buildings and structures.	<b>2024/25:</b> 95%	<b>✗ NOT ACHIEVED</b> 514 building consents were granted for this year, 77% within statutory timeframes. One hundred and sixteen consents have been processed outside the statutory timeframe. Exception reports have been completed for overdue consents and the reasons for going over timeframes were due to difficulties in resourcing, increased complexity of consents, and the timeframes required to seek and receive advice from external experts. Additionally, several process bottlenecks have been identified, and solutions have been put in place to resolve these. Daily reviews are in place until resolved.	<b>✓ ACHIEVED</b> 96% (503/522) building consent applications were processed within statutory timeframes. A combination of decreased volumes of work and closer monitoring of work in progress has resulted in an increase in the level of statutory compliance throughout the year.
<b>Service:</b> Community confidence and wellbeing is ensured in the safety of food and alcohol premises' businesses.	95%	<b>NEW MEASURE</b> New measure as consulted on and adopted in the Long Term Plan 2024-2044 Process.	<b>✓ ACHIEVED</b> 100% (2/2) of existing food businesses received a poor verification outcome during the 2024/25 financial year and were revisited within 20 working days.
<b>Measure:</b> Percentage of existing food businesses that receive a poor verification outcome are revisited within 20 working days.		A similar measure for 2023/24 was that food businesses operating under the Food Act 2014 were monitored (at the frequency determined by the Food Regulations 2015) to ensure compliance with legislation. This target was not achieved during the 2023/24 financial year. 150 food business verifications were due to be completed, of which 20 were not completed on time. Overdue verifications were due to a mixture of customer circumstances and poor resourcing allocation where Council relied on contractors to deliver food verifications.	

Service/ Measure	Target	2023/2024 Results	2024/2025 Results
<b>Service:</b> Community confidence and wellbeing is ensured in the safety of food and alcohol premises' businesses.	100%	<b>NEW MEASURE</b> New measure as consulted on and adopted in the Long Term Plan 2024-2044 Process.	<b>NOT APPLICABLE</b> 100% (1/1) of high-risk alcohol premises (when it existed) was visited at least once in the 2024/25 financial year.
<b>Measure:</b> Percentage of high-risk alcohol premises that are visited at least twice a year.		A similar measure for 2023/24 was monitoring of licensed premises to ensure compliance with relevant legislation. The target was to inspect premises annually to check for compliance with their licence conditions. This target was achieved during the 2023/24 financial year with 100% (65/65) license holding premises inspected.	There were two premises reported as high-risk at the start of the financial year. Since then, one premise has been re-evaluated as medium risk before any inspection was due. The remaining premises underwent its first inspection prior to December 2024, however in January 2025 the application for renewal of this premises requested an earlier closing time which resulted in a lesser risk profile. As a result, since end January 2025 there were no high-risk alcohol premises in the district and no further inspections were required. This made the measure 'Not Applicable' for this financial year. First inspections (if applicable) were due prior to 31 December 2024. Second inspections (if applicable) were due prior to 30 June 2025.
<b>Service:</b> We enhance community wellbeing by responding to public nuisance complaints in a timely manner.	100%	<b>NEW MEASURE</b> New measure as consulted on and adopted in the Long Term Plan 2024-2044 Process.	 <b>ACHIEVED</b> 100% of the Animal Control staff were rostered and available on a 24 hr. 7 day a week basis.
<b>Measure:</b> Animal control staff are rostered and available on a 24 hr. 7 day a week basis.		Similar measures for 2023/24 were for Council to (1) respond to 100% of reported instances of non-compliances and dog nuisances and (2) continuously provide an after-hours emergency response. Both these targets were achieved during the 2023/24 financial year with Council responding to 1191 (100%) reports of dog nuisances and maintaining an animal control afterhours roster.	
<b>Service:</b> Community can access Council in a way or by means that most suits them.	≥ 80%	<b>NEW MEASURE</b> New measure as consulted on and adopted in the Long Term Plan 2024-2044 Process.	 <b>ACHIEVED</b> The Annual Customer Satisfaction Survey result showed that 87.6% of community members surveyed are satisfied with the ways they can contact Council. Note: The measure in the LTP reads as follows: "This will tell us if we are catering to our diverse hāpori (community) by providing a variety of ways of contacting Council, this could include online, in person, via phone." This is a typo in the LTP, and the measure is taken from our Resident Satisfaction surveys.
<b>Measure:</b> Percentage of community members surveyed that are satisfied with the ways they can contact Council.			
<b>Service:</b> 2024/25: We enhance community wellbeing by responding to public nuisance complaints in a timely manner.	<b>2024/25:</b> 100%	 <b>ACHIEVED</b> 1,529 noise complaints were received and responded to by our contractor; 1,350 were responded to within 60 mins and 129 were not. Resulting in 91.6% being responded within 60 mins.	 <b>NOT ACHIEVED</b> 96.20% (1,467/1,525) of noise complaints were responded to within 60 minutes. Note: While the target is to respond to all complaints within 60 minutes, this is not always possible. Travel across the district can take up to 45 minutes, and urgent security call-outs and more involved tasks such as seizing equipment can extend response times. This happened on 58 occasions during the year.
<b>2023/24:</b> Noise complaints response service will be provided.			
<b>Measure:</b> Percentage of noise complaints are responded to within 60 minutes.			

# Regulatory Services Funding Impact Statement

## For the year ended 30 June 2025

	Note	Actual 2024 \$000	Long Term Plan/ Annual Plan 2024 \$000	Long Term Plan 2025 \$000	Actual 30 June 2025 \$000
<b>Sources of operating funding</b>					
General rates, uniform annual general charges, rates penalties		3,477	3,390	4,150	4,159
Targeted rates		–	–	–	–
Subsidies and grants for operating purposes		–	–	–	–
Fees and charges		220	225	4	298
Local authorities fuel tax, fines, infringement fees, and other receipts	1	3,457	3,691	4,310	4,095
Internal charges and overheads recovered		–	–	–	–
<b>Total operating funding (A)</b>		<b>7,154</b>	<b>7,306</b>	<b>8,464</b>	<b>8,552</b>
<b>Applications of operating funding</b>					
Payments to staff and suppliers		1,396	860	1,403	1,506
Finance costs		2	1	(3)	5
Internal charges and overheads applied	2	5,865	6,375	6,970	5,937
Other operating funding applications		–	–	–	–
<b>Total applications of operating funding (B)</b>		<b>7,263</b>	<b>7,236</b>	<b>8,370</b>	<b>7,448</b>
<b>Surplus (deficit) of operating funding (A-B)</b>		<b>(109)</b>	<b>70</b>	<b>94</b>	<b>1,105</b>
<b>Sources of capital funding</b>					
Subsidies and grants for capital expenditure		–	–	–	–
Development and financial contributions		–	–	–	–
Increase (decrease) in debt		59	(70)	(96)	(97)
Gross proceeds from sale of assets		–	–	–	–
Lump sum contributions		–	–	–	–
Other dedicated capital funding		–	–	–	–
<b>Total sources of capital funding (C)</b>		<b>59</b>	<b>(70)</b>	<b>(96)</b>	<b>(97)</b>

Note	Actual 2024 \$000	Long Term Plan/ Annual Plan 2024 \$000	Long Term Plan 2025 \$000	Actual			
				30 June 2025 \$000			
<b>Applications of capital funding</b>							
Capital expenditure							
- to meet additional demand	-	-	-	-			
- to improve the level of service	-	-	-	-			
- to replace existing assets	19	-	-	-			
Increase (decrease) in reserves	3	(69)	-	(2) 1,008			
Increase (decrease) of investments		-	-	-			
<b>Total applications of capital funding (D)</b>	<b>(50)</b>	<b>-</b>	<b>(2)</b>	<b>1,008</b>			
<b>Surplus (deficit) of capital funding (C-D)</b>	<b>109</b>	<b>(70)</b>	<b>(94)</b>	<b>(1,105)</b>			
Funding balance ((A-B)+(C-D))							
Depreciation	50	70	97	27			

**Notes:**

1. The additional revenue is mainly due to higher levels of building consents during the year than planned.
2. The lower spending relates to lower building consent staffing, contract and overhead costs levels during the year.
3. Increase in reserve is higher due to less operational expenditure mentioned above.

	Internal \$000
<b>Loans</b>	
Loans as at 01/07/2024	98
Raised during year	-
Repaid during year	(97)
<b>Loans as at 30/06/2025</b>	<b>1</b>
Interest expense	5



# Financial Information

## Ngā Pārongo Pūtea

---

**Horowhenua District Council**  
**Statement of Comprehensive Revenue and Expense**  
**For the year ended 30 June 2025**

	Note	Council Actual \$ 30 June 2025 \$000	Council Budget \$ 30 June 2025 \$000	Council Actual \$ Restated 30 June 2024 \$000	Group Actual \$ 30 June 2025 \$000	Group Actual \$ Restated 30 June 2024 \$000
<b>Revenue</b>						
Rates	2(i)	62,681	62,122	52,533	62,681	52,533
Finance revenue	2(ii)A	2,267	–	1602	2,288	1624
Grants and subsidies	2(ii)B	12,247	14,921	13,218	12,247	13,218
Fees and charges	2(ii)C	5,234	3,997	4,131	5,234	4,131
Other revenue	2(ii)D	4,983	4,777	5,279	4,983	5,279
Vested assets	2(ii)E	924	–	5,944	924	5,944
Development contributions	2(ii)F	1,696	2,150	776	1,696	776
Other gains	12	195		329	195	329
Concessionary Loan Discount Income			3,239	–	–	–
<b>Total revenue</b>		<b>90,227</b>	<b>91,206</b>	<b>83,812</b>	<b>90,248</b>	<b>83,834</b>
<b>Expenditure</b>						
Employee benefit expenses	3	23,346	21,879	21,277	23,346	21,277
Depreciation and amortisation	15, 16, 17	22,368	23,385	17,215	22,368	17,215
Finance costs	4	9,680	7,624	9,056	9,680	9,056
Loss on derivative financial instruments	11	2,348	–	469	2,348	469
Other losses	12	3,079	–	2,053	3,079	2,053
Increase / (decrease) in landfill provision	23	5,015	–	1,468	5,015	1,468
Other expenses	5	32,849	36,202	33,288	32,862	33,294
<b>Total expenses</b>		<b>98,685</b>	<b>89,090</b>	<b>84,826</b>	<b>98,698</b>	<b>84,832</b>
Operating surplus / (deficit) before tax		<b>(8,458)</b>	<b>2,116</b>	<b>(1,014)</b>	<b>(8,450)</b>	<b>(998)</b>
Income tax expense	6	–	–	–	–	–
Operating surplus / (deficit) after tax		<b>(8,458)</b>	<b>2,116</b>	<b>(1,014)</b>	<b>(8,450)</b>	<b>(998)</b>
<b>Surplus/ (Deficit) attributable to:</b> <b>Horowhenua District Council</b>		<b>(8,458)</b>	<b>2,116</b>	<b>(1,014)</b>	<b>(8,450)</b>	<b>(998)</b>

Note	Council Actual \$ 30 June 2025 \$000	Council Budget \$ 30 June 2025 \$000	Council Actual \$ Restated 30 June 2024 \$000	Group Actual \$ 30 June 2025 \$000	Group Actual \$ Restated 30 June 2024 \$000
<b>Other comprehensive revenue and expense</b>					
Gain / (loss) on infrastructural assets revaluations	15	2,409	99,658	112,925	2,409
Gain / (loss) on operational assets revaluation	15	687	–	–	687
Gain / (loss) on restricted assets revaluation	15	2,029	–	–	2,029
Gain / (loss) on changes in fair value of carbon credits	16	108	–	115	108
<b>Total other comprehensive revenue and expense for the year</b>		<b>5,233</b>	<b>99,658</b>	<b>113,040</b>	<b>5,233</b>
<b>Total comprehensive revenue and expense (deficit) for the year</b>		<b>(3,226)</b>	<b>101,774</b>	<b>112,026</b>	<b>(3,218)</b>
<b>Total comprehensive revenue and expense attributable to Horowhenua District Council</b>		<b>(3,226)</b>	<b>101,774</b>	<b>112,026</b>	<b>(3,218)</b>
					<b>112,042</b>

*Explanations of major variances against budget are provided below.*

The financial statements should be read in conjunction with the statement of accounting policies and the notes to the accounts. The accompanying notes form part of these financial statements.

## **Explanations of Significant Variances in the Statement of Comprehensive Revenue and Expense between the Council's Actual Results and the Council's Budget for 2024/25**

### **REVENUE**

#### **Rates**

The higher rates are due to higher growth than budgeted, which resulted in higher general rates levied. This is slightly offset by higher remissions under the Council's rates remission and postponement policy.

#### **Finance revenue**

The higher income of \$2.3m is due to us holding a \$43m term deposit for pre-funding purposes. This is offset by increased finance costs. Pre-funding is when we borrow money earlier than required to renew our borrowings becoming due and place it on term deposit.

#### **Grants and subsidies**

Lower funding from NZ Transport Agency Waka Kotahi, which is offset by lower spending agreed by Council. There was also a delay in funding from NIFF with changes in the timing of the associated capital projects. This is reflected in lower capital and operational grants and subsidies.

#### **Fees and Charges**

This is mainly due to income for consenting coming in higher than planned and additional waste rebates received. The remaining waste rebate levy money (minus relevant costs) was put into a reserve fund. This Council created reserve is reported in the 2024/25 Annual Report in the Statement of Reserve Funds.

#### **Vested assets**

The vested assets income of \$0.9m relates to infrastructure assets vested to the Council as part of the subdivision process due to growth.

#### **Development Contributions**

Lower development contributions revenue correlates with less building and planning activities completed than planned.

#### **Concessionary Loan Discount Income**

This budget relates to a \$12.55m interest free loan Council budgeted to receive from the Infrastructure Reference Group (IRG) fund, which is managed by NIFF. This fund was established by central government to support recovery from the impacts of COVID-19. The projects with loans are expected to be completed during 2025/26.

### **EXPENDITURE**

#### **Employee benefit expenses**

The higher employee benefit expenses are mainly due to the Local Water Team brought in-house in November 2024. This is offset by lower in Maintenance costs.

#### **Depreciation and Amortisation**

Less capital programme spending than budgeted resulted in favourable depreciation, however this is a timing issue. \$4.8m of capital carry forward requests were approved by the Council on 10 September 2025 into 2025/26 financial year.

#### **Finance costs**

The higher costs are offset against Finance revenue. At a net interest level, \$200k in saving has been achieved through close monitoring of interest rate and the reduction in borrowings requirements for 2024/25 year due to the change in capital timing of the programme.

#### **Other losses**

Other losses are primarily attributable to the loss on disposal of assets. These include infrastructure renewal projects such as the Levin Domain/Salisbury Street stormwater upgrade, the Kings Drive/Weraroa wastewater renewal and upgrade, and the construction of the new Foxton to Foxton Beach footpath, together with the disposal of the property at 383 Hokio Sand Road. Losses arise on renewal projects as the existing assets are written off prior to the recognition of the replacement assets.

#### **Loss on derivative financial instruments**

Due to loss on interest rate swaps with interest rates movement. Swaps are derivative contracts with gains or losses on the swap contract matching gains or losses on the balance sheet. They are non-cash items.

#### **Increase in landfill provision**

The increase in the landfill provision is due to the inclusion of the trade waste costs associated with leachate management now able to be included in the provision. Previously they were part of the operating costs for the landfill.

#### **Other expenses**

Lower costs are mainly due to the Local Water Team brought in-house in November 2024; this is offset by higher Employee Benefit Expenses. There were also savings identified in professional services and other areas as a result of a focused effort to find efficiencies with the \$300k-\$500k targeted net savings.

**Horowhenua District Council**  
**Statement of Financial Position as at 30 June 2025**

Note	Council	Council	Council	Group	Group
	Actual \$	Budget \$	Actual \$	Actual \$	Actual \$
	30 June 2025	30 June 2025	30 June 2024	30 June 2025	30 June 2024
<b>Assets</b>					
Current assets					
Cash and cash equivalents	7	15,192	4,302	11,482	15,240
Debtors and other receivables	8	12,856	5,127	9,286	12,856
Prepayments	8	1,352	–	1,399	1,352
Inventories	9	133	–	32	133
Derivative financial instruments	11	143	–	707	143
Other financial assets	12	44,569	3,501	22,764	44,569
Non-current assets held for sale	10	1,942	–	–	1,942
<b>Total Current assets</b>		<b>76,187</b>	<b>12,931</b>	<b>45,670</b>	<b>76,235</b>
<b>Total Current assets</b>		<b>76,187</b>	<b>12,931</b>	<b>45,670</b>	<b>45,702</b>
Non-current assets					
Plant, property and equipment					
– Operational assets	15	83,037	88,530	82,075	83,037
– Infrastructural assets	15	810,655	795,241	801,683	810,655
– Restricted assets	15	97,504	96,765	97,962	97,504
Intangible assets	16	1,387	2,306	1,196	1,387
Forestry assets	18	1,446	1,194	1,411	1,446
Commercial property	19	3,015	1,300	2,500	3,015
Derivative financial instruments	11	159	–	618	159
Other financial assets:					
– Investments CCOs & similar entities	12	204	–	204	204
– Investments in associates	12	72	–	51	72
– Other	12	5,967	4,848	3,748	5,967
<b>Total Non-current assets</b>		<b>1,003,447</b>	<b>990,184</b>	<b>991,449</b>	<b>1,003,447</b>
<b>Total Non-current assets</b>		<b>1,003,447</b>	<b>990,184</b>	<b>991,449</b>	<b>991,449</b>
<b>Total Assets</b>		<b>1,079,634</b>	<b>1,003,115</b>	<b>1,037,118</b>	<b>1,079,682</b>
<b>Total Assets</b>		<b>1,079,634</b>	<b>1,003,115</b>	<b>1,037,118</b>	<b>1,037,150</b>
<b>Liabilities</b>					
Current liabilities					
Payables and deferred revenue	20	19,023	15,765	16,900	18,664
Provisions	23	2,190	1,516	1,501	2,189
Employee benefit liabilities	22	2,070	1,852	1,946	2,070
Derivative financial instruments	11	490	6	–	490
Borrowings and other financial liabilities	21	59,000	28,992	43,000	59,000
Borrowings and other financial liabilities					

	Note	Council Actual \$ 30 June 2025 \$000	Council Budget \$ 30 June 2025 \$000	Council Actual \$ Restated 30 June 2024 \$000	Group Actual \$ 30 June 2025 \$000	Group Actual \$ Restated 30 June 2024 \$000
<b>Total Current liabilities</b>		<b>82,773</b>	<b>48,132</b>	<b>63,347</b>	<b>82,413</b>	<b>62,978</b>
<b>Non-current liabilities</b>						
Provisions	23	12,621	8,638	9,099	12,621	9,099
Employee benefit liabilities	22	496	472	537	496	537
Borrowings and other financial liabilities	21	181,000	161,052	159,000	181,000	159,000
Derivative financial instruments	11	983	–	148	983	148
<b>Total non-current liabilities</b>		<b>195,100</b>	<b>170,162</b>	<b>168,784</b>	<b>195,100</b>	<b>168,784</b>
<b>Total Liabilities</b>		<b>277,873</b>	<b>218,293</b>	<b>232,131</b>	<b>277,513</b>	<b>231,763</b>
<b>Net Assets</b>		<b>801,761</b>	<b>784,822</b>	<b>804,987</b>	<b>802,169</b>	<b>805,387</b>
<b>Equity</b>						
Retained earnings	26	236,757	256,177	245,812	237,165	246,212
Revaluation reserves	26	555,005	518,636	549,773	555,005	549,773
Other reserves	26	9,999	10,009	9,402	9,999	9,402
<b>Total Equity</b>		<b>801,761</b>	<b>784,822</b>	<b>804,987</b>	<b>802,169</b>	<b>805,387</b>

*Explanations of major variances against budget are provided below.*

The financial statements should be read in conjunction with the statement of accounting policies and the notes to the accounts. The accompanying notes form part of these financial statements.

## **Explanations of significant variances in the Statement of Financial Position between the Council's actual results and the Council's budget for 2024/25**

### **ASSETS**

#### **Cash and cash equivalents**

We held more cash than expected at 30 June 2025 to ensure sufficient cash for payment of July payments due. This aligns with last year's cash balance.

#### **Debtors and other receivables**

The higher balance relates to invoices generated for grants/subsidies to central government agencies for better off funding and NIFF funding at balance sheet date (30 June 2025). There was also higher than budgeted outstanding property rates because of rate payers struggling with the cost-of-living increases.

#### **Other Financial Assets**

Term deposits totalling \$43m with maturity in 2026 were held for prefunding purposes. Prefunding allows the council to have funds available to repay current loans as they fall due.

#### **Non-current assets held for sale**

There are two assets held for sale at 30 June 2025. They are the Levin War Memorial Hall and the Foxton Memorial Hall.

#### **Property Plant and Equipment assets**

A full financial valuation was undertaken for Council's operational and restricted assets resulting in a valuation uplift compared to previous year. However, operational assets are lower compared to budget due to \$1.9m worth of assets being classed as held for sale shown under current assets as well as \$2m town centre projects planned for 2024/25 being carried forward to 2025/26. Infrastructural assets are higher compared to budget due to \$27m additions for the year coming in lower than budgeted (\$36m) with the capital programme re-prioritisation exercise occurring during the financial year.

#### **Investment property**

There have been 2 additional commercial properties purchased during the year which have been purchased as part of the Levin Town Centre project.

#### **Derivative financial instruments**

The Council uses derivative financial instruments in the form of interest rate swaps to manage interest rate risks arising from borrowing activities. The positive value in assets reflects a higher potential benefit from the swaps we hold.

### **LIABILITIES**

#### **Payables and deferred revenue**

The increase is due a higher level of capital work and operational work occurring in the last two months of the year and not being paid until quarter one in the 2025/26 financial year. There was also more income in advance Council held relating mainly to Regulatory income.

#### **Total borrowings and other financial liabilities**

The increase reflects the borrowing for pre-funding purposes \$43m. This was not budgeted. Net debt sits at \$174m as at 30 June 2025.

#### **Derivative financial instruments**

The Council uses derivative financial instruments in the form of interest rate swaps to manage interest rate risks arising from borrowing activities. The lower derivative liability reflects a lower potential obligation or loss from the swaps we hold.

#### **Total Provisions**

This relates to the provision for landfill aftercare costs. The increase in the landfill provision is due to the inclusion of the trade waste costs associated with leachate management now able to be included in the provision. Previously they were part of the operating costs for the landfill.

**Horowhenua District Council**  
**Statement of Changes in Equity for the year ended 30 June 2025**

	<b>Council</b> <b>Actual \$</b> <b>30 June 2025</b> <b>\$000</b>	<b>Council</b> <b>Budget \$</b> <b>30 June 2025</b> <b>\$000</b>	<b>Council</b> <b>Actual \$</b> <b>Restated</b> <b>30 June 2024</b> <b>\$000</b>	<b>Group</b> <b>Actual \$</b> <b>30 June 2025</b> <b>\$000</b>	<b>Group</b> <b>Actual \$</b> <b>Restated</b> <b>30 June 2024</b> <b>\$000</b>
Balance at 01 July	804,987	683,048	693,650	805,387	694,032
Total comprehensive revenue and expense for the year	(3,226)	101,774	112,026	(3,218)	112,042
Asset revaluation reserve on disposals	–	–	(689)	–	(689)
<b>Balance at 30 June</b>	<b>26</b>	<b>801,761</b>	<b>784,822</b>	<b>804,987</b>	<b>802,169</b>
					<b>805,387</b>

*Explanations of major variances against budget are provided below.*

The financial statements should be read in conjunction with the statement of accounting policies and the notes to the accounts. The accompanying notes form part of these financial statements.

**Horowhenua District Council**  
**Statement of Cash Flows for the year ended 30 June 2025**

Note	Council	Council	Council	Group	Group
	Actual \$	Budget \$	Actual \$	Actual \$	Actual \$
	30 June 2025 \$000	30 June 2025 \$000	30 June 2024 \$000	30 June 2025 \$000	30 June 2024 \$000
<b>Cashflow from operating activities</b>					
<b>Cash was provided from:</b>					
Revenue from rates	61,569	62,122	52,049	61,569	52,049
Other revenue	23,458	25,845	27,228	23,458	27,228
Interest received	2,174	–	1602	1,191	1624
Net GST movement	–	–	–	–	–
<b>Total cash provided</b>	<b>87,201</b>	<b>87,967</b>	<b>80,879</b>	<b>86,218</b>	<b>80,901</b>
 <b>Cash was disbursed to:</b>					
Payments to suppliers & employees	60,524	58,605	55,275	60,524	55,253
Interest paid	10,004	7,624	8,595	10,004	8,595
Net GST movement	436	–	278	436	278
<b>Total cash disbursed</b>	<b>70,964</b>	<b>66,229</b>	<b>64,148</b>	<b>70,964</b>	<b>64,126</b>
<b>Net cashflow from operating activity</b>	<b>31</b>	<b>16,237</b>	<b>21,738</b>	<b>16,731</b>	<b>16,731</b>
 <b>Cashflows from investing activities</b>					
<b>Cash was provided from:</b>					
Receipts from sale of property, plant, and equipment					
Proceeds from asset sales	775	2,533	217	775	217
Proceeds from investments	–	–	–	–	–
<b>Total cash provided</b>	<b>775</b>	<b>2,533</b>	<b>217</b>	<b>775</b>	<b>217</b>
 <b>Cash was disbursed to:</b>					
Purchases of investments	23,851	408	7,829	23,581	7,829
Purchase of assets	27,431	42,493	35,902	27,431	35,902
<b>Total cash disbursed</b>	<b>51,282</b>	<b>42,901</b>	<b>43,731</b>	<b>51,012</b>	<b>43,731</b>
<b>Net cashflow from investing activity</b>	<b>(50,527)</b>	<b>(40,368)</b>	<b>(43,514)</b>	<b>(50,527)</b>	<b>(43,514)</b>
 <b>Cashflows from financing activities</b>					
Cash was provided from:					
Proceeds from borrowings	67,000	38,804	67,000	67,000	67,000
<b>Total cash provided</b>	<b>67,000</b>	<b>38,804</b>	<b>67,000</b>	<b>67,000</b>	<b>67,000</b>

Note	Council		Council		Group		Group	
	Actual \$	Budget \$						
	30 June 2025 \$000	30 June 2025 \$000	30 June 2024 \$000	30 June 2024 \$000	30 June 2025 \$000	30 June 2025 \$000	30 June 2024 \$000	30 June 2024 \$000
<b>Cash was disbursed to:</b>								
Repayment of borrowings	<b>29,000</b>	<b>22,493</b>	<b>33,000</b>	<b>29,000</b>	<b>29,000</b>	<b>33,000</b>		
Payment of principal for finance leases	-	-	-	-	-	-		
<b>Total cash disbursed</b>	29,000	22,493	33,000	29,000	29,000	33,000		
<b>Net cashflow from financing activity</b>	<b>38,000</b>	<b>16,311</b>	<b>34,000</b>	<b>38,000</b>	<b>38,000</b>	<b>34,000</b>		
<b>Net increase (decrease) in cash and cash equivalents held</b>	3,709	(2,319)	7,217	3,726	7,217	7,217		
Add opening cash bought forward	11,482	6,621	4,265	11,514	4,297			
<b>Closing cash and cash equivalents balance</b>	<b>15,192</b>	<b>4,302</b>	<b>11,482</b>	<b>15,240</b>	<b>11,514</b>			
<b>Closing balance made up of cash and cash equivalents</b>	<b>7</b>	<b>15,192</b>	<b>4,302</b>	<b>11,482</b>	<b>15,240</b>	<b>11,514</b>		

The financial statements should be read in conjunction with the statement of accounting policies and the notes to the accounts. The accompanying notes form part of these financial statements.

## Notes to the Financial Statements for the year ended 30 June 2025

### NOTES INDEX

- 1 Statement of Accounting Policies
- 2 Revenue
- 3 Personnel Costs
- 4 Finance Costs
- 5 Other Expenses
- 6 Tax
- 7 Cash and Cash Equivalents
- 8 Receivables
- 9 Inventory
- 10 Non-current Assets Held for Sale
- 11 Derivative Financial Instruments and Hedging
- 12 Other Financial Assets
- 13 Investment in CCO's, similar entities, and associate
- 14 Investment in Joint Operations
- 15 Property, Plant, and Equipment
- 16 Intangible Assets
- 17 Depreciation and Amortisation Expense by Group of Activity
- 18 Forestry Assets
- 19 Investment Property
- 20 Payables and Deferred Revenue
- 21 Borrowings and Other Financial Liabilities
- 22 Employee Entitlements
- 23 Provisions
- 24 Construction Contracts
- 25 Contingencies
- 26 Equity
- 27 Related Party Transactions
- 28 Events after Balance Date
- 29A Financial Instrument Categories
- 29B Fair value Hierarchy
- 29C Financial Instrument Risks
- 30 Prior Year Error Correction
- 31 Reconciliation of Surplus with Cashflows from Operating Activities
- 32 Three Waters Reform/Local Water Done Well
- 33 Cost Allocation
- 34 Disclosure on Lease Surrender Treatment

## 1. STATEMENT OF ACCOUNTING POLICIES

### Reporting Entity

Horowhenua District Council (the Council) is a territorial local authority constituted under and governed by the Local Government Act 2002 (LGA) and is domiciled in New Zealand. The relevant legislation governing Council's operations includes the LGA and the Local Government (Rating) Act 2002.

The Horowhenua District Council Group (the Group) consists of The Council and Shannon Community Development Trust. All have been incorporated in New Zealand. With it being a trust the Council has no direct ownership. Refer to Note 13 for further information.

The primary objective of the Council is the provision of local authority services, including infrastructure, regulatory, resource management, recreation and community services.

The reporting date of the Council, the Council Controlled entities, and it associates is 30 June.

The Council has designated itself and the group as public benefit entities (PBEs) for the purposes of complying with generally accepted accounting practice (GAAP).

The financial statements of The Council and its controlled entities (collectively the Group) are for the year ended 30 June 2025. The financial statements were authorised for issue by Council on 8 October 2025.

### Basis of Preparation

The financial statements and service performance information have been prepared on a going concern basis, and the accounting policies which materially affect the measurement of results and financial position set out below, have been applied consistently to all periods presented in these financial statements. The Council has plans and the resources to continue to operate into the foreseeable future.

Management has reassessed the going concern assumption considering a decision on 4 June to adopt as its future Water Service Delivery Model a joint Water Services Organisation (in the form of a Water Services Council-Controlled Organisation) (Water Services Organisation), with Palmerston North City Council and Rangitīkei District Council. Regardless of the decision, council has the plan and the resources to continue to operate into the foreseeable future whether a separate water entity is created.

### Statement of Compliance

The financial statements of the Council have been prepared in accordance with the requirements of the Local Government Act 2002 and Local Government (Financial Reporting and Prudence) Regulations 2014 (LG(FRP)R), which requires compliance with generally accepted accounting practice in New Zealand (NZ GAAP).

The primary objective of the Council is to provide local infrastructure, local public services and performs regulatory functions for the community for social benefit rather than making a financial return. Accordingly, the Council is a public benefit entity (PBE) for financial reporting purposes.

These financial statements and service performance information comply with PBE Standards and have been prepared in accordance 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), other than the remuneration and the severance payment disclosures in Note 3 and the related party transaction disclosures in Note 27. The remuneration, severance payment, and related party transaction disclosures are rounded to the nearest dollar.

### Presentation Currency and Rounding

The financial statements are presented in New Zealand dollars, and all values are rounded to the nearest thousand dollars (\$000), other than the remuneration and the severance payment disclosures in Note 3 and the related party transaction disclosures in Note 27. The remuneration, severance payment, and related party transaction disclosures are rounded to the nearest dollar.

### New or amended standards adopted

Disclosure of Fees for Audit Firms' Services (Amendments to PBE IPSAS 1) Disclosure of Fees for Audit Firms' Services (Amendments to PBE IPSAS 1) has been adopted in the preparation of these financial statements. The amendment changes the required disclosures for fees for services provided by the audit or review provider, including a requirement to disaggregate the fees into specified categories. This new disclosure is included in Note 5

### Other changes in accounting policies

There have been no other changes in accounting policies

## **Standards issued and not yet effective, and not early adopted**

Standards and amendments issued but not yet effective that have not been early adopted and that are relevant to the Council and the Group are:

### ***2024 Omnibus Amendments to PBE Standards (amendments to PBE IPSAS 1)***

This amendment clarifies the principles for classifying a liability as current or noncurrent, particularly in relation to loan covenants. The amendment is effective for the year ended 30 June 2027.

The Council has not yet assessed in detail the impact of these amendments/These amendments are not expected to have a significant impact.

### ***PBE IFRS 17 Insurance Contracts***

PBE IFRS 17 establishes principles for the recognition, measurement, presentation, and disclosure of insurance contracts and will replace PBE IFRS 4. This standard is effective for the year ended 30 June 2027.

The Council has not yet assessed in detail the impact of this standard.

## **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

### **Basis of consolidation**

The consolidated financial statements are prepared by adding together like items of assets, liabilities, equity, revenue, expenses, and cash flows of entities in the Group on a line-by-line basis. All intragroup balances, transactions, revenues, and expenses are eliminated on consolidation.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The consolidation of an entity begins from the date when the Council obtains control of the entity and ceases when the Council loses control of the entity.

Control over an entity is determined when the Council has exposure or rights to variable benefits from its involvement with the entity and has the ability to affect the nature or amount of those benefits through its power over the other entity. The Council considers all relevant facts and circumstances in assessing whether it has power over another entity. These can include, for example, the ability to appoint or remove most of the entity's governance and management, binding

arrangements the Council enters, group voting rights, and pre-determination mechanisms. The Council reassesses whether it controls another entity if facts and circumstances change.

## **Foreign Currency Transactions**

Foreign currency transactions (including those subjects to forward foreign exchange contracts) are translated into New Zealand dollars (the functional currency) using the spot exchange rate at the dates of the transactions.

## **Goods and Services Tax**

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

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 IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

## **Budget Figures**

The budget figures are those approved by Council in the 2024-44 Long Term Plan. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Council for the preparation of the financial statements.

## **Subsidiaries**

The Council consolidates as 'subsidiaries', in the Group financial statements, all entities where the Council has the power to govern the financial and operating policies so as to obtain benefits from their activities. This power exists where the Council controls the majority voting power on the governing body, or where such policies have been irreversibly predetermined by the Council, or where the determination of such policies is unable to materially impact the level of potential ownership benefits that arise from the activities of the subsidiary.

The Council's investment in its subsidiary is carried at cost in the Council's own 'parent entity' financial statements.

## **FINANCE COSTS**

All borrowing costs are recognised as an expense in the period in which they are incurred, except borrowing costs directly attributable to the construction of a qualifying asset which are capitalised as part of the cost of that asset.

## **OTHER EXPENSES**

### **Grant Expenditure**

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

Discretionary grants are those grants where the 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 the Council's decision. The Council's grants awarded have no substantive conditions attached.

### **COST ALLOCATION**

The Council has derived the cost of service for each significant activity of the 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 costs and revenues, actual usage, staff numbers and floor area.

### **Critical Accounting Estimates and Assumptions**

In preparing these financial statements the Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements 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.

To comply with PBE accounting standards, the financial statements require certain judgements and assumptions. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

- Estimating the fair value of land, buildings, and infrastructural assets – see Note 15;
- Estimating the fair value of forestry assets – see Note 18;
- Estimating the retirement and long service leave obligations – see Note 22; and
- Estimating the landfill aftercare provision – see Note 23.

### **Critical Judgements in Applying Accounting Policies**

Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are discussed in the following specific notes:

- Donated or vested land and buildings with use or return conditions – see Note 2;
- Classification of property – see Note 15; and
- Classification of unoccupied land – see Note 19

### **Refer to Notes for further Accounting Policies.**

## 2. REVENUE

### Accounting Policy

Revenue is recognised to the extent that it is probable that the economic benefits or service potential will flow to the Council and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of consideration received or receivable.

Revenue is from exchange and non-exchange transactions. Exchange transaction revenue arise when the Group and the Council provide goods or services directly to a third party and receive approximately equal value in return. Non-exchange transactions revenue arise when the group and the Council receive value from another party without having to directly provide goods or services of equal value. Non-exchange revenue comprises rates and transfer revenue. Transfer revenue includes grants, subsidies, fees and user charges derived from activities that are partially funded by rates.

### Rates Revenue

The following policies for rates have been applied:

- General rates and targeted rates (excluding water by meter) are recognised as revenue when the assessments are issued to which the rates resolution relates. These are recognised as the amounts due. The Council considers the effect of payment of rates by instalments is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue.
- Rates arising from late payment penalties are recognised as revenue when rates become overdue.
- Revenue from water by meter rates is recognised on an accrual basis based on usage.
- Rates remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its rates remission policy.

### Development and Financial Contributions

Development and financial contributions are recognised as revenue when the Council provides or is able to provide the service for which the contribution was charged. Otherwise, development and financial contributions are recognised as liabilities until such time as the Council provides or is able to provide the service.

Development contributions are disclosed separately.

### Infringement Fees Revenue

Revenue from infringement fees and fines mostly relates to traffic and parking infringements and is recognised when tickets are issued.

### NZ Transport Agency Waka Kotahi Roading Subsidies

The Council receives revenue from NZTA Waka Kotahi, which subsidises part of the costs in maintaining the local roading infrastructure, and is recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled.

### Other Grants Received

Revenue from other grants is recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

### Building and resource consent revenue

Fees and charges for building and resource consent services are recognised on a percentage completion basis with reference to the recoverable costs incurred at balance date.

### Entrance fees

Entrance fees are fees charged to users of the Council's local facilities, such as the pools. Revenue from entrance fees is recognised on entry to such facilities.

### Sale of Goods – Full Cost Recovery

Revenue from the sale of goods (e.g. the Council rubbish bags) is recognised when a product is sold to the customer. Sales are usually in cash or by credit card. The recorded revenue is the gross amount of the sale, including credit card fees payable for the transaction. Such fees are included in other expenses.

### Infringement fees and fines

Infringement fees and fines mostly relate to traffic and parking infringements and are recognised when the infringement notice is issued.

## **Vesting of Assets Revenue**

Revenue from vesting of physical assets is recognised for assets received for no or nominal consideration, the asset is recognised at fair value when the Council obtains control of the asset. The fair value of the asset is recognised as revenue, unless there is a use or return condition attached to the asset.

The fair value of vested or donated assets is usually determined by reference to the cost of constructing the asset. For assets received from property developments, the value is based on the fair value at the date of acquisition.

However, where there is evidence that cost information provided by developers may materially differ from fair value at the point of transfer, the Council will recognise vested assets at assessed fair value.

For long-lived assets that must be used for a specific use (e.g. land must be used as a recreation reserve), the Council immediately recognises the fair value of the asset as revenue. A liability is recognised only if the Council expects it will need to return or pass the asset to another party.

## **Donated and bequeathed financial assets**

Donated and bequeathed financial assets are recognised as revenue unless there are substantive use or return conditions. A liability is recorded if there are substantive use or return conditions and the liability is released to revenue as the conditions are met (for example, as the funds are spent for the nominated purpose).

## **Interest and Dividends Revenue**

Revenue from interest is recognised using the effective interest method. Interest revenue on an impaired financial asset is recognised using the original effective interest rate.

Revenue from dividends is recognised when the right to receive payment has been established. Dividends are recognised in surplus or deficit unless the dividend clearly represents a recovery of part of the cost of the investment.

## **Rental Revenue**

Rental revenue from investment property is recognised as revenue on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which benefits derived from the leased asset are diminished.

## **Critical judgements in applying accounting policies**

### *Accounting for donated or vested land and buildings with use or return conditions*

The Council has received land and buildings from non-exchange transactions that contain use or return conditions. If revenue is not recognised immediately for such assets when received, there is the possibility that a liability would be recognised in perpetuity and that no revenue would ever be recognised for the asset that the Council received. The Council considers that an acceptable and more appropriate accounting treatment under PBE IPSAS 23 is to recognise revenue for such transfers immediately and to not recognise a liability until such time as it is expected that the condition will be breached.

**(i) Breakdown of Rates and further information**

	<b>Council</b> Actual \$ <b>30 June 2025</b> \$000	<b>Council</b> Actual \$ <b>30 June 2024</b> \$000	<b>Group</b> Actual \$ <b>30 June 2025</b> \$000	<b>Group</b> Actual \$ <b>30 June 2025</b> \$000
<b>Gross rates</b>				
General Rates	19,766	14,541	19,766	14,541
<b>Targeted rates attributable to activities</b>				
Solid waste rates	5,514	2,725	5,514	2,725
Roading rates	4,965	4,684	4,965	4,684
Library rates	6,387	5,442	6,387	5,442
Representation and governance rates	2,277	5,775	2,277	5,775
Te Awahou Foxton Comm Board Rates	166	-	166	-
Swimming pool rate	3,658	2,783	3,658	2,783
Stormwater rate	2,469	1,851	2,469	1,851
Sewer rate	8,819	7,491	8,819	7,491
Horowhenua Economic Development	503	-	503	-
<b>Water rates</b>				
District wide	5,645	5,173	5,645	5,173
Foxton Beach	498	448	498	448
Metered water supply	1,906	1,667	1,906	1,667
<b>Total targeted water rates</b>	<b>8,049</b>	<b>7,288</b>	<b>8,049</b>	<b>7,288</b>
Rate penalties	803	613	803	613
<b>Total rates revenue (gross)</b>	<b>63,376</b>	<b>53,193</b>	<b>63,376</b>	<b>53,193</b>
Remissions under the Council remission policy	(695)	(660)	(695)	(660)
<b>Total rates revenue net of remissions</b>	<b>62,681</b>	<b>52,533</b>	<b>62,681</b>	<b>52,533</b>
Exchange transaction	-	-	-	-
Non-exchange transaction	62,681	52,533	62,681	52,533
<b>Total transactions</b>	<b>62,681</b>	<b>52,533</b>	<b>62,681</b>	<b>52,533</b>

Total rates revenue includes \$259,381 (2024 \$279,611) for rates paid by the Council on properties owned by Council.

The Council is required by the LGFA Guarantee and Indemnity Deed to disclose its annual rates income in its financial statements (or notes). The Multi-issuer Deed defines annual rates income as an amount equal to the total revenue from any funding mechanism authorised by the LG(R)A, together with any revenue received by the Council from other local authorities for services provided by the Council for which those other local authorities rate. The annual rates income of the Council for the year ended 30 June 2025 for the purposes of the LGFA Guarantee and Indemnity Deed disclosure is shown below:

<b>Rates</b>	<b>30 June 2025</b>	<b>30 June 2024</b>
Rates	<b>\$62,681</b>	<b>\$52,533</b>
Lump sum contributions	-	-
<b>Total annual rates income</b>	<b>\$62,681</b>	<b>\$52,533</b>

Horowhenua district property revaluation occurred during 2022/2023 financial year; capital and land values were updated following approval by the valuer general in late 2022. The next Horowhenua district property revaluation is scheduled in the 2025/2026 financial year.

The Council revised the rates remission policies in 2024/2025 in line with the Long Term Plan 2024-2044. The resulting rates remission and postponement policies incorporates additional remission classes such as property under development or earthquake strengthening, rating units containing two or more Separately Used or Inhabited Parts (SUIP), and Special Circumstances Remission. Rates postponement was also added, the objective of this is to assist owner-occupiers who have limited capacity to pay their rates from their income and are older, or experiencing extreme financial hardship, to continue living in their home.

The Council's rates remission and postponement policies allow the Council to remit rates for community groups, voluntarily protected land, penalties on rates, excessive water charges, remnant land, rating units in industrial and commercial areas used for residential purposes, small rate balances, targeted rates on non-rateable land, properties affected by natural hazard disasters or emergency events, subdivisions which are in Common Ownership but do not meet the criteria of a Contiguous Property, bare land, Council Owned Utilities, contiguous rating units not in common ownership, property under development or earthquake strengthening, rating units containing two or more Separately Used or Inhabited Parts (SUIP), Special Circumstances Remission and Māori land.

In accordance with the Local Government (Rating) Act 2022, certain properties cannot be rated for general rates. These include schools, places of religious worship, public gardens and reserves. These non-rateable properties, where applicable, may be subject to targeted rates in respect of sewerage, water, refuse and sanitation. Non-rateable land does not constitute remission under the Council's Rates Remission and Postponement Policy.

**(ii) Other Revenue**

	Council Actual \$ 30 June 2025 \$000	Council Actual \$ Restated 30 June 2024 \$000	Group Actual \$ 30 June 2025 \$000	Group Actual \$ Restated 30 June 2024 \$000
<b>A. Finance revenue</b>				
Interest revenue for financial assets not at fair value through profit and loss				
Bank deposits	1,646	1,075	1,667	1,097
Interest rate swaps (presented net)	457	402	457	402
Borrower notes	164	126	164	126
<b>Total finance revenue</b>	<b>2,267</b>	<b>1,602</b>	<b>2,288</b>	<b>1,624</b>
Exchange transactions	2,267	1,602	2,288	1,624
Non-exchange transactions	-	-	-	-
<b>Total finance revenue transactions</b>	<b>2,267</b>	<b>1,602</b>	<b>2,288</b>	<b>1,624</b>
<b>B. Subsidies and grants</b>				
NZTA/Waka Kotahi government grants	4,358	5,608	4,358	5,608
Three Waters Stimulus fund	1,915	2,699	1,915	2,699
Private sector grants	15	39	15	39
Provincial Growth Fund	-	1,375	-	1,375
Other government grants	5,959	3,497	5,959	3,497
<b>Total subsidies and grants</b>	<b>12,247</b>	<b>13,218</b>	<b>12,247</b>	<b>13,218</b>
Exchange transactions	-	-	-	-
Non-exchange transactions	12,247	13,218	12,247	13,218
<b>Total subsidies and grants transactions</b>	<b>12,247</b>	<b>13,218</b>	<b>12,247</b>	<b>13,218</b>
<b>C. Fees and charges</b>				
User charges	4,988	4,016	4,988	4,016
Rental revenue from commercial properties	246	115	246	115
<b>Total fees and charges</b>	<b>5,234</b>	<b>4,131</b>	<b>5,234</b>	<b>4,131</b>
Exchange transactions	411	234	411	234
Non-exchange transactions	4,823	3,897	4,823	3,897
<b>Total fees and charges transactions</b>	<b>5,234</b>	<b>4,131</b>	<b>5,234</b>	<b>4,131</b>

	Council Actual \$ 30 June 2025 \$000	Council Actual \$ Restated 30 June 2024 \$000	Group Actual \$ 30 June 2025 \$000	Group Actual \$ Restated 30 June 2024 \$000
<b>D. Other revenue</b>				
Infringements and fines	427	338	427	338
Rendering of services	694	1,624	694	1,624
Petrol tax	223	234	223	234
Dividend revenue	7	7	7	7
Insurance recoveries:				
- Buildings	-	37	-	37
Regulatory revenue	3,441	3,035	3,441	3,035
Donations	191	4	191	4
<b>Total other revenue</b>	<b>4,983</b>	<b>5,279</b>	<b>4,983</b>	<b>5,279</b>
Exchange transactions	125	425	125	425
Non-exchange transactions	4,858	4,853	4,858	4,853
<b>Total other revenue transactions</b>	<b>4,983</b>	<b>5,279</b>	<b>4,983</b>	<b>5,279</b>
<b>E. Vested assets</b>	<b>924</b>	<b>5,944</b>	<b>924</b>	<b>5,944</b>
<b>F. Development contributions</b>	<b>1,696</b>	<b>776</b>	<b>1,696</b>	<b>776</b>
<b>Total vested assets and development contributions</b>	<b>2,620</b>	<b>6,720</b>	<b>2,620</b>	<b>6,720</b>
Exchange transactions	-	-	-	-
Non-exchange transactions	2,620	6,720	2,620	6,720
<b>Total vested assets and development contributions transactions</b>	<b>2,620</b>	<b>6,720</b>	<b>2,620</b>	<b>6,720</b>

There are no unfulfilled conditions and other contingencies attached to government grants recognised other than that relating to the government grant for housing discussed in Note 25.

The vested assets income relates to infrastructure assets vested to Council as part of the subdivision process. Development Contributions are recognised when invoiced.

## OPERATING LEASES AS LESSOR

The Council leases its investment properties, Foxton Beach Endowment land and other property under operating leases.

The majority of the investment and endowment property leases are leases in perpetuity and therefore non-cancellable; the majority of the other leases are cancellable. The future aggregate minimum lease payments to be collected under non-cancellable operating leases are as follows:

	Council Actual \$ 30 June 2025 \$000	Council Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2025 \$000	Group Actual \$ 30 June 2024 \$000
<b>Non-cancellable operating leases as lessor</b>				
<b>Less than one year</b>	589	758	599	758
<b>Later than one year but not more than five years</b>	1,551	1,383	1,849	1,383
<b>Later than five years</b>	1,469	453	1,180	453
<b>Total non-cancellable operating leases</b>	<b>3,609</b>	<b>2,594</b>	<b>3,628</b>	<b>2,594</b>

Figures for later than five years are impracticable because most of the leases are in perpetuity. For the purposes of the above table, for any lease with a renewable clause the assumption adopted is there would be no option to renew, and if the lease is in perpetuity the assumption adopted is the lease would continue for over five years. The total annual lease amounts are expected to be at least those indicated above.

No contingent rents have been recognised in the statement of financial performance during the period.

### 3. PERSONNEL COSTS

#### Accounting Policy

##### SALARIES AND WAGES

Salaries and wages are recognised as an expense as employees provide services.

##### SUPERANNUATION SCHEMES

Defined contribution schemes

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

Defined Benefit Schemes

- The Council does not belong to any Defined Benefit Scheme.

	Council Actual \$ 30 June 2025	Council Actual \$ 30 June 2024
<b>Chief Executives</b>		
<b>Monique Davidson</b>		
Salary	374,607*	367,539
Vehicle (FBT value)	15,000	15,000
<b>Total Chief Executive remuneration</b>	<b>389,607</b>	<b>382,539</b>

\* This includes cashed up annual leave of \$6,862.16.

**REMUNERATION OF ELECTED MEMBERS**

	2025		2024	
	Remuneration	Other Allowances	Remuneration	Other Allowances
<b>Mayor:</b>				
B Wanden	146,526	4,761	141,395	3,705
<b>Councillors:</b>				
D Allen	71,331	5,340	65,806	4,703
R Brannigan	46,155	2,184	43,750	1,300
S Jennings	54,547	1,496	50,322	1,300
P H Tukapua	18,494	573	46,451	1,300
M Barker	41,959	1,496	38,709	1,300
R Boyle	41,959	1,496	38,709	1,300
C Grimstone	41,959	1,496	38,709	1,300
N Hori Te Pa	41,959	1,496	38,709	1,300
P Olsen	41,959	1,496	38,709	1,300
J Procter	41,959	1,496	38,709	1,300
J Tamihana	41,959	2,929	38,709	3,024
A Young	41,959	1,496	38,709	1,300
<b>Total elected representatives remuneration</b>	<b>672,725</b>	<b>27,759</b>	<b>657,399</b>	<b>24,433</b>

	2025		2024	
	Remuneration	Other Allowances	Remuneration	Other Allowances
<b>Foxton Beach Community Board</b>				
J Girling (Chair)	13,884	1,985	12,884	1,805
D Roache	6,969	1,496	6,442	1,553
T Chambers	6,969	1,496	6,442	1,553
B Russell	6,969	1,496	6,442	1,553
N Fox	6,969	2,330	6,442	1,778
<b>Total Te Awahou Foxton Community Board</b>	<b>41,760</b>	<b>8,804</b>	<b>38,650</b>	<b>8,241</b>

During the year ending 30 June 2025, there were payments totalling \$19,464 made to two independent members of the Risk and Assurance Committee.

**COUNCIL EMPLOYEES**

	Council Actual \$ 30 June 2025	Council Actual \$ 30 June 2024
<b>Total annual remuneration by band</b>		
<\$60,000	103	114
\$60,000 – \$79,999	75	59
\$80,000 – \$99,999	52	42
\$100,000 – \$119,999	25	23
\$120,000 – \$139,999	23	19
\$140,000 – \$159,999	13	10
\$160,000 – \$239,999	8	6
\$240,000 – \$399,999	4	4
<b>Total Council employees (Count of people)</b>	<b>303</b>	<b>277</b>

Total remuneration includes any non-financial benefits provided to employees.

At balance date, the Council employed 187 (2024: 159) full-time employees, with the balance of staff representing 41.25 (2024: 48) full-time equivalent employees. A full-time employee is determined on the bases of a 40-hour working week.

	Council Actual \$ 30 June 2025 \$000	Council Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2025 \$000	Group Actual \$ 30 June 2024 \$000
Salaries and wages	22,376	20,160	22,376	20,160
Increase/(decrease) in employee entitlements	(102)	133	(102)	133
Other employee benefit expenses	472	438	472	438
Employer contributions to superannuation schemes	600	546	600	546
<b>Total employee benefit expenses</b>	<b>23,346</b>	<b>21,277</b>	<b>23,346</b>	<b>21,277</b>

For the year ended 30 June 2025 the Council made 4 severance payments to employees totalling \$49,251 (2024: \$137,357.10). The amount stated is gross pay before taxes, benefits and other payroll deductions.

	Council Actual \$ 30 June 2025 \$000
Payment 1	2,612
Payment 2	32,438
Payment 3	13,000
Payment 4	1,201
<b>Total severance payments</b>	<b>49,251</b>

#### 4. FINANCE COSTS

##### Accounting Policy

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

	Council Actual \$ 30 June 2025 \$000	Council Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2025 \$000	Group Actual \$ 30 June 2024 \$000
Interest on borrowings	9,661	9,187	9,661	9,187
Interest rate swaps (presented net)	19	(131)	19	(131)
<b>Total finance costs</b>	<b>9,680</b>	<b>9,056</b>	<b>9,680</b>	<b>9,056</b>

#### 5. OTHER EXPENSES

##### Accounting Policy

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

##### GRANT EXPENSES

The Council's grants awarded have no substantive conditions attached.

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

Discretionary grants are those grants where the Council has no obligation to award on receiving the grant application and are recognised as an expense when approved by the Council and the approval has been communicated to the applicant.

##### FINANCE LEASES

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred. At the commencement of the lease term, the Council recognises finance leases as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments. The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability. The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether the Council will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

## 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. Lease incentives received are recognised in the surplus or deficit as a reduction of rental expenses over the lease term.

### 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:

	Council Actual \$ 30 June 2025 \$000	Council Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2025 \$000	Group Actual \$ 30 June 2024 \$000
<b>Audit of the financial report</b>	330	291	341	291

The audit fee disclosed for the financial report represents the fee for the annual statutory audit engagement carried out under the Auditor-General's auditing standards, as described in the Independent Auditor's Report starting on page 232. This fee also includes the audit of the summary annual report, also a statutory requirement, which is completed in conjunction with this engagement and not billed separately.

	Council Actual \$ 30 June 2025 \$000	Council Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2025 \$000	Group Actual \$ 30 June 2024 \$000
<b>Audit or review related services</b>				
Audit of the Long-Term Plan	11	119	-	119
Assurance engagement in relation to the Debenture Trust Deed	6	5	6	5
Other assurance services and other agreed-upon procedures engagements				
Local Water Done Well	16	-	16	-
Taxation compliance evaluation	30	-	30	-
<b>Total fees incurred for services provided by the audit firm</b>	<b>393</b>	<b>415</b>	<b>393</b>	<b>415</b>
Debtors written off	12	-	12	-
Impairment of receivables	164	191	164	191
Minimum lease payments under operating leases	174	124	174	124
Professional services	6,396	5,760	6,396	5,760
Asset maintenance contract expenditure	15,493	18,154	15,493	18,154
General grants	784	823	784	823
Expenditure on utilities	1,987	1,480	1,987	1,480
Other	7,410	6,341	7,423	6,347
<b>Total other operating expenses</b>	<b>32,812</b>	<b>33,288</b>	<b>32,825</b>	<b>33,294</b>

## FINANCE LEASES

Council does not have any finance leases (30 June 2024: nil).

## OPERATING LEASES AS LESSEE

The Council leases property, plant and equipment in the normal course of its business. The majority of these leases have a non-cancellable term of 36 months. The future aggregate minimum lease payments to be collected under non-cancellable operating leases are as follows:

	Council Actual \$ 30 June 2025 \$000	Council Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2025 \$000	Group Actual \$ 30 June 2024 \$000
<b>Non-cancellable operating leases as lessee</b>				
Less than one year	345	124	347	124
Later than one year but not more than five years	391	1	419	1
Later than five years	-	-	-	-
<b>Total non-cancellable operating leases</b>	<b>736</b>	<b>125</b>	<b>766</b>	<b>125</b>

Leases can be renewed at the Council's option, with rents set by reference to current market rates of equivalent age and condition. The Council does have the option to purchase the asset at the end of the lease term.

There are no restrictions placed on the Council by any of the leasing arrangements.

## 6. TAX

All the Council's sources of income are exempt from Income Tax under the provisions of the Income tax Act 2007, and therefore no charge for income tax has been provided for.

## 7. CASH AND CASH EQUIVALENTS

### Accounting Policy

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

Breakdown of cash and cash equivalents and further information

	Council Actual \$ 30 June 2025 \$000	Council Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2025 \$000	Group Actual \$ 30 June 2024 \$000
Cash at bank and in hand	15,192	11,482	15,240	11,514
<b>Total cash and cash equivalents</b>	<b>15,192</b>	<b>11,482</b>	<b>15,240</b>	<b>11,514</b>

### Cash and cash equivalents for the purpose of the statement of cash flows

Cash at bank and in hand	15,192	11,482	15,240	11,514
Term deposits with maturities less than three months	-	-	-	-
Bank overdrafts	-	-	-	-
<b>Total cash and cash equivalents for the purpose of the statement of cash flows</b>	<b>15,192</b>	<b>11,482</b>	<b>15,240</b>	<b>11,514</b>

## 8. RECEIVABLES

### Accounting Policy

#### RATES RECEIVABLE

The Council does not provide for Expected Credit Losses (ECL) on rates receivable. The Council has various powers under the LG(FR)A to recover any outstanding debts. These powers allow the 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 the Council can apply to the Registrar of the High Court to have the judgement enforced by sale or lease of the rating unit. Ratepayers can apply for payment plan options in special circumstances. Where such repayment plans are in place, debts are discounted to their present value of future payments if the effect of discounting is material.

The Chief Executive approved the write-off of rates receivable during the year under the LG(R)A as follows:

- Section 90A (Chief executive may write off rates that cannot be recovered): \$14,654.28 (2024: \$35,465.53)
- Section 90B (Chief executive may write off rates of deceased owners of Māori freehold land): \$35,864.57 (2024: \$27,877.08).

Rates are "written off":

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

Ratepayers can apply for payment plan options in special circumstances.

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.

An application to proceed with Rating Sale for a property in Shannon was filed in the High Court on 28

March 2025. Current rates due by 15 September 2025 were \$158,309.84. A significant proportion of these rates was approved by the Council to be written off under Part 3 section 82 (3) of the Local Government (Rating) Act 2002 depending on the outcome of the rating sale as the sale proceeds were not sufficient to cover the outstanding rates.

#### Other receivables

Trade and other receivables are initially measured at face value less any provision for impairment.

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

There is no concentration of credit risk with respect to receivables outside the group, as the group has a large number of customers.

As of 30 June 2024, and 2025 all overdue receivables, except for rates receivables, have been assessed for impairment and appropriate provisions applied based on a general approach based on the aging of debt.

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.

## Breakdown of receivables and further information

Note	Council Actual \$	Council Actual \$	Group Actual \$	Group Actual \$
	30 June 2025 \$000	30 June 2024 \$000	30 June 2025 \$000	30 June 2024 \$000
<b>Gross debtors and other receivables</b>				
Rates receivables	5,126	4,090	5,368	4,090
Related party receivables	27	–	–	–
Prepayments	1,352	1,399	1,352	1,399
GST receivable	1,305	1,172	1,305	1,172
Other receivables	7,348	3,433	7,106	3,433
<b>Total gross debtors and other receivables</b>	<b>15,131</b>	<b>10,094</b>	<b>15,131</b>	<b>10,094</b>
Less provision for impairment of receivables	(923)	(808)	(923)	(808)
<b>Net debtors and other receivables</b>	<b>14,208</b>	<b>9,286</b>	<b>14,208</b>	<b>9,286</b>
Less non-current portion:	–	–	–	–
<b>Total current portion debtors and other receivables</b>	<b>14,208</b>	<b>9,286</b>	<b>14,208</b>	<b>9,286</b>
Receivables from non-exchange transactions – this includes outstanding amounts for rates, grants, infringements, and fees and charges for activities that are partly subsidised by rates.	14,161	9,230	14,161	9,230
Receivables from exchange transactions – this includes outstanding amounts for commercial sales and fees and charges that have not been subsidised by rates.	47	56	47	56
<b>Total debtors and other receivables transactions</b>	<b>14,208</b>	<b>9,286</b>	<b>14,208</b>	<b>9,286</b>
In measuring ECLs, receivables have been grouped into rates receivables and other receivables and assessed on a collective basis because 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 the aging buckets.				
<b>Movements in the provision for impairment of receivables are as follows:</b>				
	30 June 2025 \$000	30 June 2024 \$000		
Opening balance adjustment due to adoption of PBE IPSAS 41	808	565		
Individual Impairment	–	–		
Collective Impairment	–	–		
Increased Provision	115	243		
<b>Allowance for doubtful debts for trade receivable at 30 June</b>	<b>923</b>	<b>808</b>		

The aging profile of receivables excluding property rates, for the year ended 30 June is outlined below:

	30 June 2025			30 June 2024				
	Gross \$000	Expected Credit Loss %	Provision for impairment \$000	Net \$000	Gross \$000	Expected Credit Loss %	Provision for impairment \$000	Net \$000
Not past due	97	0%	–	97	77	0%	–	77
1-30 days	835	0.71%	6	829	1,101	0.71%	8	1,093
31-60 days	159	9.56%	15	144	216	9.56%	21	196
61-90 days	29	25.63%	7	21	–	25.63%	–	–
> 90 days	1,289	69.40%	894	394	895	87.05%	779	116
<b>total</b>	<b>2,409</b>	<b>–</b>	<b>923</b>	<b>1,486</b>	<b>2,290</b>	<b>–</b>	<b>808</b>	<b>1,482</b>

## 9. INVENTORY

Inventories are held for distribution or for use in the provision of goods and services. The measurement of inventories depends on whether the inventories are held for commercial or non-commercial (distribution at no charge or for a nominal charge) distribution or use. Inventories are measured as follows:

- Non-commercial: measured at cost, adjusted for any loss of service potential.
- Commercial: measured at the lower of cost and net realisable value.

PBE IPSAS 12.17,35 Cost is allocated using the first-in-first-out (FIFO) method, which assumes the inventories that were purchased first are distributed or used first. PBE IPSAS 12.16 Inventories acquired through non-exchange transactions are measured at fair value at the date of acquisition. PBE IPSAS 12.44.

Any write-down from cost to net realisable value or for the loss of service potential is recognised in surplus or deficit in the year of the write-down. PBE IPSAS 16.71.

When land held for development and future resale is transferred from investment property/property, plant, and equipment to inventory, the fair value of the land at the date of the transfer is its deemed cost.

PBE IPSAS 16.71 Costs directly attributable to the developed land are capitalised to inventory, except for infrastructural asset costs, which are capitalised to property, plant, and equipment.

## 10. NON-CURRENT ASSETS HELD FOR SALE

### Accounting Policy

Assets held for sale are recognised when their carrying amount will be recovered principally through a sale transaction rather than through continuing use, and when a sale is considered highly probable within the next 12 months. Such assets are measured at the lower of their carrying amount and fair value less costs to sell. Accordingly, the amounts disclosed in the statement of financial position represent the net realisable value, after deducting estimated costs of disposal.

Any impairment losses for write-downs of non-current assets held for sale are recognised through surplus or deficit.

Any increases in fair value (less costs to sell) are recognised up to the level of any impairment losses (net of depreciation) that have been previously recognised.

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

	<b>Council</b> Actual \$ <b>30 June 2025</b> \$000	<b>Council</b> Actual \$ <b>30 June 2024</b> \$000	<b>Group</b> Actual \$ <b>30 June 2025</b> \$000	<b>Group</b> Actual \$ <b>30 June 2024</b> \$000
<b>Land &amp; Buildings</b>	1,942	-	1,942	-
<b>Total assets held for sale</b>	<b>1,942</b>	-	<b>1,942</b>	-

There are two assets held for sale at 30 June 2025 (nil for 30 June 2024).

They include:

1. Levin War Memorial Hall at 1A Chamberlain Street, 33, 35 and 37 Queen Street' Levin, and Levin Village Green at Salisbury Street Levin
2. Foxton Memorial Hall at 104 Clyde Street, Foxton

The Levin War Memorial Hall has a signed conditional Sale and Purchase Agreement. Settlement will occur once the conditions have been satisfied.

The Foxton Memorial Hall has a Sale & Purchase Agreement in the process of being signed.

## 11. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING

### Accounting Policy

Derivative financial instruments are used to manage exposure to interest rate risks arising from the Council's financing activities. In accordance with its treasury policy, the 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 remeasured to their fair value at each balance date. The resulting gains or losses are recognised in the surplus or deficit as the Council does not hedge accounts.

The portion of the fair value of an interest rate derivative that is expected to be realised within 12 months of balance date is classified as current, with the remaining portion of the derivative classified as non-current.

## Financial Instruments

The Council is party to financial instrument arrangements as part of its everyday operations. Revenue and expenses relating to financial instruments are recognised in the Statement of Comprehensive Income.

Financial instruments are comprised of:

- Financial assets – cash and cash equivalents, trade and other receivables, available for sale investments, derivative financial instruments
- Financial liabilities – trade creditors, borrowings, derivative financial instruments.

	Council Actual \$ 30 June 2025 \$000	Council Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2025 \$000	Group Actual \$ 30 June 2024 \$000
<b>Asset</b>				
<b>Current asset</b>				
Interest rate swaps	143	707	143	707
<b>Non-current asset</b>				
Interest rate swaps	159	618	159	618
<b>Total derivative financial instrument asset</b>	<b>302</b>	<b>1,325</b>	<b>302</b>	<b>1,325</b>
<b>Liability</b>				
<b>Current liability</b>				
Interest rate swaps	490	148	490	148
<b>Non-current liability</b>				
Interest rate swaps	983	-	983	-
<b>Total derivative financial instrument Liability</b>	<b>1,473</b>	<b>148</b>	<b>1,473</b>	<b>148</b>
<b>Gain or loss on derivative financial instruments</b>				
Opening balance	(1,177)	(1,646)	(1,177)	(1,646)
Closing balance	1,171	(1,177)	1,171	(1,177)
<b>Derivative gain/(loss)</b>	<b>(2,348)</b>	<b>(469)</b>	<b>(2,348)</b>	<b>(469)</b>

## Fair value

The fair value of interest rate swaps have been derived using a discounted cash flows valuation technique based on quoted market prices.

## Interest rate swaps

The notional principal amounts of the outstanding interest rate swap contracts for the Council were \$178.0m (2024: \$105m) and for the Group were \$178m (2024: \$105m). At 30 June 2025, the fixed interest rate of the cash flow interest rate swaps varied from 2.150% and 4.745% (2024 2.150% and 4.750%).

## 12. OTHER FINANCIAL ASSETS

### Accounting Policy

#### INITIAL RECOGNITION AND MEASUREMENT

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI), or fair value through surplus or deficit (FVTSD).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of short-term receivables and payables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through surplus or deficit, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or FVOCI, it needs to give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through surplus or deficit, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at FVOCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

The Group's financial assets include: cash and term deposits, receivables from exchange and non-exchange transactions, loans, investments in associates, CCOs & similar entities, unquoted financial instruments and derivative financial instruments. All unlisted shares have been valued at cost and not fair value.

#### SUBSEQUENT MEASUREMENT

For purposes of subsequent measurement, financial assets are classified into three categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at FVOCI with recycling of cumulative gains or losses (debt instruments)
- Financial assets at fair value through surplus or deficit.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains or losses are recognised in surplus or deficit when the asset is derecognised, modified or impaired. The Group's financial assets at amortised cost includes trade receivables from exchange transactions, receivables from non-exchange transactions, investments in associates, CCOs & similar entities, and term deposits.

#### FINANCIAL ASSETS AT FVOCI (DEBT INSTRUMENTS)

For debt instruments at FVOCI, interest income and impairment losses or reversals are recognised in the statement of financial performance and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income (OCI). Upon derecognition, the cumulative fair value change recognised in OCI is recycled to surplus or deficit.

The Group's debt instruments at FVOCI are derivative financial instruments.

#### FINANCIAL ASSETS AT FAIR VALUE THROUGH SURPLUS OR DEFICIT

A financial asset is measured at fair value through surplus or deficit unless it is measured at amortised cost or at fair value through other comprehensive revenue and expense. Financial assets at fair value through surplus or deficit are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of financial performance.

#### DERECOGNITION

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's statement of financial position) when:

- The rights to receive cash flows from the asset have expired or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

## IMPAIRMENT

PBE IPSAS 41 requires the Group to record expected credit losses on all of its debt instruments classified at amortised cost or FVOCI. The Group recognises loss allowances for expected credit losses (ECLs) on financial assets at amortised cost, the allowances for receivables of exchange and non-exchange transactions are measured, using the simplified approach, at an amount equal to lifetime ECLs, while all other debt instruments classified at amortised cost are measured using the general approach.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both qualitative and quantitative information and analysis, based on historical experience, informed credit assessments, and including forward looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Group considers a financial asset to be in default when:

- The borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group; or
- The financial asset is more than 90 days old.

The Group considers fixed interest and term deposit financial instruments to have low credit risk when its credit rating is equivalent to a credit rating of A+ or higher.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial asset. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to the credit risk.

Debt instruments at amortised cost are held to maturity and may generate a fixed or variable interest income for the Group. The carrying value may be affected by changes in the credit risk of the counterparties.

	Council Actual \$ 30 June 2025 \$000	Council Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2025 \$000	Group Actual \$ 30 June 2024 \$000
Short-term deposits with maturities of 4 - 12 months	38,350	22,350	38,350	22,350
LGFA borrower note	1,219	414	1,219	414
<b>Total current portion</b>	<b>39,569</b>	<b>22,764</b>	<b>39,569</b>	<b>22,764</b>
<b>Non-current portion</b>				
Short-term deposits non-current	5,000	-	5,000	-
Investment in CCOs and similar entities				
Unlisted shares in NZLGIC Limited	104	104	104	104
Unlisted shares in LGFA	100	100	100	100
<b>Total investment in CCOs and similar entities</b>	<b>204</b>	<b>204</b>	<b>204</b>	<b>204</b>
Investment in associates				
MW LASS	72	51	72	51
<b>Total investment in associates</b>	<b>72</b>	<b>51</b>	<b>72</b>	<b>51</b>
Other				
LGFA borrower notes	5,967	3,748	5,967	3,748
Community loans	-	-	-	-
<b>Total other</b>	<b>5,967</b>	<b>3,748</b>	<b>5,967</b>	<b>3,748</b>
<b>Total non-current portion</b>	<b>11,243</b>	<b>4,003</b>	<b>11,243</b>	<b>4,003</b>
<b>Total other financial assets</b>	<b>50,813</b>	<b>26,767</b>	<b>50,813</b>	<b>26,767</b>

## Fair value

All unlisted shares have been valued at cost and not fair value. The carrying amount of term deposits and LGFA borrower notes approximates their fair value.

Maturity analysis and effective interest rates

	Council Actual \$ 30 June 2025 \$000	Council Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2025 \$000	Group Actual \$ 30 June 2024 \$000
Short-term deposits with maturities of 4-12 months	38,350	22,350	38,350	22,350
Average maturity	358 Days	365 Days	358 Days	365 Days
Weighted average effective interest rate	4.32%	6.25%	4.32%	6.25%
Investments maturing after 1 year but less than 5 years	5,000	-	5,000	-
Average maturity	425 Days	-	425 Days	-
Weighted average effective interest rate	5.81%	-	5.81%	-

## Impairment

There were no impairment provisions for other financial assets. None of the financial assets are past due date or impaired.

## Other Gains/(Losses)

Note	Council Actual \$ 30 June 2025 \$000	Council Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2025 \$000	Group Actual \$ 30 June 2024 \$000
<b>Non-financial instruments</b>				
Gain/(loss) on changes in fair value of forestry assets	18	(46)	245	(46)
Gain on disposal of property, plant and equipment		1	1	1
Loss on disposal of property, plant and equipment		(2,828)	(1,853)	(2,828)
Gain/(loss) on changes in fair value of investment property	19	(205)	(200)	(205)
<b>Total non-financial instruments</b>		<b>(3,078)</b>	<b>(1,807)</b>	<b>(3,078)</b>
 Financial instruments				
Gain/(loss) on revaluation of financial liabilities	173	–	173	–
Gain/(loss) on revaluation of financial assets	21	83	21	83
<b>Total financial instruments</b>	<b>194</b>	<b>83</b>	<b>194</b>	<b>83</b>
<b>Total gains/(losses)</b>		<b>(2,884)</b>	<b>(1,724)</b>	<b>(2,884)</b>
				<b>(1,724)</b>

### **13. INVESTMENT IN CCO'S, SIMILAR ENTITIES, AND ASSOCIATE**

The Local Government Act 2002, Schedule 10 (28) requires Council to provide information with regard to organisations under the control of the Council.

### **Shannon Community Development Trust**

#### **NATURE AND SCOPE OF ACTIVITIES PROVIDED**

The Shannon Community Development Trust has been set up for the benefit of residents of the Shannon Township. The purpose of the Trust is, but not limited to, education activities, including scholarships for education purposes, the alleviation of hardship, the provision of training and equipment for the protection of the community, and the provision of financial assistance for events recognising the involvement of community members.

#### **POLICIES AND OBJECTIVES ON OWNERSHIP AND CONTROL**

The Trust was established on 02 August 2012. The Trust has five Trustees (excluding Advisory Trustees). The current Councillor for Miranui Ward will automatically be one of the five.

The Trust is an exempt Council Controlled Organisation (CCO), as it has not been established for the purposes of making a profit and is not intended to be a CCO under the Local Government Act 2002. The Trust is exempt from reporting its performance under the Local Government Act 2002, schedule 10 (7) to 30 June 2027 as approved by Council on 30 October 2024.

The Council receives the Trust's annual report. The annual accounts are included in the Group financials for 30 June 2025.

### **Manawatū-Whanganui Local Authority Shared Services Limited (MW LASS)**

#### **NATURE AND SCOPE OF ACTIVITIES PROVIDED**

MW LASS was formed in October 2008 by seven local councils to provide an "umbrella vehicle" for councils of the Manawatū- Whanganui region to investigate, procure, develop and deliver shared services.

#### **POLICIES AND OBJECTIVES ON OWNERSHIP AND CONTROL**

The company comprises of a Board of eight directors, seven CEOs of the shareholding councils and one Independent Director. The Board oversees the governance of MW LASS.

To date there has been one call on share capital and MW LASS is now trading. The Council owns one seventh or 14% of this company and has a \$16,000 share capital.

The company is exempt from reporting its performance under the Local Government Act 2002, schedule 10 (7) to 30 June 2027 as approved by Council on 30 October 2024.

### **14. INVESTMENT IN JOINT OPERATIONS**

#### **Accounting policy**

#### **NATURE AND SCOPE OF ACTIVITIES PROVIDED**

A joint arrangement is a binding arrangement that confers enforceable rights and obligations on the parties to the arrangement and that is subject to joint control. Joint control is the agreed sharing of control where decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint arrangement is classified either as a joint operation or a joint venture. The classification depends on the rights and obligations of each party under the joint arrangement. The Council reviews the legal form, terms of the binding agreement, and other facts and circumstances relevant to its interest in determining the classification of the joint arrangement.

For joint operations, the Council and the Group recognise the direct right to the assets, liabilities, revenues, and expense of joint operations and its share of any jointly held or incurred assets, liabilities, revenue, and expenses. Assets, liabilities, revenues, and expenses relating to Council's interest in a joint operation are accounted for in line with Council's accounting policies and included in the relevant line items of the Council and the Group's financial statements

Council has no investment in joint operations.

## 15. PROPERTY, PLANT AND EQUIPMENT

### Accounting policy

#### PROPERTY, PLANT AND EQUIPMENT CONSIST OF:

- **Operational assets** – These include land, buildings, library collections, plant and equipment and motor vehicles.
- **Infrastructure assets** - Infrastructure assets are fixed utility systems owned by the Council that provide core services to the community. Each asset class comprises all components required for the network to operate effectively. For example, the sewerage network includes reticulation pipes, pump stations, and associated land and buildings. Roading assets include the constructed road surface as well as associated infrastructure such as footpaths, kerb and channel, streetlights, signage, and other elements that support the transport network. Solid waste assets include landfills and waste transfer stations, along with the land and buildings necessary to support the collection, transfer, and disposal of waste.
- **Restricted assets** – Restricted assets are parks and reserves, cemeteries and endowment properties and associated built assets owned by the Council which provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.

Land (operational and restricted) is measured at fair value, and 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 the Council and the cost of the item can be measured reliably.

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

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

### Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included through the surplus or deficit.

When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

### Subsequent Costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant and equipment are recognised in the surplus or deficit as they are incurred.

## **Impairment of property, plant, and equipment and intangible assets**

Property, plant, and equipment that have 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 total impairment 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 increase the asset revaluation reserve for that class of asset. However, to the extent that an impairment loss for that class of asset was previously recognised in surplus or deficit, a reversal of the impairment loss is also recognised in surplus or deficit. For assets not carried at a revalued amount, the reversal of an impairment loss is recognised in 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, a restoration cost approach, or a service units approach. The most appropriate approach 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.

## **Depreciation**

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

	<b>Useful Life</b>	<b>Depreciation Rate</b>
<b>Operational assets</b>		
<b>LAND</b>	N/A	N/A
<b>BUILDINGS:</b>		
Structure	20 to 100 years	1% to 5%
Roofing	40 years	2.5%
Electricals	40 years	2.5%
Plant, equipment and vehicles	3 to 25 years	4% to 33.3%
Library assets	10 years	10%
<b>SOLID WASTE MANAGEMENT:</b>		
Building structure	50 to 100 years	1% to 2%
Building roofing	40 years	2.5%
Roading	50 years	2%
Cell site works and earthworks	33 years	3%
Cell lining, drainage and irrigation	33 years	3%
Cell electricals	10 years	1%
<b>Restricted assets</b>		
<b>LAND</b>	N/A	N/A
<b>BUILDINGS:</b>		
Structure	20 to 100 years	1% to 5%
Roofing	40 years	2.5%
Electricals	40 years	2.5%
Improvements	4-25 years	4% to 25%
<b>Infrastructure assets</b>		
<b>ROADING:</b>		
Basecourse	50 - 70 years	1.43% to 2%
Berm	100 years	1%
Bridge	70 - 75 years	1.33% - 1.43%
Drainage	40 - 80 years	1.25% - 2.50%
Footpath	20 - 120 years	0.83% - 5.00%
Minor Structures	70 years	1.43% - 0.70%
Railings	20 - 50 years	2.00% - 5.00%
Retaining Walls	50 - 100 years	1.00% - 2.00%
Sealed Road Surfacing	8 - 20 years	5.00% - 12.50%
Shared Paths	20 - 70 years	1.43% - 5.00%
Signs	12 years	8.33% - 8.33%
Streetlights	20 - 50 years	2.00% - 5.00%

	<b>Useful Life</b>	<b>Depreciation Rate</b>
Surface Water Channel	50 - 90 years	1.11% - 2.00%
Unsealed Road Surfacing	2 - 5 years	20.00% - 50.00%
<b>Stormwater drainage:</b>		
Storm Manhole	51 - 100 years	1% to 1.96%
Storm Service Line	26 - 100 years	1% to 3.85%
Plant Equipment	14 - 60 years	1.67% to 7.14%
Storm Main	12 - 116 years	0.86% to 8.33%
Storm Inlet	38 - 80 years	1.25% to 2.63%
Storm Channel	N/A	N/A
Storm Storage Basin	50 - 100 years	1% to 2%
Storm Valve	25 - 50 years	2% to 4%
Storm Meter	20 years	5% to 5%
Land	N/A	N/A
Building Component	55 - 71 years	1.41% to 1.82%
<b>Wastewater total:</b>		
Sewer Main	9 - 162 years	0.62% to 11.11%
Sewer Manhole	11 - 155 years	0.65% to 9.09%
Sewer Service Line	8 - 105 years	0.95% to 12.5%
Plant Equipment	9 - 65 years	1.53% to 11.11%
Sewer Valve	10 - 86 years	1.16% to 10%
Sewer Meter	19 - 48 years	2.08% to 5.26%
Land	N/A	N/A
Building Component	40 - 95 years	1.05% to 2.5%
<b>Water total:</b>		
Sewer Main	100 years	1% to 1%
Sewer Manhole	80 - 100 years	1% to 1.25%
Sewer Service Line	100 years	1% to 1%
Water Hydrant	8 - 107 years	0.93% to 12.5%
Water Valve	8 - 130 years	0.77% to 12.5%
Water Main	8 - 137 years	0.73% to 12.5%
Water Meter	9 - 100 years	1% to 11.11%
Water Service Line	8 - 145 years	0.69% to 12.5%
Plant Equipment	10 - 106 years	0.94% to 10%
Water Miscellaneous	58 - 60 years	1.67% to 1.72%
Water Storage Unit	50 - 59 years	1.69% to 2%
Water Backflow	9 - 54 years	1.85% to 11.11%
Land	N/A	N/A
Building Component	47 - 90 years	1.11% to 2.13%

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year-end.

## Critical Accounting Estimates and Assumptions

### ESTIMATING THE FAIR VALUE OF LAND, BUILDINGS, AND INFRASTRUCTURE

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:

#### Land (Operational, Restricted and Infrastructural)

- Land is valued at fair value using market-based evidence based on its highest and best use with reference to comparable land values.
- Where there is a designation against the land or the use of the land is restricted because of reserve or endowment status, the valuation approach reflects the restriction in use. Such land is valued based on rural land value plus a location adjustment to reflect different zoning, which are based on the valuer's judgement.
- Restrictions on the Council's ability to sell land would not normally impair the value of the land because the Council has operational use of the land for the foreseeable future and will substantially receive the full benefits of outright ownership.

#### Buildings (Operational and Restricted)

- Specialised buildings are valued at fair value using depreciated replacement cost because no reliable market data is available for such buildings.
- Depreciated replacement cost is determined using a number of significant assumptions. Significant assumptions used in the 30 June 2025 valuation include:
  - The replacement costs of the specific assets are adjusted where appropriate for optimisation due to over-design or surplus capacity. There have been no optimisation adjustments for the most recent valuations.
  - The replacement cost is derived from recent construction contracts of modern equivalent assets and property institute of New Zealand cost information.
  - There are no significant asbestos issues associated with the buildings.
  - The remaining useful life of assets is estimated after considering factors such as the condition of the asset, future maintenance and replacement plans, and experience with similar buildings.
  - Straight-line depreciation has been applied in determining the depreciated replacement cost value of the asset.

## Revaluation

Land and buildings (operational and restricted) and infrastructure assets (except land under roads) are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three years.

The carrying values of revalued assets are assessed annually to ensure that those values are not materially different from the assets' fair values. If there is a material difference, then the off-cycle asset classes are revalued.

The Council accounts for revaluations of property, plant and equipment 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 not recognised in other comprehensive revenue and expense but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value is recognised in the surplus or deficit, it will be recognised first in the surplus or deficit up to the amount previously expensed and then recognised in other comprehensive revenue and expense.

Those asset classes that are revalued are valued on a three-yearly valuation cycle on the basis described below. All other asset classes are carried at cost less accumulated depreciation and impairment losses.

## Infrastructural Assets

There are a number of assumptions and estimates used when performing depreciated replacement cost (DRC) valuations over infrastructural assets. These include:

- The physical deterioration and condition of an asset, for example Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for assets that are not visible, for example stormwater, wastewater and water supply pipes that are underground. This risk is minimised by the Council performing a combination of physical inspections and condition modelling assessments of underground assets.
- Estimating any obsolescence or surplus capacity of an asset.
- Estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example, weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then the Council could be over or underestimating the annual depreciation charge recognised as an

expense through surplus or deficit. To minimise this risk the Council's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of the Council's asset management planning activities, which gives the Council further assurance over its useful life estimates.

## Estimating the Replacement Cost of The Asset

- The replacement cost of an asset is based on recent construction contracts in the region for modern equivalent assets, from which unit rates are determined. Unit rates have been applied to components of the network based on size, material, depth, and location.
- Refer to Note 20 for the carrying value of these assets.

### REVALUATION SCHEDULE

Description	Date of last full asset valuation	Valuation method used to assess fair value for 2023/24	Valuation performed by	Next full asset revaluation date
<b>Operational assets</b>				
Land and buildings	30 June 2025	Independent registered valuers at CBRE   Valuation & Advisory Services have valued the land and buildings assets with an effective date of 30 June 2025. The valuation has been established on the basis of "Market value" and "Fair value" being synonymous. In determining fair value on improved properties, Income approach (Income Capitalisation), Market approach (Net Rate) and Cost Approach (Depreciated Replacement Cost) were utilised.	CBRE   Valuation & Advisory Services	30 June 2028
<b>Infrastructural assets</b>				
Water reticulation, sewerage reticulation and stormwater systems	30 June 2024	<p>The fair value assessment was performed independently by WSP New Zealand based on the likely adjustment in unit rates between 30 June 2024 and 30 June 2025. The components of determining the replacement cost are:</p> <ul style="list-style-type: none"> <li>Unit Rates (including on-site direct costs)</li> <li>On-Costs (including professional fees and councils costs)</li> </ul> <p>The unit rate analysis adjusts the previous valuation unit rates for general price indices, compares these rates to recent contract cost evidence where available, as well as other council unit rates for the equivalent assets, and reviews on-costs assumptions against new information available since the previous valuation, and considers any other relevant information available that would have an effect on unit rate conclusions.</p> <p>On-cost factors are applied to base unit rates to allow for all off-site expenses incidental to the asset acquisition and directly attributable to bringing the asset into working condition and location. These additional costs include professional fees and Council in-house project management costs.</p>	WSP New Zealand	30 June 2027
Land and building portion of treatment plants	30 June 2024	<p>The fair value assessment was performed internally by Council's Local Water team as at 30 June 2025. In terms of Optimised Depreciated Replacement Costs, Capital Goods Price Index – CEP for Non-residential Buildings is considered appropriate, being a capture of cost movement as relates to building cost assessed under this approach. It best reflects the likely movement for the assets in use (for three waters land and buildings assets) but with no direct sales market.</p> <p>In terms of market movement for Market Based properties, a market review of land sales over the period would be more appropriate for all land types, with acceptance of minimal recent evidence occurring but at least a more like with like approach. Given the nature of the land and buildings for three waters assets, the likelihood of regular sales and purchases is rare. Therefore an ORDC approach is taken and a broad-brush approach is warranted as reflecting an overall trend accepting incompatible comparisons for the market approach. The 2024/25 accounts have not been adjusted for the fair value movement as it was not deemed material.</p>	Internally by Council's Local water team	30 June 2027

<b>Description</b>	<b>Date of last full asset valuation</b>	<b>Valuation method used to assess fair value for 2023/24</b>	<b>Valuation performed by</b>	<b>Next full asset revaluation date</b>
Solid Waste: Landfill	30 June 2025	The valuation of the Levin landfill asset was independently valued with an effective date of 30 June 2025 by Stantec. A Cost Adjustment Factor (CAF) has been used to convert data from earlier years to 2025 rates. Replacement costs calculations for the main access road, perimeter fencing, weighbridge kiosk, site office /storage shed, and monitoring bores have been updated in this year's valuation.	Stantec	30 June 2026
Solid Waste: operational assets	30 June 2025	Independent registered valuers at CBRE   Valuation & Advisory Services have valued the land and buildings assets with an effective date of 30 June 2025. The valuation has been established on the basis of "Market value" and "Fair value" being synonymous. In determining fair value on improved properties, Income approach (Income Capitalisation), Market approach (Net Rate) and Cost Approach (Depreciated Replacement Cost) were utilised.	CBRE   Valuation & Advisory Services	30 June 2028
Roading	30 June 2024	The fair value assessment was performed internally by Council's Roading team as at 30 June 2025. The percentage increase is calculated based on the Stats NZ/ NZTA Waka Kotahi index at financial year end June 2024 which at the time was 1368 for maintenance and 1332 for structures. Movement was evaluated by comparing June indices from 2024 to 2025. The 2024/25 accounts have not been adjusted for the fair value movement as it was not deemed material.	Internally by Council's Roading team	30 June 2027
Land Under Roads	NA	Land under Roads is carried at cost and Land under Roads is not revalued.		
<b>Restricted assets</b>				
Parks, Cemeteries, Endowment Land and Building Assets	30 June 2025	Independent registered valuers at CBRE   Valuation & Advisory Services have valued the land and buildings assets with an effective date of 30 June 2025. The valuation has been established on the basis of "Market value" and "Fair value" being synonymous. In determining fair value on improved properties, Income approach (Income Capitalisation), Market approach (Net Rate) and Cost Approach (Depreciated Replacement Cost) were utilised.	CBRE   Valuation & Advisory Services	30 June 2028
<b>Others</b>				
Forestry	30 June 2025	Independent registered valuers at Forme Consulting Ltd have valued the forestry assets with an effective date of 30 June 2025. The forests had been valued using various methodology such as the Current Replacement Cost (CRC) approach, Crop Expectation Value (CEV) approach, and Immediate Liquidation (IL) approach. More details can be found in note 18.	Forme Consulting Ltd	30 June 2026
Commercial properties	30 June 2025	Independent registered valuers at CBRE   Valuation & Advisory Services have valued the commercial assets as at 30 June 2025. The valuation has been established on the basis of "Market value" and "Fair value" being synonymous. In determining fair value on improved properties, Income approach and Market approach were utilised. More details can be found in note 18.	CBRE   Valuation & Advisory Services	30 June 2026

## **Economic and Remaining Lives**

The economic life of an asset is the period of time beyond which it is economically worthwhile to replace rather than to continue to repair or maintain. The economic life varies for each asset. These have been calculated in accordance with the New Zealand Institute of Asset Management (NZIAM) guidelines and then further modified if local knowledge and experience suggest this is appropriate.

There are assets within the asset register that have already exceeded their assumed useful life. Therefore, to account for these assets it has been assumed that each asset has a minimum remaining useful life of five years for long life assets and two years for short life span assets. Pipe assets have been given a minimum useful life of 10% of their expected useful life.

There have been no changes in useful lives for reticulation and non-reticulation assets. Useful lives for the treatment plant asset dataset are however revised and in line with the assets.

Resource consents are included and valued using the term of the consent. Where a consent has expired, we have assumed it has been rolled over.

	Accumulated depreciation and impairment charges 1-Jun-24 \$'000	Carrying amount 1-Jul-24 \$'000	Additions \$'000	Vested assets \$'000	Disposals at cost \$'000	Assets held for sale* \$'000	Transfer to Assets held for sale* \$'000	Revaluation \$'000	Cost transfers \$'000	Cost revaluation charges 30-Jun-25 \$'000	Cost / impairment charges 30-Jun-25 \$'000	Carrying amount 30-Jun-25 \$'000	Accumulated depreciation & impairment charges 30-Jun-25 \$'000
<b>2025</b>	<b>996,655</b>	<b>(14,936)</b>	<b>981,719</b>	<b>31,428</b>	<b>924</b>	<b>(3,583)</b>	<b>(2,134)</b>	<b>(22,245)</b>	<b>5,125</b>	<b>(39)</b>	<b>1,017,473</b>	<b>(26,277)</b>	<b>991,196</b>
<b>Council operational assets</b>													
Land	24,856	–	24,856	–	–	–	(1,401)	–	(833)	–	22,622	–	22,622
<b>Buildings</b>	<b>50,130</b>	<b>(1,857)</b>	<b>48,273</b>	<b>743</b>	<b>–</b>	<b>(5)</b>	<b>(733)</b>	<b>(910)</b>	<b>1,520</b>	<b>5,915</b>	<b>54,803</b>	<b>–</b>	<b>54,803</b>
Library books and other lending stock	2,410	(1,267)	1,143	315	–	(100)	–	(217)	–	–	2,624	(1,484)	1,140
Plant and equipment	14,279	(6,475)	7,804	1,245	–	(1)	–	(728)	(3,847)	11,676	(7,203)	4,472	
<b>Total operational assets</b>	<b>91,674</b>	<b>(9,599)</b>	<b>82,075</b>	<b>2,303</b>	<b>–</b>	<b>(106)</b>	<b>(2,134)</b>	<b>(1,856)</b>	<b>687</b>	<b>2,068</b>	<b>91,725</b>	<b>(8,688)</b>	<b>83,037</b>
<b>Council infrastructure assets</b>													
Wastewater Total	230,164	–	230,164	6,114	424	(1,232)	–	(6,245)	–	(39)	235,430	(6,245)	229,185
<b>Water Total</b>	<b>168,992</b>	<b>–</b>	<b>168,992</b>	<b>8,945</b>	<b>446</b>	<b>(74)</b>	<b>–</b>	<b>(4,388)</b>	<b>–</b>	<b>–</b>	<b>178,308</b>	<b>(4,388)</b>	<b>173,920</b>
<b>Stormwater drainage</b>	<b>100,200</b>	<b>–</b>	<b>100,200</b>	<b>1,787</b>	<b>55</b>	<b>(232)</b>	<b>–</b>	<b>(1,499)</b>	<b>–</b>	<b>–</b>	<b>101,810</b>	<b>(1,499)</b>	<b>100,311</b>
<b>Solid waste</b>	<b>8,980</b>	<b>(1,737)</b>	<b>7,243</b>	<b>44</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(541)</b>	<b>2,409</b>	<b>–</b>	<b>9,156</b>	<b>–</b>	<b>9,156</b>
<b>Roads &amp; Footpaths</b>	<b>269,300</b>	<b>–</b>	<b>269,300</b>	<b>7,326</b>	<b>–</b>	<b>(1,665)</b>	<b>–</b>	<b>(5,457)</b>	<b>–</b>	<b>–</b>	<b>274,960</b>	<b>(5,457)</b>	<b>269,503</b>
<b>Land under roads</b>	<b>25,785</b>	<b>–</b>	<b>25,785</b>	<b>2,797</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>28,581</b>	<b>–</b>	<b>28,581</b>
<b>Total infrastructure assets</b>	<b>803,420</b>	<b>(1,737)</b>	<b>801,683</b>	<b>27,012</b>	<b>924</b>	<b>(3,203)</b>	<b>–</b>	<b>(18,130)</b>	<b>2,409</b>	<b>(39)</b>	<b>828,244</b>	<b>(17,589)</b>	<b>810,655</b>
<b>Council restricted assets</b>													
<b>Cemeteries</b>	<b>2,385</b>	<b>(40)</b>	<b>2,345</b>	<b>270</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(24)</b>	<b>(54)</b>	<b>–</b>	<b>2,537</b>	<b>–</b>	<b>2,537</b>
<b>Parks and reserves</b>	<b>80,063</b>	<b>(2,931)</b>	<b>77,132</b>	<b>1,658</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(1,894)</b>	<b>3,700</b>	<b>66</b>	<b>80,662</b>	<b>–</b>	<b>80,662</b>
<b>Endowment properties</b>	<b>19,115</b>	<b>(629)</b>	<b>18,486</b>	<b>185</b>	<b>–</b>	<b>(274)</b>	<b>–</b>	<b>(341)</b>	<b>(1,617)</b>	<b>(2,134)</b>	<b>14,305</b>	<b>–</b>	<b>14,305</b>
<b>Total restricted assets</b>	<b>101,563</b>	<b>(3,600)</b>	<b>97,963</b>	<b>2,113</b>	<b>–</b>	<b>(274)</b>	<b>–</b>	<b>(2,259)</b>	<b>2,029</b>	<b>(2,068)</b>	<b>97,504</b>	<b>–</b>	<b>97,504</b>

\* A total of \$2,134m of land and building assets was transferred to assets held for sale. Refer Note 10 Non-Current Assets held for sale. The value transferred out from PPE reflects the fair value of those assets as at 30 June 2025. The value shown in Note 10 reflects the fair value of those assets taking into account costs to sell.

WORK IN PROGRESS	30-Jun-25	30-Jun-24
Buildings	\$214,081	\$947,369
Wastewater	\$8,427,937	\$11,194,759
Water	\$15,368,882	\$9,885,082
Parks	\$834,613	\$635,962
Plant & Equipment	\$183,343	\$36,243
Stormwater	\$6,797,779	\$5,817,840
Cemeteries	\$237,097	\$83,426
Roading	\$2,424,105	\$2,241,322
Land under roads	\$2,981,885	\$-
<b>Total</b>	<b>\$37,469,722</b>	<b>\$30,842,002</b>

The Work in Progress in the table is included in the above asset schedule.

The increase in Work in Progress reflects the more precise monitoring of project completion at an asset level during the 2024/25 year.

Multiple large infrastructure projects spanning financial years including District wide water metering project, Levin alternative water source project, Levin water network renewal/upgrade project, Levin wastewater main renewal/upgrade project, Levin wastewater treatment project and Tara-Ika projects pending resource consent applications contribute to these costs.

## Restrictions on Title

There are no pledges or restrictions on titles for any properties, plant or equipment as per the accounting policies for restricted assets.

## Replacement Cost of Infrastructural Assets

	Council Actual \$ 30 June 2025 \$000	Council Actual \$ 30 June 2024 \$000
Water other	279,096	226,562
Water treatment plant and facilities	6,001	42,866
<b>Total Water</b>	<b>285,097</b>	<b>269,428</b>
Waste water treatment plant and facilities	437,987	426,615
Wastewater other	14,682	-
<b>Total Wastewater</b>	<b>452,669</b>	<b>426,615</b>
Stormwater	149,520	147,898
Solid waste	16,482	14,419
Roading and footpaths	432,470	390,600
<b>Total replacement cost of core infrastructure assets</b>	<b>1,336,237</b>	<b>1,248,960</b>

Solid Waste value reported in 23/24 FY excluded Levin landfill land assets, 24/25 value includes additional 1.6m land assets Roading and Footpaths value report in 23/24 FY was incorrect. 23/24 value in this report is corrected value from Final Roading Valuation as at 30 June 2024.

## Capital Commitments

	Council Actual \$ 30 June 2025 \$000	Council Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2025 \$000	Group Actual \$ 30 June 2024 \$000
Wastewater other	1,592	1,052	1,592	1,052
Water other	-	472	-	472
Stormwater	-	558	-	558
Roading	445	258	445	258
Parks	27	-	27	-
<b>Total PPE capital commitments</b>	<b>2,064</b>	<b>2,340</b>	<b>2,064</b>	<b>2,340</b>

	Accumulated depreciation and impairment charges 1-jul-23 \$000	Carrying amount 1-jul-23 \$000	Additions \$000	Vested assets - restated \$000	Disposals Depreciation at cost on disposals \$000			Cost transfers \$000	Cost restated 30-jun-24 \$000	Cost impairment charges 30-Jun-24 \$000	
					Revaluation \$000	Depreciation \$000	Revaluation \$000				
<b>Council operational assets</b>											
Land	24,856	–	24,856	–	–	–	–	–	–	24,856	–
Buildings	47,839	(894)	46,945	2,326	–	(35)	(3)	(960)	–	50,130	(1,857)
Library books and other lending stock	2,254	(1,137)	1,117	323	–	(168)	(18)	(112)	–	2,410	(1,267)
Plant and equipment	12,673	(5,652)	7,022	4,112	–	(10)	(21)	(802)	–	(2,496)	14,279
<b>Total operational assets</b>	<b>87,622</b>	<b>(7,683)</b>	<b>79,940</b>	<b>6,760</b>	<b>–</b>	<b>(213)</b>	<b>(42)</b>	<b>(1,874)</b>	<b>–</b>	<b>(2,496)</b>	<b>91,674</b>
<b>Council infrastructure assets</b>											
Wastewater Total	185,098	(4,705)	180,393	8,447	2,154	(489)	–	(4,457)	43,622	–	230,164
Water supply Total	142,760	(3,485)	139,275	7,249	1,728	(759)	–	(2,904)	23,721	290	168,992
Stormwater drainage	60,400	(891)	59,509	2,549	2,061	(10)	–	(919)	36,561	–	100,200
Solid waste	8,889	(1,348)	7,541	91	–	–	–	(389)	–	360	8,980
Roads	218,915	(3,767)	215,149	7,027	–	–	–	(3,847)	3,166	–	221,494
Footpaths	43,762	(906)	42,856	–	–	–	–	(905)	5,855	–	47,806
Land under roads	25,623	–	25,624	161	–	–	–	–	–	–	25,785
<b>Total infrastructure assets</b>	<b>685,447</b>	<b>(15,102)</b>	<b>670,344</b>	<b>25,523</b>	<b>5,944</b>	<b>(1,258)</b>	<b>–</b>	<b>(13,421)</b>	<b>112,925</b>	<b>650</b>	<b>803,420</b>
<b>Council restricted assets</b>											
Cemeteries	2,382	(17)	2,366	3	–	–	–	(23)	–	–	2,385
Parks and reserves	76,541	(1,367)	75,175	1,730	–	(280)	(119)	(1,445)	–	2,071	80,063
Endowment properties	19,632	(316)	19,316	0	–	(217)	–	(313)	–	(300)	19,115
<b>Total restricted assets</b>	<b>98,555</b>	<b>(1,701)</b>	<b>96,858</b>	<b>1,733</b>	<b>–</b>	<b>(497)</b>	<b>(119)</b>	<b>(1,781)</b>	<b>–</b>	<b>1,771</b>	<b>101,562</b>
<b>Total Council PPE</b>	<b>871,624</b>	<b>(24,486)</b>	<b>847,142</b>	<b>34,017</b>	<b>5,944</b>	<b>(1,968)</b>	<b>(161)</b>	<b>(17,076)</b>	<b>112,925</b>	<b>(75)</b>	<b>996,654</b>
											<b>981,720</b>

## Restrictions on Title

There are no pledges or restrictions on titles for any properties, plant or equipment as per the accounting policies for restricted assets. No items of any properties, plant or equipment were impaired, lost or given up.

## 16. INTANGIBLE ASSETS

### Accounting policy

#### SOFTWARE ACQUISITION AND DEVELOPMENT

Acquired computer software licences are capitalised at cost, which includes all expenditure directly attributable to bringing the software into use.

Expenditure incurred in maintaining software is recognised as an expense when it is incurred.

Expenditure directly attributable to the development of internally used software is recognised as an intangible asset when the asset meets the recognition criteria.

Directly attributable costs include software development costs, employee costs, and a proportionate share of relevant overheads.

Training costs are expensed as incurred. Similarly, costs associated with the development and maintenance of the Council's website are recognised as expenses when incurred

#### SOFTWARE-AS-A-SERVICE (SAAS) ARRANGEMENTS

SaaS arrangements are treated as service contracts that provide the Council with access to cloud-based application software over the contract term.

Costs incurred to configure or customise SaaS applications, along with subscription fees and other ongoing access costs, are recognised as operating expenses when the related services are received.

However, where configuration or customisation activities result in the development of software code that enhances, modifies, or adds capability to existing on-premise systems, and the criteria for recognising an intangible asset are met, these costs are capitalised. Capitalised software assets are amortised on a straight-line basis over their estimated useful life. Useful lives are reviewed at the end of each financial year, and any change is accounted for prospectively as a change in accounting estimate.

#### EASEMENTS

Easements are recognised at cost, being the costs directly attributable in bringing the asset to its intended use. Easements have an indefinite useful life and are not amortised but are instead tested for impairment annually.

#### LIFE OF EASEMENTS

Easements have been assessed as having an indefinite useful life because they provide the Council with access to infrastructural assets in perpetuity.

#### CARBON CREDITS

Purchased carbon credits are recognised at cost on acquisition and revalued to the market value annually at 30 June. Free carbon credits received from the Crown are recognised at fair value on receipt and revalued

annually after that based on the market price for carbon credits. They are not amortised but are instead tested for impairment annually. They are derecognised when they are used to satisfy carbon emission obligations.

Carbon units have been assessed as having an indefinite useful life because they have no expiry date and will continue to have economic benefit for as long as the Emissions Trading Scheme is in place.

#### AMORTISATION

The Council's carrying value of an intangible asset with a finite life is amortised on a 'straight-line' basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is de-recognised. The amortisation charge for each period is recognised through the surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as:

Software licences - 3 to 10 years 10% to 33.3%

Internally generated intangible assets 3 to 10 years 10% to 33.3%

#### 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.

For further details, refer to the policy for impairment of property, plant, and equipment in Note 15. The same approach applies to the impairment of intangible assets

	Accumulated amortisation and impairment charges	Carrying amount 1-Jul-24 \$000	Additions 2024/25 \$000	Vested assets 2024/25 \$000	Disposals at Cost 2024/25 \$000	Amortisation 2024/25 \$000	Revaluation 2024/25 \$000	Cost transfers 2024/25 \$000	Cost / revaluation 2024/25 \$000	Accumulated amortisation and impairment charges 30-Jun-25 \$000	Carrying amount 30-Jun-25 \$000
<b>Council intangible assets</b>											
Easements	284	—	284	—	—	—	—	—	—	284	—
Carbon credits	680	—	680	—	—	—	108	—	787	—	787
Computer software	5,101	(4,868)	233	85	—	—	(108)	—	105	5,291	(4,976)
<b>Total council intangible assets</b>	<b>6,065</b>	<b>(4,868)</b>	<b>1,197</b>	<b>85</b>	<b>—</b>	<b>(108)</b>	<b>108</b>	<b>105</b>	<b>6,362</b>	<b>(4,976)</b>	<b>1,386</b>
	Accumulated amortisation and impairment charges	Carrying amount 1-Jul-23 \$000	Additions 2023/24 \$000	Vested assets 2023/24 \$000	Disposals at Cost 2023/24 \$000	Amortisation 2023/24 \$000	Revaluation 2023/24 \$000	Cost transfers 2023/24 \$000	Cost / revaluation 2023/24 \$000	Accumulated amortisation and impairment charges 30-Jun-24 \$000	Carrying amount 30-Jun-24 \$000
<b>Council intangible assets</b>											
Easements	296	—	296	—	—	(12)	—	—	—	284	—
Carbon credits	565	—	565	—	—	—	115	—	680	—	680
Computer software	4,941	(4,729)	212	85	—	—	(139)	—	75	5,101	(4,866)
<b>Total council intangible assets</b>	<b>5,802</b>	<b>(4,729)</b>	<b>1,073</b>	<b>85</b>	<b>—</b>	<b>(12)</b>	<b>(139)</b>	<b>115</b>	<b>75</b>	<b>6,065</b>	<b>(4,868)</b>
<b>1,197</b>											

## Restrictions

There are no restrictions over the title of intangible assets. No intangible assets are pledged as security for liabilities.

## Impairment

### EASEMENTS

Good practice Easements are not cash generating in nature, because they give the Council the right to access private property where infrastructural assets are located. As such, impairment of an easement is determined by considering the future service potential of the easement. No impairment losses have been recognised for easements, because they all have ongoing service potential.

Easements have been assessed as having an indefinite useful life because they provide the Council with access to infrastructural assets for an indefinite time.

### CARBON CREDITS

The Council considers that there is no impairment of carbon credits held, because they are revalued annually.

## 17. DEPRECIATION AND AMORTISATION EXPENSE BY GROUP OF ACTIVITY

	Council Actual \$ 30 June 2025 \$000	Council Actual \$ 30 June 2024 \$000
Community support	9	3
Regulatory services	27	50
Community facilities	1,475	1,192
Community infrastructure	1,498	1,373
Property	754	660
Roading	5,457	4,752
Solid waste	541	390
Stormwater	1,499	919
Wastewater	6,245	4,457
Water supply	4,379	2,904
Council operating assets	484	516
<b>Total</b>	<b>22,368</b>	<b>17,216</b>

## 18. FORESTRY ASSETS

### Accounting policy

Forestry assets are independently revalued annually at fair value less estimated point of sale costs. Fair value is determined based on the present value of expected net cash flows discounted at a current market determined pre-tax rate. This calculation is based on existing sustainable felling plans and assessments regarding growth, timber prices, felling costs and silvicultural costs and takes into consideration environmental, operational and market restrictions.

Gains or losses arising on initial recognition of forestry assets at fair value less estimated point of sale costs and from a change in fair value less estimated point of sale costs are recognised through surplus or deficit.

The costs to maintain the forestry assets are included through surplus or deficit.

	Note	Council and Group Actual \$ 30 June 2025 \$000	Council and Group Actual \$ 30 June 2024 \$000
Balance at 01 July		1,411	1,166
Gains / (losses) arising from changes in fair value less estimated point of sale costs attributable to price changes	12	(46)	245
Purchase of trees		80	-
Harvest of trees at the POT		-	-
<b>Total Forestry assets</b>		<b>1,446</b>	<b>1,411</b>

Council owns 143.7 hectares of pinus radiata forest and other harvestable trees, which are at varying stages of maturity ranging from 1 to 41 years. This consists of the Ferry Reserve 11.9 ha, Hokio Landfill 38.2 ha, The POT Forest 68 ha and Target Reserve 25.6 ha.

## Critical Accounting Estimates and Assumptions

### FAIR VALUE OF FORESTRY ASSETS

Independent registered valuers, Forme Consulting Ltd, have valued the forestry assets as at 30 June 2025. Valuation assumptions adopted in determining the fair value of the forestry assets include:

- a pre-tax discount rate of 7.8% (2024: 7.9%) has been used in discounting the present value of expected cash returns;
- the value of the land and the cost of owning the land are excluded from the valuation;
- Assessment of aerial and satellite imagery and/or updated stand map documentation has been used to confirm net stocked forest areas;
- 12 quarter trend log pricing have been used reflecting the age of the various stands.

### Financial Risk Management Strategies

The Council is exposed to financial risks arising from changes in timber prices. The is a long-term forestry investor and does not expect timber prices to decline significantly in the foreseeable future, therefore, has not taken any measures to manage the risks of a decline in timber prices. The Council reviews its outlook for timber prices regularly in considering the need for active financial risk management.

There are no restrictions on titles and liabilities for forestry.

## 19. INVESTMENT PROPERTY

### Accounting policy

Properties leased to third parties under operating leases are classified as investment property, unless the property is held to deliver Council services rather than to earn rental income or for capital appreciation.

Investment Property is measured initially at cost, including transaction costs.

After initial recognition, all investment property is measured at fair value. Fair value is determined annually by an independent valuer in accordance with PBE IPSAS 16 Investment Property.

Gains or losses arising from a change in the fair value of investment property are recognised through surplus or deficit in the period in which they arise.

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

	Note	Council and Group Actual \$ 30 June 2025 \$000	Council and Group Actual \$ 30 June 2024 \$000
Balance at 01 July		2,500	1,300
Additions from acquisitions		720	1,400
Additions from subsequent expenditure		-	-
Disposals		-	-
Transfer from / (to) assets held for sale		-	-
Fair value gains / (losses) on valuation	12	(205)	(200)
<b>Total Investment property</b>		<b>3,015</b>	<b>2,500</b>

The Council's investment properties are revalued annually to fair value as at 30 June, in accordance with PBE IPSAS 16. For the year ended 30 June 2025, the fair value was assessed at \$3.015 million.

The valuation was carried out by Bruce Lavender ANZIV, an independent valuer from CBRE, with expertise in the valuation of the types of investment properties held by the Council. The valuation is based on open market evidence, with the assumption that "market value" and "fair value" are considered synonymous for this purpose.

In determining fair value for improved investment properties, the following valuation approaches were applied:

- Income Approach, based on the capitalisation of actual net income.
- Market Approach, involving comparison with identical or similar properties.

There are no title restrictions or liabilities associated with these investment properties.

At 30 June 2025, the Council had contractual obligations of \$126,000 in relation to capital or operating expenditure on investment properties (2024: \$101,000).

## Revenue and expenditure

	<b>Council and Group Actual \$ 30 June 2025 \$000</b>	<b>Council and Group Actual \$ 30 June 2024 \$000</b>
Rental revenue	246	115
Direct operating expenses from Investment property generating revenue	(107)	(14)
Direct operating expenses from Investment property not generating revenue	(4)	–
Contractual obligations for capital expenditure	–	–
Contractual obligations for operating expenditure	(9)	–
<b>Surplus / (deficit) from investment property</b>	<b>126</b>	<b>101</b>

## 20. PAYABLES AND DEFERRED REVENUE

### Accounting policy

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

	Council Actual \$ 30 June 2025 \$000	Council Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2025 \$000	Group Actual \$ 30 June 2024 \$000
Trade payables	9,092	8,266	8,733	8,266
Retentions	645	-	645	-
Deposits and bonds	794	1,178	794	1,178
Accrued expenses	3,500	3,177	3,500	3,177
Rates and other revenue in advance	3,744	2,236	3,744	2,236
Other	898	1,693	898	1,675
Term deposit held for Shannon Community Trust	350	350	350	-
<b>Total payables and deferred revenue</b>	<b>19,023</b>	<b>16,900</b>	<b>18,664</b>	<b>16,532</b>
Exchange transactions	16,303	15,416	15,944	15,048
Non-exchange transactions	2,720	1,484	2,720	1,484
<b>Total payables and deferred revenue transactions</b>	<b>19,023</b>	<b>16,900</b>	<b>18,664</b>	<b>16,532</b>

Trade and other payables are non-interest bearing and are normally settled on 30-day terms, therefore the carrying value of trade and other payables approximates their fair value.

## 21. BORROWINGS AND OTHER FINANCIAL LIABILITIES

### Accounting policy

#### INITIAL RECOGNITION AND MEASUREMENT

Financial liabilities at amortised cost are classified, at initial recognition and include loans and borrowings, or payables.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include payables under exchange transactions and loans and borrowings.

#### SUBSEQUENT MEASUREMENT

After initial recognition, interest-bearing loans and borrowings or payables are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains or losses are recognised in surplus or deficit when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of financial performance.

#### DERECOGNITION

A financial liability is derecognised when the obligation under the liability is discharged, waived, cancelled, or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, then such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of financial performance.

## BORROWINGS AND ALL OTHER FINANCIAL LIABILITIES

Borrowings are initially recognised at their fair value plus transaction costs. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Borrowings due to be settled within 12 months of balance date are treated as current liabilities. All other borrowing is classified as long term liabilities.

## FINANCIAL GUARANTEE CONTRACTS

A financial guarantee contract is a contract that requires the Council to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are initially recognised at fair value. If a financial guarantee contract was issued in a stand-alone arm's length transaction to an unrelated party, its fair value at inception is equal to the consideration received. When no consideration is received, the fair value of the liability is initially measured using a valuation technique, such as considering the credit enhancement arising from the guarantee or the probability that the Council will be required to reimburse a holder for a loss incurred discounted to present value. If the fair value of a guarantee cannot be reliably determined, liability is only recognised when it is probable there will be an outflow under the guarantee. The portion of the guarantee that remains unrecognised, prior to discounting to fair value, is disclosed as a contingent liability.

Financial guarantees are subsequently measured at the higher of:

1. The estimated amount determined if it is probable there will be an outflow to settle the guarantee; and
2. The amount initially recognised less, when appropriate, cumulative amortisation as revenue.

	<b>Council</b> Actual \$ <b>30 June 2025</b>	<b>Council</b> Actual \$ <b>30 June 2024</b>	<b>Group</b> Actual \$ <b>30 June 2025</b>	<b>Group</b> Actual \$ <b>30 June 2024</b>
<b>Current</b>				
Bank overdraft	-	-	-	-
Secured loans	59,000	43,000	59,000	43,000
<b>Total current borrowings</b>	<b>59,000</b>	<b>43,000</b>	<b>59,000</b>	<b>43,000</b>
<b>Non-current</b>				
Secured loans	181,000	159,000	181,000	159,000
<b>Total non-current borrowings</b>	<b>181,000</b>	<b>159,000</b>	<b>181,000</b>	<b>159,000</b>
<b>Total borrowings</b>	<b>240,000</b>	<b>202,000</b>	<b>240,000</b>	<b>202,000</b>

The Council manages its borrowings in accordance with its funding and financial policies, including a liability management policy, which has been adopted as part of the Council's Long Term Plan (LTP).

## FIXED RATE DEBT

The Council's secured debt of \$54,000,000 (2024: \$57,000,000) is issued at rates of interest fixed at time of issue.

## FLOATING RATE DEBT

The Council has \$172,000,000 of secured debt on current floating rate (2024: \$124,000,000). The interest rate is reset quarterly based on the 90-day bill rate plus a margin for credit risk. \$14,000,000 of secured debt is on Commercial Paper issued on a discount to par basis.

## OVERDRAFT

The Council has an overdraft facility with BNZ of \$3m.

## CUSTOMISED AVERAGE RATE LOAN FACILITY

The Council has a CARL (Customised Average Rate Loan) of \$7m with BNZ. Of the \$7m BNZ CARL facility, \$0 was drawn down as at 30 June 2025 (2024: \$0)

The Council has a standby credit facility of \$20m with LGFA which has not been included in the financial statements.

## CREDIT CARD

The Council has a Visa card facility of \$50,000 with BNZ. There were four credit cards on issued during the financial year ended 30 June 2025 utilising \$35k of the available facility. One card with a facility of \$5k has been closed since 30 June 2025.

The current balances of the cards on issue are recorded in the financial statements, but the remaining balance of the total facility are not recorded in the financial statements.

## SECURITY

All the Council's secured loans are secured under the terms of the Debenture Trust Deed between the Council and Covenant Trustee Services Ltd as Trustee. Security is by a charge over the Council's ability to levy rates in favour of the Trustee.

Pursuant to the Debenture Trust Deed, the Council has issued to its bankers' security certificates totalling \$290.4m to secure the various bank loan facilities and guarantees issued on behalf of the Council and other general banking facilities.

An additional \$26,338m of security certificates have been issued as part of the LGFA agreement to jointly secure debt issues with other shareholding Councils.

The following is a maturity analysis of the Council's borrowings. There are no early repayment options.

	<b>Secured Loans Actual \$ 30 June 2025 \$000</b>	<b>Secured Loans Actual \$ 30 June 2024 \$000</b>	<b>Bank Overdraft Actual \$ 30 June 2025 \$000</b>	<b>Bank Overdraft Actual \$ 30 June 2024 \$000</b>
Less than one year	59,000	43,000	-	-
Effective weighted average interest rate	3.52%	4.31%	-	-
Later than one year but not more than five years	181,000	159,000	-	-
Effective weighted average interest rate	3.52%	4.82%	-	-
Later than five years	-	-	-	-
Effective weighted average interest rate	-	-	-	-
<b>Total borrowings</b>	<b>240,000</b>	<b>202,000</b>	-	-

## RECONCILIATION OF MOVEMENTS IN LIABILITY ARISING FROM FINANCIAL ACTIVITIES

	Borrowing	Derivative (Market to market movements)	Other
Balance at 1 July 2024	202,000	(1,647)	-
Cash inflows	67,000	-	-
Cash outflows	(29,000)	-	-
Non-cash changes	-	2,348	-
<b>Balance at 30 June 2025</b>	<b>240,000</b>	<b>701</b>	-
Balance at 1 July 2023	168,000	(1,647)	-
Cash inflows	67,000	-	-
Cash outflows	(33,000)	-	-
Non-cash changes	-	-	-
<b>Balance at 30 June 2024</b>	<b>202,000</b>	<b>(1,647)</b>	-

### FAIR VALUE OF BORROWINGS

The carrying amounts and the fair values of borrowings are as follows:

	CARRYING AMOUNTS		FAIR VALUES	
	Actual \$ 30 June 2025 \$000	Actual \$ 30 June 2024 \$000	Actual \$ 30 June 2025 \$000	Actual \$ 30 June 2024 \$000
Secured Loans	240,000	202,000	240,000	202,000
Total borrowings	240,000	202,000	240,000	202,000

The carrying amounts of borrowings repayable within one year approximate their fair value. The fair values are based on cash flow using a rate based on the weighted borrowing rates ranging from 1.0700% to 5.1700% (2024: 1.0700% to 6.4600%).

### INTERNAL BORROWINGS

Information about internal borrowings per activity is provided on the activity funding impact statements within the Activity updates from page 32.

### LGFA COVENANT COMPLIANCE

	Council Limits	LGFA Lending Policy	Actual 30 June 2025	Actual 30 June 2024
Net debt to total operating revenue	< 250%	< 250%	199%	214%
Net interest to total operating revenue	< 20%	< 20%	9%	10%
Net interest to annual rates revenue	< 25%	< 25%	12%	14%
Available financial accommodation to external indebtedness	> 110%	> 110%	136%	130%

With significant growth on the horizon, and an investment in three waters infrastructure still requiring investment from Council and growing significantly, we are maintaining our debt limit at 250% of operating income. Our debt is primarily driven by capital expenditure, and with growth comes a need to fund new infrastructure. In the longer term, when our water services are delivered by a new entity, we would likely reduce this limit to 225% which will still provide adequate borrowing in the event of a natural disaster and for investment in community infrastructure.

## 22. EMPLOYEE ENTITLEMENTS

### Accounting policy

Employee benefit liabilities are calculated based on estimate of individual staff members reaching the long service leave milestones based on current salaries.

### Short-Term Employee Entitlements

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

The Council recognises a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

### Long-Term Employee Entitlements

Entitlements that are payable beyond 12 months after the end of period in which the employee renders the related service, such as long service leave and retiring leave, have been calculated on an actuarial basis. The calculations are based on:

1. The 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 entitlements information; and
2. The present value of the estimated future cash flows.

### Presentation of employee entitlements

Sick leave, annual leave, and vested long service leave are classified as a current liability. Nonvested retirement and long service leave expected to be settled within 12 months of balance date are also classified as a current liability. All other employee entitlements are classified as a non-current liability

	Note	Council Actual \$ 30 June 2025 \$000	Council Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2025 \$000	Group Actual \$ 30 June 2024 \$000
Accrued pay		648	462	648	462
Annual leave		1,422	1,484	1,422	1,484
Long service leave		496	537	496	537
Retirement gratuities		-	-	-	-
<b>Total employee benefit liabilities</b>		<b>2,566</b>	<b>2,483</b>	<b>2,566</b>	<b>2,483</b>
<hr/>					
Comprising:					
Current		2,070	1,946	2,070	1,946
Non-current		496	537	496	537
<b>Total employee benefit liabilities</b>		<b>2,566</b>	<b>2,483</b>	<b>2,566</b>	<b>2,483</b>

### Critical Accounting Estimates and Assumptions

#### ESTIMATING LONG SERVICE LEAVE OBLIGATIONS

Long service leave is calculated based on estimate of individual staff members reaching the long service leave milestones based on current salaries. Non-current employee benefit liabilities of \$496k relates to Long service leave.

## 23. PROVISIONS

### Accounting policy

The Council recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event. It is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

	Council Actual \$ 30 June 2025 \$000	Council Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2025 \$000	Group Actual \$ 30 June 2024 \$000
<b>Current provisions are represented by:</b>				
Landfill aftercare	2,190	1,498	2,190	1,498
<b>Total current provisions</b>	<b>2,190</b>	<b>1,498</b>	<b>2,190</b>	<b>1,498</b>
<b>Non-current provisions are represented by:</b>				
Landfill aftercare	12,621	9,099	12,621	9,099
<b>Total non-current provisions</b>	<b>12,621</b>	<b>9,099</b>	<b>12,621</b>	<b>9,099</b>
<b>Total provisions</b>	<b>14,811</b>	<b>10,597</b>	<b>14,811</b>	<b>10,597</b>
<b>Landfill aftercare</b>				
Opening balance	10,597	10,154	10,597	10,154
Additional provisions made during the year	5,018	1,468	5,018	1,468
Amounts used during the year	(804)	(1,025)	(804)	(1,025)
<b>Closing landfill aftercare balance</b>	<b>14,811</b>	<b>10,597</b>	<b>14,811</b>	<b>10,597</b>

### Provision for financial guarantees

The Council is listed as sole guarantor to a community organisation's bank loan.

The Council is obligated to make loan payments in the event the organisation defaults on a loan arrangement. The exercising of guarantees will be dependent upon the financial stability of the community organisation, which will vary over time; it is not considered to be necessary to make any provision as at 30 June 2025 (30 June 2024: \$Nil). Refer to Note 25.

## Critical accounting estimates and assumptions

### ESTIMATING THE LANDFILL AFTERCARE COST

The Council gained resource consent in 2002 to operate a landfill near Levin. The Council has responsibility under the resource consent to provide ongoing maintenance and monitoring of the landfill now that it is closed.

Cash outflows for landfill post-closure costs are now being incurred for closed cells, (a cell is a set area of the landfill), since the landfill has been fully closed since October 2021. The long-term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred.

The provision has been estimated taking into account existing technology and using discount rates ranging from 3.14% to 5.99% (2024: 3.98% to 5.25%). The inflation factor is the Treasury's CPI assumption with rates ranging from 1.98% to 2.10% (2024: 1.85% to 2.64%). The gross provision before discounting was \$24.8m (2024: \$17m).

The management of the landfill will influence the timing of recognition of some liabilities – for example a liability relating to each cell will only be created when that cell is commissioned and when refuse begins to accumulate in the cell.

The provision was estimated by P Landmark of Stantec New Zealand as at 30 June 2025 (2024: P Landmark of Stantec New Zealand). P Landmark of Stantec New Zealand is an independent engineer and valuer.

Assumptions have been made that additional remediation, including repairs to the clay capping, is required and that environmental monitoring will be altered. It has also been assumed that pumping operations will need to continue for a period of at least 30 years after the closure of the landfill and post-closure costs have been assumed from information presented in the Ministry for the Environment (MfE) Closed Landfills Guideline. During the 2022/2023 financial year, the decision was made that the Levin Landfill will remain closed and alternative uses will be investigated for the site. As the site is now permanently closed there is no remaining capacity and there is no remaining useful life.

During the 2024/25 financial year, the Council upon consulting with Stantec New Zealand included the costs of Trade Waste associated with the landfill aftercare provision amounted to \$4m of the total closing landfill aftercare balance. Trade waste charges were previously excluded from the provision as it was deemed as internal charges. However, further investigation found that this is indeed an operating cost to the Council which forms part of the Landfill aftercare activities.

## 24. CONSTRUCTION CONTRACTS

### Accounting policy

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

Contract costs include all costs directly related to specific contracts, costs that are specifically chargeable to the customer under the terms of the contract, and an allocation of overhead expenses incurred in connection with the Group's construction activities in general.

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

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

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

Council has no Construction Contracts.

## 25. CONTINGENCIES

### Accounting policy

#### GUARANTEES

The value of guarantees disclosed as contingent liabilities reflects The Council's assessment of the undiscounted portion of financial guarantees that are not recognised in the statement of financial position. See Note 23 Provisions, for information on recognised financial guarantees.

A condition of the sale of residential housing to Compassion Horowhenua was that the suspensory loan from Housing NZ to build the Cambridge St flats will transfer to Sisters of Compassion, but Council will issue security stock as guarantee for the loan. The maximum financial exposure Council is open to of \$5,219k.

Note	Council	Council	Group	Group
	Actual \$	Actual \$	Actual \$	Actual \$
	30 June 2025 \$000	30 June 2024 \$000	30 June 2025 \$000	30 June 2024 \$000
<b>Guarantees</b>	5,219	5,219	5,219	5,219
<b>Government grant</b>	-	-	-	-
<b>Total contingencies</b>	<b>5,219</b>	<b>5,219</b>	<b>5,219</b>	<b>5,219</b>

### Riskpool

The Council obtained public liability and professional indemnity insurance cover from New Zealand Mutual Liability Risk Pool scheme ("Riskpool"). The Council has now withdrawn from the Risk Pool but still has insurance cover via an insurance broker. Risk Pool operates as a mutual fund where each member makes an annual contribution to obtain cover; however, should claims exceed contributions then calls can be made on the members of that fund year for the shortfall amount. The Scheme is in wind down, however the Council has an ongoing obligation to contribute to the scheme should a call be made in respect of any historical claims (to the extent those claims are not covered by reinsurance), and to fund the ongoing operation of the scheme. The likelihood of any call-in respect of historical claims diminishes with each year as limitation periods expire. In a May update provided by Riskpool, it anticipates a further call to members to be made in August 2025, subject to the progression of litigation and reinsurance negotiations. The call, which is expected to be in the region of \$3.3 to \$3.7 million, (across the membership, not per individual member) will be to cover operating and other costs for the 2025/2026 financial year. At the time of preparing this report, Council received an invoice from Riskpool related to August call signalled, this amounted to \$3,832.21 including GST which was paid in the first quarter of 2025/26 financial year.

Following the Supreme Court's decision in LGMFT v Napier City Council [2023] NZSC 97, which addressed how claims involving a mix of weathertightness and non-weathertightness defects are treated under the Scheme, several stayed proceedings against Riskpool have recommenced. A number of member councils have brought mixed claims against Riskpool, with two cases listed for trial in September 2025. These trials will be significant in clarifying the scope of Riskpool's historic obligations and interpretation of past Scheme terms. Riskpool is working closely with its legal advisers to ensure these cases are ready for trial. At the same time, Riskpool is actively pursuing cover for liabilities arising out of domestic litigation through ongoing dialogue with reinsurers and brokers in London. Reinsurance is the primary source of funds for claims that Riskpool accepts. If there is delay in reinsurers paying a claim or if reinsurers refuse to pay, then the cost of that claim falls on Riskpool's membership.

The Council has not budgeted monies to cover any calls from Riskpool due to the uncertainty of amount and timing.

## **LGFA**

The Council is a guarantor of the New Zealand Local Government Funding Agency Limited (NZLGFA). The NZLGFA was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand and it has a current credit rating from Standard and Poor's of A+/Negative/A-1.

The Council is one of 31 local authority shareholders and 72 local authority guarantors of the NZLGFA. In that regard it has uncalled capital of \$100k. When aggregated with the uncalled capital of other shareholders, \$20m is available in the event that an imminent default is identified. Also, together with the other shareholders and guarantors, the Council is a guarantor of all of NZLGFA's borrowings. At 30 June 2025, NZLGFA had borrowings totalling \$25,530m (2024: \$23,030m).

Financial reporting standards require the Council to recognise the guarantee liability at fair value. However, the Council has been unable to determine a sufficiently reliable fair value for the guarantee and therefore has not recognised a liability. The Council considers the risk of NZLGFA defaulting on repayment of interest or capital to be very low on the basis that:

- We are not aware of any local authority debt default events 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.

## **Building Act claims**

The Building Act of 2004 imposes certain obligation and liabilities on local authorities in respect to the issue of building consents and inspections of work done. There are currently no open claims.

## **Legal**

Council has several ongoing legal proceedings. At this stage we are not anticipating any significant financial liability from these proceedings.

## **Leases**

The leases for Waitārere Beach Motor Camp and Levin Holiday Park include provisions for Council to buy back the lessee's fixtures and improvements in certain circumstances totalling \$1,480,000. This estimate has been based on district rating valuations.

## **Personal grievances claims**

Personal grievances claims represent amounts claimed by employees for personal grievances cases. There are no open personal grievances claims as at 30 June 2025 (2024: 0 personal grievances claims).

## **Contingent assets**

Third parties including sports clubs and community groups are able to construct facilities (e.g. club rooms) on The Council owned land. The third parties control the use of these facilities and the Council will only gain control of the asset if the third party vacates the facility. Unless, and until, such event occurs these assets are not recognised as assets in the statement of financial position. As at 30 June 2025 there were 16 facilities having an approximate value of \$26.59m (2024: 15 facilities, \$23.92m). This estimate has been based on district rating valuations.

The Council also has a contingent asset in the land sold to the Foxton Medical Trust, which, should the Foxton Medical Trust sell the land, Council will receive the market value at the time of transfer.

## 26. EQUITY

### Accounting policy

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

1. Retained earnings;
2. Asset revaluation reserves; and
3. Other reserves.

### Asset Revaluation Reserves

This reserve relates to the revaluation of property, plant and equipment to fair value.

	Council Actual \$ 30 June 2025 \$000	Council Actual \$ Restated 30 June 2024 \$000	Group Actual \$ 30 June 2025 \$000	Group Actual \$ Restated 30 June 2024 \$000
<b>Retained earnings</b>				
As at 01 July	245,812	246,484	246,212	246,868
Transfers to:				
Special funds	(903)	(473)	(903)	(473)
Changes in PBE IPSAS standards	-	-	-	-
Transfers from:				
Special funds	306	815	306	815
Surplus / (deficit) for the year	(8,458)	(1,014)	(8,450)	(998)
<b>As at 30 June</b>	<b>236,757</b>	<b>245,812</b>	<b>237,165</b>	<b>246,212</b>
 <b>Other reserve funds (refer to Statement of Reserve Funds below)</b>				
As at 01 July	9,402	9,746	9,402	9,746
Transfers to:				
Retained earnings	(306)	(815)	(306)	(815)
Transfers from:				
Retained earnings	903	473	903	473
<b>As at 30 June</b>	<b>9,999</b>	<b>9,402</b>	<b>9,999</b>	<b>9,402</b>
 Asset revaluation reserves				
<b>As at 01 July</b>	<b>549,773</b>	<b>437,422</b>	<b>549,773</b>	<b>437,422</b>
Revaluation gains / (losses)	5,233	113,040	5,233	113,040
Transfers to:				
Asset revaluation reserve on disposals	-	(689)	-	(689)
<b>As at 30 June</b>	<b>555,005</b>	<b>549,773</b>	<b>555,005</b>	<b>549,773</b>

	Council Actual \$ 30 June 2025 \$000	Council Actual \$ Restated 30 June 2024 \$000	Group Actual \$ 30 June 2025 \$000	Group Actual \$ Restated 30 June 2024 \$000
<b>Asset revaluation reserves consist of</b>				
<b>Operational assets</b>				
Land & Buildings and Carbon Credits	36,930	35,098	36,390	35,098
<b>Infrastructural assets</b>				
Sewerage system	145,083	145,083	145,083	145,083
Water system	115,388	114,844	115,388	114,844
Stormwater drainage system	71,880	71,880	71,880	71,880
Solid waste	5,360	1,830	5,360	1,830
Roading network	124,718	124,718	124,718	124,718
<b>Restricted assets</b>				
Cemeteries	762	820	762	820
Parks and reserves	43,265	40,205	43,265	40,205
Endowment property	11,621	15,296	11,621	15,296
<b>Total asset revaluation reserves</b>	<b>555,006</b>	<b>549,773</b>	<b>555,006</b>	<b>549,773</b>
<b>Total equity</b>	<b>801,761</b>	<b>804,987</b>	<b>802,169</b>	<b>805,387</b>

## Other Reserves

This reserve relates to restricted reserves which 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 the Council. The details of the reserve funds can be found on the Statement of Reserve Funds.

Restricted reserves are those subject to specific conditions accepted as binding by the Council and which may not be revised by the 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.

Also included in restricted reserves are reserves restricted by the Council decision. The Council may alter them without references to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

## Statement of Reserve Funds

Reserves are held to ensure that funds received for a particular purpose are used for that purpose, and any surplus created is managed in accordance with the reason for which the reserve was established. Surpluses held in reserve are credited with interest. Council holds 18 reserves, with four being restricted reserves. During the 2024/25 financial year, Council created two new reserve funds being the Waste Minimisation levy fund and the Adverse Event Fund.

Restricted reserves are reserves that have rules set by legal obligation that restrict the use that Council may put the funds towards. The remaining Council-created reserves are discretionary reserves which Council has established for the fair and transparent use of monies. Reserve balances are not separately held in cash, and the funds are managed as part of Council's treasury management.

Below is a list of current reserves outlining the purpose for holding each reserve and the Council activity to which each reserve relates, together with summary financial information across the year of the annual report:

	<b>Opening Balance 1 July 2024 \$000</b>	<b>Deposits for the year \$000</b>	<b>Withdrawals for the year \$000</b>	<b>Closing Balance 30 June 2025 \$000</b>
<b>2025</b>				
<b>FOXTON BEACH FREEHOLDING FUND (PROPERTY)*</b>				
Accumulated cash reserves from the Foxton Beach Endowment land sales under the separate Act gifting the land for the benefit of Foxton Beach inhabitants.	5,036	287	(283)	5,040
<b>RESERVE LAND RESERVE (PARKS AND RECREATION)</b>				
To hold funds derived from the sale of surplus reserve land to be spent on the future development of reserves under the Reserves Act.	222	9	–	231
<b>ROAD UPGRADE RESERVE (ROADING ACTIVITY)</b>				
To fund transport network improvements as approved by Council, from the accumulated funds of the former Horowhenua County Council subdivision contributions to roading.	942	38	–	980
<b>WAIRARAWA STREAM WALKWAY</b>				
To hold funds for the construction of a walkway along the Wairarawa stream.	66	3	–	69
<b>Total restricted reserves</b>	<b>6,266</b>	<b>337</b>	<b>(283)</b>	<b>6,320</b>
<b>FINANCIAL AND CAPITAL CONTRIBUTIONS FOR ROADING (ROADING ACTIVITY)</b>				
To fund transport network improvements, from the accumulated funds from financial and capital contributions under the District Plan prior to Development Contributions regime.	103	4	–	107
<b>FINANCIAL AND CAPITAL CONTRIBUTIONS FOR WATER SUPPLIES (WATER SUPPLY ACTIVITY)</b>				
To fund water supply improvement projects, from the accumulated funds from financial and capital contributions under the District Plan prior to Development Contributions regime	684	28	–	712
<b>FINANCIAL AND CAPITAL CONTRIBUTIONS FOR WASTEWATER SCHEMES (WASTEWATER ACTIVITY)</b>				
To fund Wastewater Scheme improvement projects, from the accumulated funds from financial and capital contributions under the District Plan prior to Development Contributions regime	168	7	–	175
<b>FINANCIAL AND CAPITAL CONTRIBUTIONS FOR PARKS AND RESERVES (PARKS AND RECREATION ACTIVITY)</b>				
To fund Parks and Reserves improvement projects, from the accumulated funds from financial and capital contributions under the District Plan prior to Development Contributions regime	789	32	–	821
<b>ELECTION FUND (REPRESENTATION AND GOVERNANCE ACTIVITY)</b>				
To smooth the rating impact of election costs and to fund any by-election	29	1	–	30
<b>CAPITAL PROJECTS FUND (ALL ACTIVITIES)</b>				
To provide funds for strategic capital projects with the last \$250,000 as a disaster relief working capital fund	1,044	42	–	1,086
<b>FOXTON CITIZENS FUND (COMMUNITY SUPPORT ACTIVITY)</b>				
To provide a fund for awards in recognition of community service in Foxton	5	–	–	5
<b>HOCKEY TURF REPLACEMENT FUND (PARKS AND RECREATION - SPORTS GROUNDS)</b>				
To fund the replacement of the water turf at Donnelly Park on behalf of the Turf Trust	2	25	–	27

	<b>Opening Balance 1 July 2024 \$000</b>	<b>Deposits for the year \$000</b>	<b>Withdrawals for the year \$000</b>	<b>Closing Balance 30 June 2025 \$000</b>
<b>2025</b>				
<b>ESPLANADE FUND (PARKS AND RECREATION)</b>				
To provide a fund to construct or provide for possible public accessways to esplanade reserves created under the Resource Management Act	160	6	–	166
<b>SHANNON RAILWAY STATION FUND (PROPERTY ACTIVITY)</b>				
Set aside from grants to preserve the historic Shannon Railway Station.	31	1	–	32
<b>MAYORAL RELIEF FUND</b>				
Set aside for use in a future disaster event.	107	3	(23)	87
<b>LEVIN TOWN CENTRE PROJECT</b>				
To fund identified projects within the Levin Town Centre Transformation programme of work	17	114	–	131
<b>WASTE MINIMISATION LEVY FUND (SOLID WASTE ACTIVITY)</b>				
To fund waste minimisation initiatives in the Solid Waste activity	–	252	–	252
<b>ADVERSE EVENT FUND</b>				
To respond to Civil Defence Emergency Management (CDEM) events as they arise	–	48	–	48
<b>Total Council-created reserves</b>	<b>3,138</b>	<b>566</b>	<b>(23)</b>	<b>3,679</b>
<b>Total all reserve funds</b>	<b>9,402</b>	<b>903</b>	<b>(306)</b>	<b>9,999</b>

	<b>Opening Balance 1 July 2024 \$000</b>	<b>Deposits for the year \$000</b>	<b>Withdrawals for the year \$000</b>	<b>Closing Balance 30 June 2025 \$000</b>
<b>2024</b>				
<b>FOXTON BEACH FREEHOLDING FUND (PROPERTY)*</b>				
Accumulated cash reserves from the Foxton Beach Endowment land sales under the separate Act gifting the land for the benefit of Foxton Beach inhabitants.	5,570	262	(796)	5,036
<b>RESERVE LAND RESERVE (PARKS AND RECREATION)</b>				
To hold funds derived from the sale of surplus reserve land to be spent on the future development of reserves under the Reserves Act.	212	10	–	222
<b>ROAD UPGRADE RESERVE (ROADING ACTIVITY)</b>				
To fund transport network improvements as approved by Council, from the accumulated funds of the former Horowhenua County Council subdivision contributions to roading.	900	42	–	942
<b>WAIRARAWA STREAM WALKWAY</b>				
To hold funds for the construction of a walkway along the Wairarawa stream.	63	3	–	66
<b>Total restricted reserves</b>	<b>6,745</b>	<b>317</b>	<b>(796)</b>	<b>6,266</b>

	<b>Opening Balance 1 July 2024 \$000</b>	<b>Deposits for the year \$000</b>	<b>Withdrawals for the year \$000</b>	<b>Closing Balance 30 June 2025 \$000</b>
<b>2024</b>				
<b>FINANCIAL AND CAPITAL CONTRIBUTIONS FOR ROADING (ROADING ACTIVITY)</b>				
To fund transport network improvements, from the accumulated funds from financial and capital contributions under the District Plan prior to Development Contributions regime.	99	4	-	103
<b>FINANCIAL AND CAPITAL CONTRIBUTIONS FOR WATER SUPPLIES (WATER SUPPLY ACTIVITY)</b>				
To fund water supply improvement projects, from the accumulated funds from financial and capital contributions under the District Plan prior to Development Contributions regime.	654	30	-	684
<b>FINANCIAL AND CAPITAL CONTRIBUTIONS FOR WASTEWATER SCHEMES (WASTEWATER ACTIVITY)</b>				
To fund Wastewater Scheme improvement projects, from the accumulated funds from financial and capital contributions under the District Plan prior to Development Contributions regime.	160	8	-	168
<b>FINANCIAL AND CAPITAL CONTRIBUTIONS FOR PARKS AND RESERVES (PARKS AND RECREATION ACTIVITY)</b>				
To fund Parks and Reserves improvement projects, from the accumulated funds from financial and capital contributions under the District Plan prior to Development Contributions regime.	754	35	-	789
<b>ELECTION FUND (REPRESENTATION AND GOVERNANCE ACTIVITY)</b>				
To smooth the rating impact of election costs and to fund any by-election.	27	2	-	29
<b>CAPITAL PROJECTS FUND (ALL ACTIVITIES)</b>				
To provide funds for strategic capital projects with the last \$250,000 as a disaster relief working capital fund.	997	47	-	1,044
<b>FOXTON CITIZENS FUND (COMMUNITY SUPPORT ACTIVITY)</b>				
To provide a fund for awards in recognition of community service in Foxton	5	-	-	5
<b>HOCKEY TURF REPLACEMENT FUND (PARKS AND RECREATION - SPORTS GROUNDS)</b>				
To fund the replacement of the water turf at Donnelly Park on behalf of the Turf Trust.	2	-	-	2
<b>ESPLANADE FUND (PARKS AND RECREATION)</b>				
To provide a fund to construct or provide for possible public accessways to esplanade reserves created under the Resource Management Act.	153	7	-	160
<b>SHANNON RAILWAY STATION FUND (PROPERTY ACTIVITY)</b>				
Set aside from grants to preserve the historic Shannon Railway Station.	30	1	-	31
<b>MAYORAL RELIEF FUND</b>				
Set aside for use in a future disaster event.	121	5	(19)	107
<b>LEVIN TOWN CENTRE PROJECT</b>				
To fund identified projects within the Levin Town Centre Transformation programme of work.	-	17	-	17
<b>Total Council-created reserves</b>	<b>3,001</b>	<b>156</b>	<b>(19)</b>	<b>3,138</b>
<b>Total all reserve funds</b>	<b>9,746</b>	<b>473</b>	<b>(815)</b>	<b>9,402</b>

## Capital Management

The Council's capital is its equity (or ratepayers' funds), which comprise retained earnings and reserves. Equity is represented by net assets.

The Local Government Act 2002 (the Act) requires the Council to manage its revenues, expenses, assets, liabilities, investments and general financial dealings prudently and in a manner that 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 by the Act and applied by the Council. Intergenerational equity requires today's ratepayers to meet the costs of utilising the Council's assets and not expecting them to meet the full cost of long-term assets that will benefit ratepayers in future generations. Additionally, the Council has in place asset management plans for major classes of assets 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 LTP and its annual plan (where applicable) to meet the expenditure needs identified in those plans and the Act sets out the factors that the 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 financial policies in the Council's LTP.

### 27. RELATED PARTY TRANSACTIONS

#### Accounting policy

##### MANAWATŪ/WHANGANUI LOCAL AUTHORITIES SHARED SERVICES LIMITED (MW LASS)

This company was set up in 2008 by seven local councils to investigate the possibilities of economies of scale by joint procurement.

To date there has been one call on share capital, and the company is now trading. The Council owns one-seventh or 14% of this company and has a \$16,000 share capital.

The company is considered to be a Council Controlled Organisation under the Local Government Act 2002, but the member councils have resolved that it is exempt for the purposes of section 6(4)(i) of that Act for 2024/2025, 2023/2024, 2022/23 and 2021/22.

	Council Actual \$ 30 June 2025 \$000	Council Actual \$ 30 June 2024 \$000
<b>Total MW LASS related party transactions</b>	<b>116</b>	<b>103</b>

##### SHANNON COMMUNITY DEVELOPMENT TRUST

The Council holds \$350,000 (2024: \$350,000) on deposit on behalf of the Shannon Community Development Trust.

## KEY MANAGEMENT PERSONNEL

During the year key management personnel (the Mayor, Councillors and senior managers) were involved in minor transactions with the Council (e.g., payment of rates, purchase of rubbish bags, and registration of dogs) as part of a normal customer relationship. In addition, the following transactions were conducted with key management personnel that are approved by the Office of the Auditor General:

	Council Actual \$ 30 June 2025 \$000	Council Actual \$ 30 June 2024 \$000
EM SERVICES (2020) LIMITED - in which Cr Ross Brannigan is a director / shareholder (without tax)	177	161
Taitoko Limited - in which Cr Piri-Hira Takapua is a director / shareholder	-	6
McLeods Book Centre (1965) Limited - in which Mayor Bernie Wanden is a director / shareholder	10	10
<b>Total transactions with key management personnel</b>	<b>187</b>	<b>177</b>

No provision has been required, nor any expense recognised, for impairment of receivables for any related party (2024: \$Nil).

## TE AWAHOU FOXTON COMMUNITY BOARD MEMBERS

There were no transactions carried out with related parties for the year ending 30 June 2024 and 30 June 2025.

## KEY MANAGEMENT PERSONNEL COMPENSATION

	Council Actual \$ 30 June 2025 \$000	Council Actual \$ 30 June 2024 \$000
<b>Remuneration</b>		
Councillors *	\$714,485	\$696,049
Senior management team, including the Chief Executive	\$1,678,281	\$1,627,134
<b>Total key management personnel remuneration</b>	<b>\$2,392,767</b>	<b>\$2,323,182</b>
<b>Full-time equivalent key management personnel</b>		
Councillors**	12	13
Senior management team, including the Chief Executive***	7	6
<b>Total full-time equivalent key management personnel</b>	<b>19</b>	<b>19</b>

\* The remuneration is exclusive of allowances.

\*\* Due to the difficulty in determining the full-time equivalent for Councillors, the full-time equivalent figure is taken as the number of Councillors. For the 2023 triennium, there were 2 additional Councillors for Māori ward, and 2 additional independent members for the Risk and Assurance Committee. Levin Ward Councillor Piri-Hira Tukapua resigned effective 1 November 2024, and this position was not filled.

\*\*\* There is a total of 7 in the current senior management team. This includes a new Group Manager for the Capability and Transformation group from 3 June 2025. This group will drive continuous improvement, innovation, and digital transformation, while also building Council's leadership capacity and supporting cross-functional ways of working. It will help the Council move quickly to tackle challenges, deliver projects, and build a strong improvement culture within the organisation.

For the purposes of this table key management personnel comprise the Chief Executive Officer and other senior executives, and the mayor and councillors.

## 28. EVENTS AFTER BALANCE DATE

There have been no events after 30 June 2025 that have impacted the accounts.

## 29A. FINANCIAL INSTRUMENT CATEGORIES

The following tables are comparisons of carrying amounts of the Group's financial assets and liabilities in each of the financial instrument categories.

	Note	Council Actual \$ 30 June 2025 \$000	Council Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2025 \$000	Group Actual \$ 30 June 2024 \$000
<b>Financial assets</b>					
<b>Mandatorily measured at FVTSD</b>					
Derivative financial assets – not hedge accounted					
LGFA borrower notes	12	7,186	4,162	7,186	4,162
Interest rate Swap		302	1,325	302	1,325
<b>Total Derivative financial assets</b>		<b>7,488</b>	<b>5,487</b>	<b>7,488</b>	<b>5,487</b>
<b>Amortised cost</b>					
Cash and cash equivalents	7	15,192	11,482	15,240	11,514
Receivables (excluding GST receivables, prepayment and rates debtors)	8	14,208	9,286	14,208	9,286
Term deposits	12	43,350	22,350	43,350	22,350
<b>Total at amortised costs</b>		<b>72,750</b>	<b>43,118</b>	<b>72,750</b>	<b>43,118</b>
<b>FVTOCRE</b>					
FVOCRE due to irrevocable election – Listed and unlisted shares		204	204	204	204
<b>Total at FVTOCRE</b>		<b>204</b>	<b>204</b>	<b>204</b>	<b>204</b>
<b>Total financial assets</b>		<b>80,442</b>	<b>48,809</b>	<b>80,490</b>	<b>48,841</b>
<b>Financial Liabilities</b>					
<b>Mandatorily measured at FVTSD</b>					
Interest rate swap		1,473	148	1,473	148
<b>Total mandatorily measured at FVTSD</b>		<b>1,473</b>	<b>148</b>	<b>1,473</b>	<b>148</b>
<b>Amortised cost</b>					
Creditors and other payables	20	19,023	16,900	18,664	16,532
Borrowings and other financial liabilities	21	240,000	202,000	240,000	202,000
<b>Total amortised cost</b>		<b>259,023</b>	<b>218,900</b>	<b>258,664</b>	<b>218,532</b>
<b>Total financial liabilities</b>		<b>260,496</b>	<b>219,048</b>	<b>260,137</b>	<b>218,680</b>

## 29B. FAIR VALUE HIERARCHY

For those instruments recognised at fair value in the statement of financial position, fair values are determined according to the following hierarchy:

- Level 1 – Quoted market price – Financial instruments with quoted prices for identical instruments in active markets.
- Level 2 – Valuation technique using observable inputs – 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.
- Level 3 – Valuation techniques with significant non-observable inputs – 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.

	Note	Council 30 June 2025 \$000	Council 30 June 2024 \$000	Group 30 June 2025 \$000	Group 30 June 2024 \$000
<b>Financial assets</b>					
Swap derivatives	11	302	1,325	302	1,325
<b>Financial liabilities</b>					
Swap derivatives	11	1,473	148	1,473	148

There were no transfers between the different levels of the fair value hierarchy.

## VALUATION TECHNIQUES WITH SIGNIFICANT NON-OBSERVABLE INPUTS (LEVEL 3)

The table below provides a reconciliation from the opening balance to the closing balance for the level 3 fair value measurements.

		2025 \$000	2024 \$000
<b>LGFA Borrower notes</b>			
<b>Balance at 1 July</b>		4,162	3,250
Gain and losses recognised in surplus or deficit		172	83
<b>Purchases</b>		<b>2,852</b>	<b>912</b>
<b>Balance at 30 June</b>		<b>7,186</b>	<b>4,162</b>

Changing a valuation assumption to a reasonable possible alternative assumption would not significantly change fair value.

## **29C. FINANCIAL INSTRUMENT RISKS**

The Council's activities expose it to a variety of financial instrument risks, including market risk, credit risk and liquidity risk. The Council and The Group have a series of policies to manage the risks associated with financial instruments and seeks to minimise exposure from its treasury activities. The Council has established Council – approved Liability Management and Investment policies. These policies do not allow any transactions that are speculative in nature to be entered.

### **Market Risk**

#### **PRICE RISK**

Price risk is the risk that the value of a financial instrument will fluctuate because of changes in market prices. The Council is exposed to equity securities price risk on its investments, which are classified as financial assets held at fair value through equity. This price risk arises due to movements in fair value of unlisted securities. This price risk is managed by a prohibition of further share investment in the Council's Investment Policy.

The Council holds unlisted equity instruments in Civic Financial Services Limited, which are not publicly traded. If the fair value of the shares had moved plus or minus 5%, the effect would have been to increase/decrease the fair value through equity reserve by \$5,206 (2024: \$5,200).

#### **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. The Council is not exposed to currency risk, as it does not enter foreign currency transactions.

#### **INTEREST RATE RISK**

The interest rates on the Council's investments are disclosed in Note 19 and on the Council's borrowings in Note 21.

#### **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 interest rates. Borrowing issued at fixed rates exposes the Council to fair value interest rate risk. The Council's liability management policy outlines the level of borrowing that is to be secured using fixed rate instruments. Fixed to floating interest rate swaps are entered into to hedge the fair value interest rate risk arising where the Council has borrowed at fixed rates. In addition, investments at fixed interest rates expose the Council to fair value interest rate risk.

#### **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 the Council to cash flow interest rate risk.

The Council manages its cash flow interest rate risk on borrowings by borrowing primarily at fixed rates and taking out swap contracts.

Generally, the Council raises long – term borrowings at floating rates. The Council liability management policy requires it to maintain at least 40% to 100% (0-2 years), 25% -80% (2-4years) and 0%-60% (4-8 years) of its borrowings at fixed rates of interest. To achieve this, the Council use interest rate swaps. Interest rate swaps have the economic effect of converting borrowings at floating rates into fixed rates that are generally lower than those available if the Council borrowed at fixed rates directly. Under the interest rate swaps, the 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. The proportion of gross borrowing at a fixed interest rate of the year ended 30 June 2025 40.8% (2024: 49.5%).

## CREDIT RISK

Credit risk is the risk that a third party will default on its obligation to the Council, causing the Council to incur a loss. Debtors and other receivables mainly arise from the Council's statutory functions, therefore there are no procedures in place to monitor or report the quality of debtors and other receivables with reference to internal or external credit ratings. The Council has no significant concentrations of credit risk, as it has a large number of credit customers, mainly ratepayers, and the Council has powers under the Local Government (Rating) Act 2002 to recover outstanding debts from ratepayers.

The Council is exposed to credit risk as a guarantor of all LGFA's borrowings. Information about this exposure is explained in Note 25.

The Council invests funds only in government-guaranteed instruments, deposits with registered banks and local authority stock and its Investment Policy limits the amount of credit exposure to any one institution or organisation. Investments in other local authorities are secured by charges over rates. Accordingly, the Council does not require any collateral or security to support these financial instruments.

## MAXIMUM EXPOSURE TO CREDIT RISK

The Council's maximum credit exposure for each class of financial instrument is as follows:

	Note	Council Actual \$ 30 June 2025 \$000	Council Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2025 \$000	Group Actual \$ 30 June 2024 \$000
<b>Cash at bank and term deposits</b>	7, 12	58,542	33,832	58,590	33,864
<b>Debtors and other receivables</b>	8	14,208	9,286	14,208	9,286
<b>Total credit risk</b>		<b>72,750</b>	<b>43,118</b>	<b>72,798</b>	<b>43,150</b>

The Council is exposed to credit risk as a guarantor of all the LGFA's borrowings. Information about this exposure is explained in Note 21.

## CREDIT QUALITY OF FINANCIAL ASSETS

The gross carrying amount of financial assets, excluding receivables, by reference to Standard and Poor's credit rating are provided below:

## COUNTERPARTIES WITH CREDIT RATINGS

	Note	Council Actual \$ 30 June 2025 \$000	Council Actual \$ 30 June 2024 \$000	Group Actual \$ 30 June 2025 \$000	Group Actual \$ 30 June 2024 \$000
<b>Cash at bank and term deposits:</b>					
A+	7, 12	58,542	33,832	58,590	33,864
<b>Total cash at bank and term deposits</b>		<b>58,542</b>	<b>33,832</b>	<b>58,590</b>	<b>33,864</b>

## Liquidity Risk

### MANAGEMENT OF LIQUIDITY RISK

Liquidity risk is the risk that the 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. The Council aims to maintain flexibility in funding by keeping committed credit lines available.

In meeting its liquidity requirements, the Council maintains a target level of investments that must mature within the next 12 months.

The Council manages its borrowings in accordance with its funding and financial policies, which includes a liability management policy. These policies have been adopted as part of the Council's LTP.

The maturity profiles of the Council's interest-bearing investments and borrowings are disclosed in Notes 12 and 21 respectively.

The Council has a maximum amount that can be drawn down against its overdraft facility of 3 million (2024: 3 million). There are no restrictions on the use of this facility.

The District Council also entered an arrangement with the LGFA, which provides a revolving credit line of \$20 million to the Council. This facility has not been drawn against and has no restrictions on use.

### CONTRACTUAL Maturity ANALYSIS OF FINANCIAL LIABILITIES

The table below analyses the Council's financial liabilities into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date. Future interest rate payments on floating rate debt are based on the floating rate on the instrument at the balance date. The amounts disclosed are the contractual undiscounted cash flows.

	Note	Carrying Amount \$000	Contractual Cash Flow \$000	<1 Year \$000	1-2 Years \$000	2-5 Years \$000	>5 Years \$000
<b>Council 2025</b>							
Creditors and other payables	20	19,023	19,023	19,023	-	-	-
Secured loans	21	240,000	248,570	61,203	72,654	114,713	-
Swap derivatives	11	1,473	1,473	-	1,473	-	-
<b>Total</b>		<b>260,496</b>	<b>269,066</b>	<b>80,226</b>	<b>74,127</b>	<b>114,713</b>	-
<b>Group 2025</b>							
Creditors and other payables	20	18,664	18,664	18,664	-	-	-
Secured loans	21	240,000	248,570	61,203	72,654	114,713	-
Swap derivatives	11	1,473	1,473	-	1,473	-	-
<b>Total</b>		<b>260,137</b>	<b>268,707</b>	<b>79,867</b>	<b>74,127</b>	<b>114,713</b>	-
	Note	Carrying Amount \$000	Contractual Cash Flow \$000	<1 Year \$000	1-2 Years \$000	2-5 Years \$000	>5 Years \$000
<b>Council 2024</b>							
Creditors and other payables	20	16,900	16,900	16,900	-	-	-
Secured loans	21	202,000	211,511	44,852	40,081	126,579	-
Swap derivatives	11	148	148	-	148	-	-
<b>Total</b>		<b>219,048</b>	<b>228,559</b>	<b>61,752</b>	<b>40,229</b>	<b>126,579</b>	-
<b>Group 2024</b>							
Creditors and other payables	20	16,532	16,532	16,532	-	-	-
Secured loans	21	202,000	211,511	44,852	40,081	126,579	-
Swap derivatives	11	148	148	-	148	-	-
<b>Total</b>		<b>218,680</b>	<b>228,191</b>	<b>61,384</b>	<b>40,229</b>	<b>126,579</b>	-

The Council is also exposed to liquidity risk as a guarantor of all of the 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 explained in Note 25.

## CONTRACTUAL Maturity ANALYSIS OF FINANCIAL ASSETS

The table below analyses the Council's financial assets into relevant maturity groupings based on the remaining period at the balance date to the contractual maturity date.

	Note	Carrying Amount \$000	Contractual Cash Flow \$000	<1 Year \$000	1-2 Years \$000	2-5 Years \$000	>5 Years \$000
<b>Council 2025</b>							
Cash and cash equivalents	7	15,192	15,192	15,192	-	-	-
Debtors and other receivables	8	14,208	14,208	14,208	-	-	-
Other financial assets:							
Term deposits	12	43,350	43,350	43,350	-	-	-
Community loan	12	-	-	-	-	-	-
<b>Total</b>		<b>72,750</b>	<b>72,750</b>	<b>72,750</b>	-	-	-
<b>Group 2025</b>							
Cash and cash equivalents	7	15,240	15,240	15,240	-	-	-
Debtors and other receivables	8	14,208	14,208	14,208	-	-	-
Other financial assets:							
Term deposits	12	43,350	43,350	43,350	-	-	-
Community loan	12	-	-	-	-	-	-
<b>Total</b>		<b>72,798</b>	<b>72,798</b>	<b>72,798</b>	-	-	-
	Note	Carrying Amount \$000	Contractual Cash Flow \$000	<1 Year \$000	1-2 Years \$000	2-5 Years \$000	>5 Years \$000
<b>Council 2024</b>							
Cash and cash equivalents	7	11,482	11,482	11,482	-	-	-
Debtors and other receivables	8	9,286	9,286	9,286	-	-	-
Other financial assets:							
Term deposits	12	22,350	22,365	22,365	-	-	-
Community loan	12	-	-	-	-	-	-
<b>Total</b>		<b>43,118</b>	<b>43,133</b>	<b>43,133</b>	-	-	-
<b>Group 2024</b>							
Cash and cash equivalents	7	11,514	11,514	11,514	-	-	-
Debtors and other receivables	8	9,286	9,286	9,286	-	-	-
Other financial assets:							
Term deposits	12	22,350	22,365	22,365	-	-	-
Community loan	12	-	-	-	-	-	-
<b>Total</b>		<b>43,150</b>	<b>43,165</b>	<b>43,165</b>	-	-	-

## Sensitivity Analysis

The tables below illustrate the potential profit and loss (excluding retained earnings) for reasonably possible market movements, with all other variables held constant, based on the Council's financial instrument exposures at the balance date.

Interest Rate Risk

	30 June 2025 -100bps	30 June 2025 +100bps
<b>Council 2025</b>		
<b>Financial assets</b>		
Cash and cash equivalents	(152)	152
<b>Financial liabilities</b>		
Borrowings	1,810	(1,810)
<b>Group 2025</b>		
<b>Financial assets</b>		
Cash and cash equivalents	(152)	152
<b>Financial liabilities</b>		
Borrowings	1,810	(1,810)
<b>Council 2024</b>		
<b>Financial assets</b>		
Cash and cash equivalents	(115)	115
<b>Financial liabilities</b>		
Borrowings	1,240	(1,240)
<b>Group 2024</b>		
<b>Financial assets</b>		
Cash and cash equivalents	(115)	115
<b>Financial liabilities</b>		
Borrowings	1,240	(1,240)

Cash and cash equivalents include deposits at call totalling \$15,240,000 (2024: \$11,514,000) which are at floating rates. A movement of interest rates of plus or minus 1% influences interest income of \$152,400 (2024: \$115,140). The interest rate sensitivity is based on reasonable possible movement in interest rates, with all other variables held constant, measured as a basis point (bps) movement. For example, a decrease in 100bps is equivalent to a decrease in interest rate of 1%.

Borrowings include total debt of \$181,000 (2024 \$124,000,000) on current floating rates.

### 30. PRIOR YEAR ERROR CORRECTION

The Council and Group have adjusted its comparative year financial statements (for the year ended 30 June 2024) to a correct prior period error.

Council discovered that \$4.1m of assets vested by 30 June 2024 had not yet been recognised as of that date in accordance with Council's accounting policy. Corresponding corrections were also made to vested assets revenue.

The financial statements for 2024, which are presented as comparative information in the 30 June 2025 financial statements, have been restated to correct this error.

The adjustments are shown below:

ACTUAL 2024					
	Before adjustment Council 2024 \$000	Before adjustment Group 2024 \$000	Adjustment Both \$000	After adjustment Council 2024 \$000	After adjustment Group 2024 \$000
<b>Statement of Comprehensive Revenue and Expense</b>					
Vested assets	1,869	1,869	4,075	5,944	5,944
Total Revenue	79,737	79,759	4,075	83,812	83,834
Operating surplus / (deficit) before tax	(5,089)	(5,073)	4,075	(1,014)	(998)
Surplus/ (Deficit) attributable to: Horowhenua District Council	(5,089)	(5,073)	4,075	(1,014)	(998)
Total comprehensive revenue and expense (deficit) for the year	107,951	107,967	4,075	112,026	112,042
Total comprehensive revenue and expense attributable to Horowhenua District Council	107,951	107,967	4,075	112,026	112,042
 <b>Statement of Changes in Ratepayers' Equity</b>					
Balance at 01 July	693,653	694,035	--	693,653	694,035
Total comprehensive revenue and expense for the year	107,951	107,967	4,075	112,026	112,042
Asset revaluation reserve on disposals	(689)	(689)	--	(689)	(689)
Balance at 30 June	800,915	801,313	4,075	804,990	805,388
 <b>Statement of Financial Position</b>					
- Infrastructural assets	797,608	797,608	4,075	801,683	801,683
Total non-current assets	987,374	987,374	4,075	991,449	991,449
Total Assets	1,033,043	1,033,075	4,075	1,037,118	1,037,150
Retained earnings	241,740	242,140	4,075	245,815	246,215
Total Equity	800,915	801,313	4,075	804,990	805,388
<b>Note 2e Vested assets</b>	1,869	1,869	4,075	5,944	5,944

**ACTUAL 2024**

	<b>Before adjustment Council 2024 \$000</b>	<b>Before adjustment Group 2024 \$000</b>	<b>Adjustment Both \$000</b>	<b>After adjustment Council 2024 \$000</b>	<b>After adjustment Group 2024 \$000</b>
--	---	---	--------------------------------------	--	--

**Note 26 Equity**

**Retained earnings**

As at 1 July	246,484	246,868	–	246,484	246,868
Surplus/(deficit) for the year	(5,089)	(5,073)	4,075	(1,014)	(998)
As at 30 June	241,740	242,140	4,075	245,815	246,215
Total Equity	800,915	801,313	4,075	804,990	805,388

**Reconciliation of Surplus with Cash  
flows from Operating Activities**

Surplus/(deficit)	(5,089)	(5,073)	4,075	(1,014)	(998)
Other including vested and donated assets	(1,869)	(1,869)	(4,075)	(5,944)	(5,944)

These restatements had a consequential impact on Note 2(ii)E Vested assets, Note 15 Property, Plant and Equipment, the Reconciliation between the Funding Impact Statement for Whole of Council, and the Statement of Comprehensive Revenue and Expense, which have also been restated.

Council has reviewed its benchmarks disclosure statement for the year ended 30 June 2024 and there was no prior year error correction needed.

Changes to Note 15 Property, Plant and Equipment comparatives:

ACTUAL 2024						
<b>NOTE 15 PROPERTY, PLANT AND EQUIPMENT</b>	<b>Balance as at 1 July Cost/valuation 2024 \$000</b>	<b>Vested asset 2024 \$000</b>	<b>Adjustment 2024 \$000</b>	<b>Restated 2024 vested assets \$000</b>	<b>Balance as at 30 June Cost/valuation 2024 \$000</b>	<b>Restated 30 June cost/valuation 2024 \$000</b>
						<b>Closing carrying amount 2024 \$000</b>
Wastewater total	185,098	951	1,203	2,154	228,961	1,203
Water supply total	142,760	750	978	1,728	168,012	978
Stormwater drainage	60,400	168	1,893	2,061	98,307	1,893
Total Infrastructure assets	685,447	1,869	4,075	5,944	799,345	4,075
<b>Total Council PPE</b>	<b>865,692</b>	<b>1,869</b>	<b>4,075</b>	<b>5,944</b>	<b>992,580</b>	<b>4,075</b>
					996,655	4,075
					977,645	981,720

The 1 July 2023 balances are not affected as the adjustments only need to be made to the vested assets and closing 30 June 2024 cost/valuation and carrying amount balances.

ACTUAL 2024

	Before adjustment Council 2024 \$000	Adjustment 2024 \$000	After adjustment Council 2024 \$000
<b>Reconciliation between the Funding Impact Statement for the Whole of Council and the Statement of Comprehensive Revenue and Expense</b>			
<b>Revenue</b>			
Statement of comprehensive revenue and expense			
<b>Total operating revenue</b>	<b>79,737</b>	<b>4,075</b>	<b>83,812</b>
<b>Summary funding impact statement</b>			
Sources of operating funding			
<b>Total operating funding</b>	<b>67,294</b>	<b>4,075</b>	<b>71,369</b>
Add sources of capital funding:			
Vested assets	1,869	4,075	5,944
<b>Total Revenue</b>	<b>79,737</b>	<b>4,075</b>	<b>83,812</b>

### 31. RECONCILIATION OF SURPLUS WITH CASHFLOWS FROM OPERATING ACTIVITIES

	Council Actual \$ 30 June 2025 \$000	Council Actual \$ Restated 30 June 2024 \$000	Group Actual \$ 30 June 2025 \$000	Group Actual \$ Restated 30 June 2024 \$000
Surplus (deficit)	(8,458)	(1,014)	(8,450)	(998)
<b>Add/(less) non-cash items:</b>				
Depreciation and amortisation	22,368	17,215	22,368	17,215
Other including vested and donated assets	(924)	(5,944)	(924)	(5,944)
(Gain)/Losses in Fair value of forestry assets	46	(245)	46	(245)
(Gain)/Losses in value of Investment property	205	200	205	200
(Gain)/Losses on Landfill provision	-	1,468	-	1,468
Movement in value of financial assets	(173)	-	(173)	-
(Gain)/Losses on derivative financial instruments	2,348	469	2,348	469
(Gain)/Losses on other investment	(194)	(83)	(194)	(83)
<b>Add / (less) items classified as investing or financing activities:</b>				
(Gain)/Losses on disposal of property, plant & equipment	2,827	1,852	2,827	1,852
<b>Add/(less) movements in working capital:</b>				
(Increase)/decrease in accounts receivable	(3,403)	3,228	(3,403)	3,228
(Increase)/decrease in prepayments	47	(40)	47	(40)
(Increase)/decrease in stock on hand	(101)	2	(101)	2
Increase/ (decrease) in accounts payable	2,344	410	2,344	410
Increase/ (decrease) in employee entitlements	83	236	83	236
Increase/ (decrease) in provisions	4,212	(1,025)	4,212	(1,041)
Increase /(decrease) in other working capital items	(4,990)	-	(4,981)	-
<b>Net cash flows from operating activities</b>	<b>16,237</b>	<b>16,731</b>	<b>16,254</b>	<b>16,731</b>

## **32. LOCAL WATER DONE WELL**

The Government enacted the Local Government (Water Services Preliminary Arrangements) Act 2024 on 2 September 2024. This legislation requires Council to deliver a Water Services Delivery Plan (WSDP) to the Secretary for Local Government by 3 September 2025. This plan must include the anticipated or proposed model or arrangements and implementation plan for delivering water services to the district. PNCC has been working with neighbouring Councils throughout the year to determine an appropriate model for water services delivery. Public consultation took place in February & March 2025 with the preferred option of a four council Joint Water Services Council Controlled Organisation (WS-CCO) model with Palmerston North, Kapiti Coast District, Horowhenua and Manawatu District Council's proposed. Following consultation, both Manawatu and Kapiti Coast District Councils have made decisions to exclude themselves from this proposed model.

On 4 June 2025, Council resolved to create Joint WS-CCO for the future water services delivery model. Additional recommendations were passed to agree to partner with Palmerston North and Rangitikei District Councils for this Joint WS-CCO, with Ruapehu and Whanganui District Councils also able to join, should their respective Council's resolve to do so. On 9 July 2025, Ruapehu District Council resolved to partner with Whanganui District Council for their future Water Services Delivery model. On 15 July 2025, Whanganui District Council resolved to partner with Ruapehu District Council for their future Water Services Delivery model. These two resolutions confirmed that the Joint WS-CCO model for Palmerston North included partnering with both Horowhenua and Rangitikei District Council's. The Water Service Delivery Plan has subsequently been prepared on the basis of the three council Joint WS-CCO.

On 6 August 2025 Council adopted the Water Services Delivery Plan and Implementation plan detailing that the WS-CCO would be created from 1 July 2026, with operations for water service delivery occurring from 1 July 2027.

On 21 August 2025, the Chief Executives of Palmerston North City, Horowhenua & Rangitikei District Council's certified and signed the Joint Water Services Delivery Plan and submitted it to the Department of Internal Affairs, on behalf of the Secretary for Local Government.

The Water Services Delivery Plan must still be approved by the Secretary. As at 8 October 2025, it is unknown whether the Secretary for Local Government (SLG) has accepted or declined Council's water services delivery plan. However, Council anticipates to hear back from the Department of Internal Affairs (DIA) by mid-December 2025. Until the Secretary for Local Government approves the Water Services Delivery Plan and Implementation plan the decision to form the Joint WS-CCO with Rangitikei and Horowhenua District Councils remains uncertain. Additionally, the potential impact of future changes to the region's water services delivery model as a result of the Government's Local Water Done Well reform continues to place uncertainty over the fair value of three waters assets as at 30 June 2025.

The financial impact of this decision remains uncertain as arrangements are still to be finalised. On 1 July 2027 it is anticipated that asset transfer will occur, which will impact Council's Statement of Financial Position, particularly in relation to the Infrastructure Assets. The impact to Council's debt transfer at this point is unknown, but it is likely to have a net debt implication for Council. The values associated with the Financial Position impacts are unknown at this point. An estimate of the financial effect of the decision to deliver water services differently cannot be reliably made.

### 33. COST ALLOCATION

## Reconciliation between the Funding Impact Statement for the Whole of Council and the Statement of Comprehensive Revenue and Expense

### Accounting policy

The cost of service for each significant activity/group of activities of the Council has been derived using the cost allocation system outlined below.

Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs that 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.

There have been no changes to the cost allocation methodology during the year.

## Reconciliation between the Funding Impact Statement for the Whole of Council and the Statement of Comprehensive Revenue and Expense

	Annual Report Restated Actual 2024 \$000	Long Term Plan 2025 \$000	Actual 2025 \$000
<b>Revenue</b>			
Statement of comprehensive revenue and expense			
<b>Total operating revenue</b>	<b>83,812</b>	<b>91,206</b>	<b>90,227</b>
<b>Summary funding impact statement</b>			
Sources of operating funding			
Total operating funding as per Group of activities - Community Facilities	9,608	11,509	11,432
Total operating funding as per Group of activities - Community Infrastructure	6,840	6,774	6,956
Total operating funding as per Group of activities - Community Support	3,494	4,634	4,765
Total operating funding as per Group of activities - Land Transport	6,796	7,436	7,522
Total operating funding as per Group of activities - Planning & Regulatory Services	7,154	8,464	8,552
Total operating funding as per Group of activities - Property	1,624	2,010	2,212
Total operating funding as per Group of activities - Representation and Community Leadership	6,828	6,006	5,434
Total operating funding as per Group of activities - Solid Waste	3,250	6,061	6,481
Total operating funding as per Group of activities - Stormwater	2,366	2,471	2,781
Total operating funding as per Group of activities - Treasury & Support	3,355	2,660	40,533
Total operating funding as per Group of activities - Wastewater	9,230	10,387	10,529
Total operating funding as per Group of activities - Water Supply	7,034	8,266	8,198
<b>Remove Sources of Operating Funding</b>			
Internal charges and overheads recovered	(285)	(1,030)	(36,374)

	Annual Report Restated Actual 2024 \$000	Long Term Plan 2025 \$000	Actual 2025 \$000
<b>Sources of Operating Funding</b>			
Total Operating Funding	67,294	75,648	79,020
<b>Add Sources of Capital Funding</b>			
Subsidies and grants for capital expenditure	9,468	10,169	8,392
Development and financial contributions	776	2,150	1,696
Other gains	329	3,239	195
Add Vested Assets	5,944	-	924
<b>Total Revenue</b>	<b>83,812</b>	<b>91,206</b>	<b>90,227</b>
<b>Expenditure</b>			
<b>Statement of comprehensive revenue and expense</b>			
<b>Total operating expenditure</b>	<b>84,826</b>	<b>89,090</b>	<b>98,685</b>
<b>Summary funding impact statement</b>			
Total applications of operating funding as per Group of activities - Community Facilities	9,608	11,509	11,432
Total applications of operating funding as per Group of activities - Community Infrastructure	6,840	6,774	6,956
Total applications of operating funding as per Group of activities - Community Support	3,494	4,634	4,765
Total applications of operating funding as per Group of activities - Land Transport	6,796	7,436	7,522
Total applications of operating funding as per Group of activities - Planning & Regulatory Services	7,154	8,464	8,552
Total applications of operating funding as per Group of activities - Property	1,624	2,010	2,212
Total applications of operating funding as per Group of activities - Representation and Community Leadership	6,828	6,006	5,434
Total applications of operating funding as per Group of activities - Solid Waste	3,250	6,061	6,481
Total applications of operating funding as per Group of activities - Stormwater	2,366	2,471	2,781
Total applications of operating funding as per Group of activities - Treasury & Support	19,305	12,002	25,022
Total applications of operating funding as per Group of activities - Wastewater	9,230	10,387	10,529
Total applications of operating funding as per Group of activities - Water Supply	7,034	8,266	8,198

	Annual Report Restated Actual 2024 \$000	Long Term Plan 2025 \$000	Actual 2025 \$000
<b>Remove Applications of Operating Funding</b>			
Internal charges and overheads applied	(19,907)	(20,315)	(34,008)
<b>Total application of operating funding</b>	<b>63,622</b>	<b>65,705</b>	<b>65,875</b>
Loss on derivative financial instruments	469	-	2,348
Other losses	2,053	-	3,079
Increase(decrease) in Landfill Provision	1,468	-	5,015
Add Depreciation and Amortisation Expense	17,215	23,385	22,368
<b>Total expenditure</b>	<b>84,826</b>	<b>89,090</b>	<b>98,685</b>

#### **34. DISCLOSURE ON LEASE SURRENDER TREATMENT**

During the 2024-25 financial year the Council entered into a lease surrender engagement with the New Zealand Boys Brigade Association (NZBBA) after the NZBBA approached the Council to withdraw from a long-standing Lease of Reserve land. The NZBBA had over the years, erected a number of buildings on the land.

The Council agreed to an arrangement that would see the lease terminated and the buildings pass into Council ownership.

Following legal advice, the Council entered into the Surrender of Lease Deed with NZBBA supported by valuations provided by an independent valuer TAValuation Limited.

As a result of the Surrender of Lease Deed completion the lease was terminated and the buildings on the reserve land passed into the Council's ownership within the terms of the lease agreement.

## Other Legislative Disclosures

### 1.1.1 FUNDING IMPACT STATEMENT FOR WHOLE OF COUNCIL

#### Horowhenua District Council Funding Impact Statement for the year ended 30 June 2025

	Annual Plan 2024 \$000	Actual 2024	Long Term Plan 2025 \$000	Actual 2025 \$000
<b>Sources of operating funding</b>				
General rates, uniform annual general charges, rates penalties	14,001	14,494	19,786	19,874
Targeted rates	37,430	38,038	42,336	42,807
Subsidies and grants for operating purposes	2,682	3,750	4,752	3,854
Fees and charges	3,629	4,131	3,997	5,234
Interest and dividends from investments	5	1,609	6	2,274
Local authorities fuel tax, fines, infringement fees, and other receipts	4,423	5,272	4,771	4,976
<b>Total operating funding (A)</b>	<b>62,170</b>	<b>67,294</b>	<b>75,648</b>	<b>79,020</b>
<b>Applications of operating funding</b>				
Payments to staff and suppliers	54,078	54,566	58,081	56,195
Finance costs	5,082	9,056	7,624	9,680
Other operating funding applications	-	-	-	-
<b>Total applications of operating funding (B)</b>	<b>59,160</b>	<b>63,622</b>	<b>65,705</b>	<b>65,875</b>
<b>Surplus / (deficit) of operating funding (A-B)</b>	<b>3,010</b>	<b>3,672</b>	<b>9,943</b>	<b>13,145</b>
<b>Sources of capital funding</b>				
Subsidies and grants for capital expenditure	9,033	9,468	10,169	8,392
Development and financial contributions	1,461	776	2,150	1,696
Increase (decrease) in debt	11,869	34,000	16,311	38,000
Gross proceeds from sale of assets	11,874	339	2,533	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
<b>Total sources of capital funding (C)</b>	<b>34,237</b>	<b>44,583</b>	<b>31,163</b>	<b>48,088</b>
<b>Applications of capital funding</b>				
Capital expenditure				
- to meet additional demand	8,607	2,551	22,485	12,211
- to improve the level of service	4,264	2,500	4,482	8,279
- to replace existing assets	22,116	30,436	15,526	11,823
Increase (decrease) in reserves	(1,011)	7,857	(1,795)	4,895
Increase (decrease) of investments	3,271	4,912	408	24,025
<b>Total applications of capital funding (D)</b>	<b>37,247</b>	<b>48,255</b>	<b>41,106</b>	<b>61,233</b>
<b>Surplus/ (deficit) of capital funding (C-D)</b>	<b>(3,010)</b>	<b>(3,672)</b>	<b>(9,943)</b>	<b>(13,145)</b>
<b>Funding balance ((A-B)+(C-D))</b>				
<b>Depreciation</b>	<b>17,879</b>	<b>17,215</b>	<b>23,385</b>	<b>22,368</b>

## 1.1.2 RATING BASE INFORMATION

The following rating base information for the Council is disclosed based on the rating base information at the end of the preceding financial year

Rateable properties	30 June 2025	30 June 2024
Total properties	19,649	18,856
Total land value	\$8,827,706,050	\$8,819,555,050
<b>Total capital value</b>	<b>\$15,703,360,000</b>	<b>\$15,361,076,650</b>

## 1.1.3 INSURANCE OF ASSETS

	Council Actual \$ 30 June 2025 \$000	Council Actual \$ 30 June 2024 \$000
<b>Total value of assets covered by insurance contracts</b>	166,681	163,445
Maximum amount of insurance	374,165	347,788
<b>Total value of assets covered by financial risk sharing arrangements</b>	<b>728,276</b>	<b>677,094</b>
Maximum amount available under those arrangements	291,311	270,838
<b>Total value of assets that are self-insured</b>	<b>88,414</b>	<b>82,723</b>
The value of funds maintained for that purpose	-	-

It is anticipated (but cannot be guaranteed) that under the terms contained in the Guide to the Civil Defence Emergency Plan, central government may fund 60% of the qualifying cost of reinstating essential infrastructure assets in the event of a major disaster.

## Employee Band Workings

### DISCLOSURE WORKINGS

Clause 32A of Schedule 10 of the LGA requires that, if the number of employees in any band is five or fewer, the number for that band must be combined with the next highest band.

The groupings below show the number of employees in each band prior to combining bands of five or fewer.

	Council Actual \$ 30 June 2025 \$000	Council Actual \$ 30 June 2024 \$000
<b>Total annual remuneration by band</b>		
<\$60,000	103	114
\$60,000 – \$79,999	75	59
\$80,000 – \$99,999	52	42
\$100,000 – \$119,999	25	23
\$120,000 – \$139,999	23	19
\$140,000 – \$159,999	13	10
\$160,000 – \$179,999	3	1
\$180,000 - \$199,999	2	2
\$200,000 - \$219,999	–	3
\$220,000 – \$239,999	3	–
\$240,000 - \$259,000	3	3
\$260,000 – \$399,999	1	1
<b>Total Council employees</b>	<b>303</b>	<b>277</b>

Because there are five or fewer employees in the \$180,000–\$199,999 band, \$200,000-\$239,000 and \$240,000-\$259,000, these bands are combined with the next highest band to them each, until there are more than five employees in the band. Combining of bands upwards ceases at that point. In this example, this results in a combined band between \$160,000 –\$179,999 and a top band with only one employee in it, as shown below.

	Council Actual \$ 30 June 2025 \$000	Council Actual \$ 30 June 2024 \$000
<b>Total annual remuneration by band</b>		
<\$60,000	103	114
\$60,000 – \$79,999	75	59
\$80,000 – \$99,999	52	42
\$100,000 – \$119,999	25	23
\$120,000 – \$139,999	23	19
\$140,000 – \$159,999	13	10
\$160,000 – \$239,999	8	6
\$240,000 – \$399,999	4	4
<b>Total Council employees</b>	<b>303</b>	<b>277</b>

## Benchmarks Disclosure Statement

For the year ended 30 June 2025

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

The 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 definitions of some of the terms used in this statement.

### RATES AFFORDABILITY BENCHMARKS

The Council meets the rates affordability benchmark if

- Its actual rates income equals or is less than each qualified limit on rates; and
- Its actual increases equal or are less than each qualified limit on rates increases.

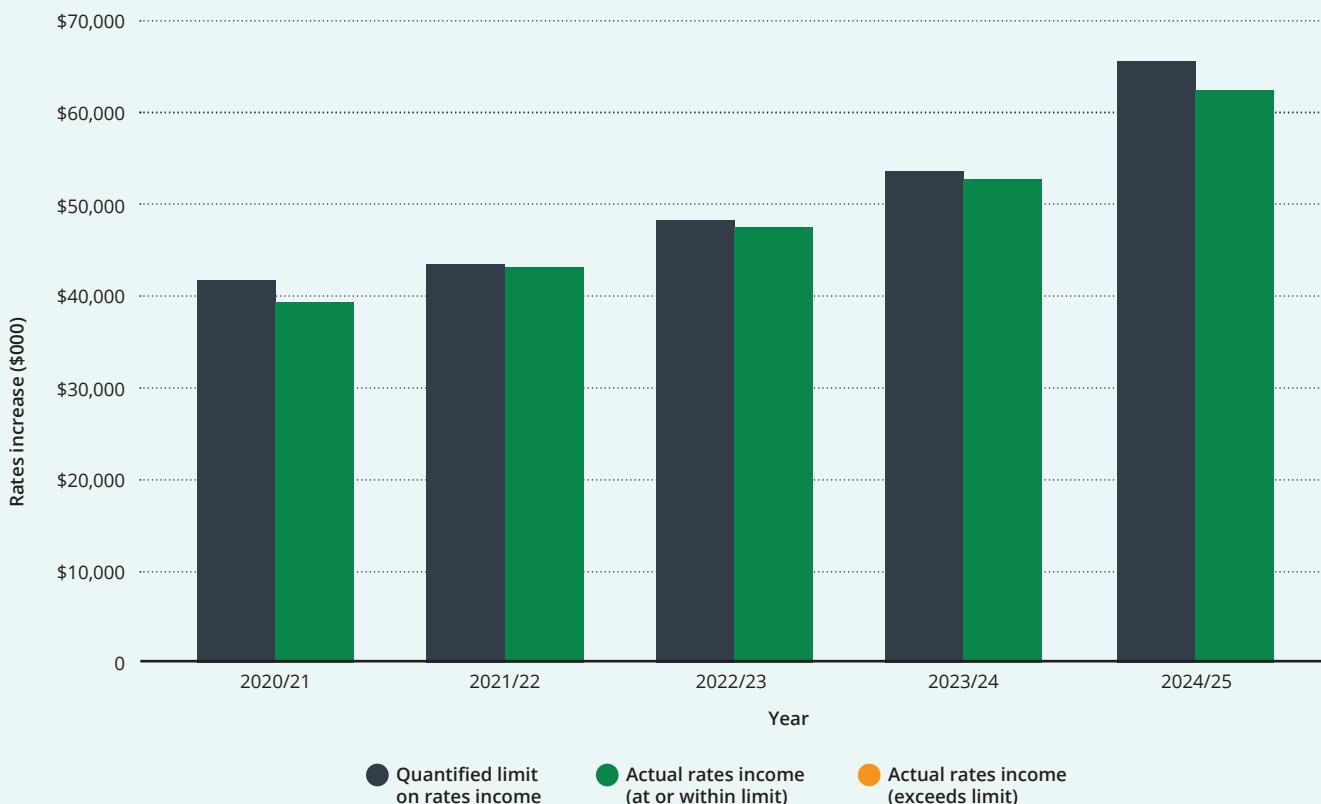
#### 1. RATES (INCOME) AFFORDABILITY

The following graph compares Council's actual rates income with a quantified limit on rates contained in the financial strategy included in Council's Long-Term Plan (LTP).

The quantified limit is \$41,886,000 (2020/21), \$43,514,000 (2021/22), \$48,104,000 (2022/23), \$53,711,000 (2023/24), and \$65,585,000 (2024/25)

Actual rates income is the total net rates income after rates penalties and remission, including water by meter rates revenue.

#### RATES (INCOME) AFFORDABILITY

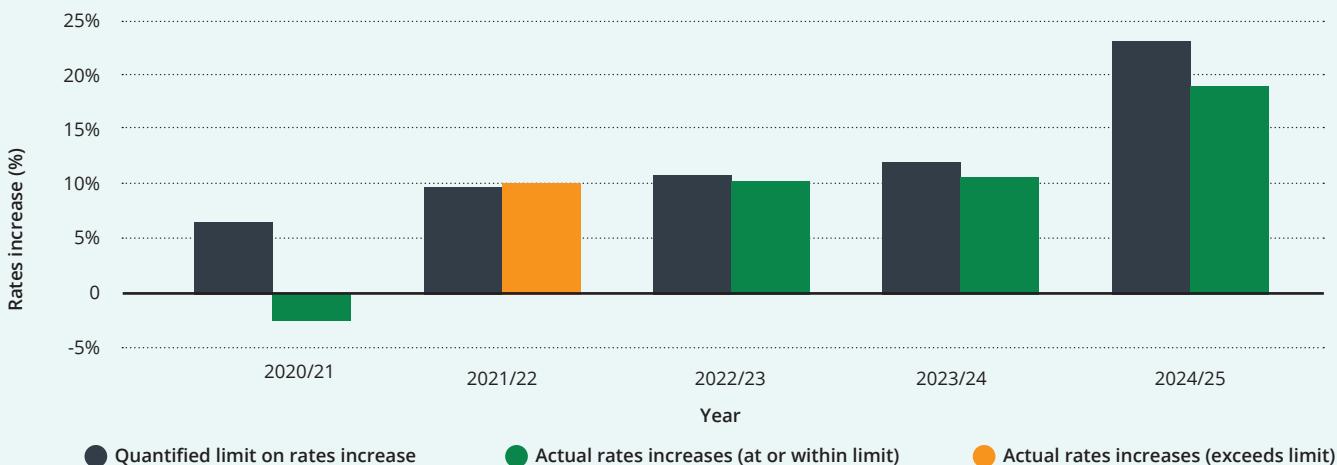


## 2. RATES (INCREASES) AFFORDABILITY

The following graph compares Council's actual rate increase with a quantified limit on rates increases included in the financial strategy in Council's LTP.

The quantified limits are 6.54% (2020/21), 9.71% (2021/22), 10.76% (2022/23), 11.87% (2023/24) and 23% (2024/25) including growth.

### RATES (INCREASE) AFFORDABILITY



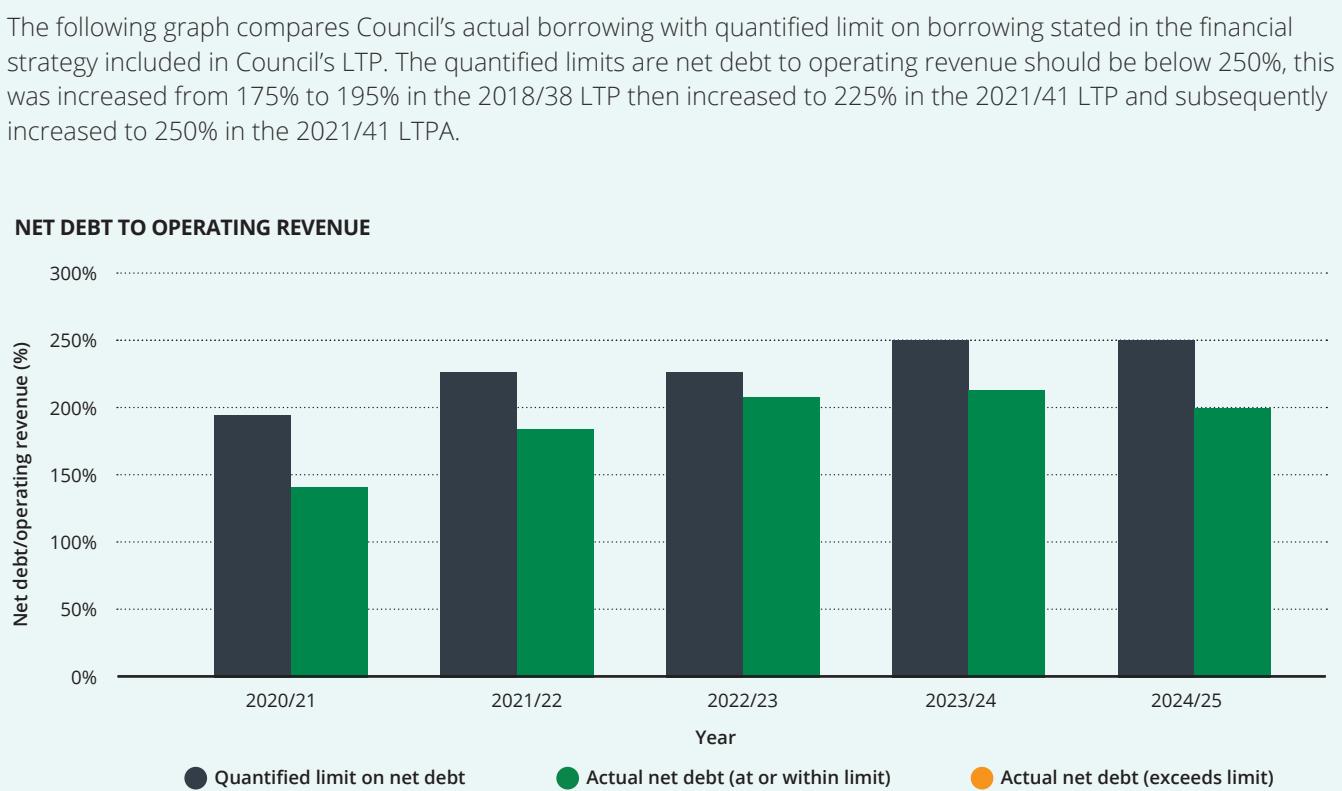
When Council adopted the 2020/21 annual plan, the impacts of Covid-19 were very much unknown, so a rate decrease was decided on to lessen the burden of rates on rate payers.

Whilst 2021/22 shows a rates increase exceeding limit, this is by a margin of 0.3% due to lower water by meter rates billed, which was based on water consumption.

## DEBT AFFORDABILITY BENCHMARK

Council meets the debt affordability benchmark for a year if actual borrowing is within each quantified limit on borrowing.

### 1. NET DEBT TO OPERATING REVENUE

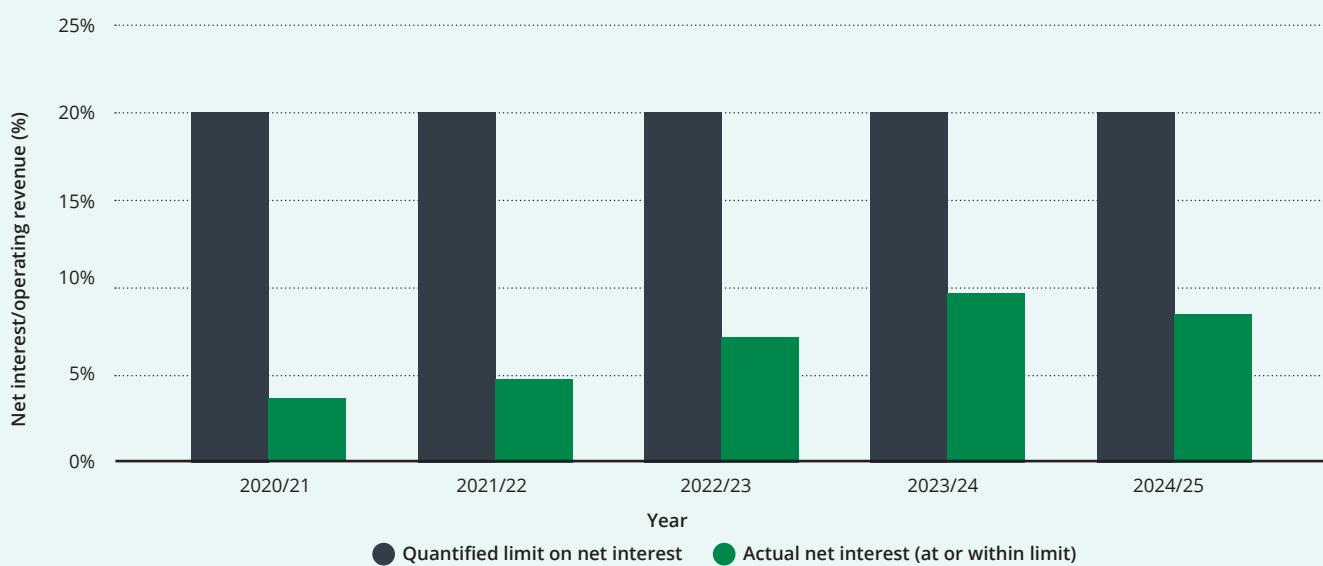


Total revenue is defined as cash earnings from rates, grants and subsidies, user charges, interest, dividends, financial and other revenue and excludes non-government capital contributions (e.g. developer contributions and vested assets). Net debt is defined as total debt less liquid financial assets and investments.

## 2. NET INTEREST TO OPERATING REVENUE

The following graph compares Council's actual borrowing with quantified limit on borrowing stated in the financial strategy included in Council's LTP. The quantified limits are net interest to operating revenue should be below 20%.

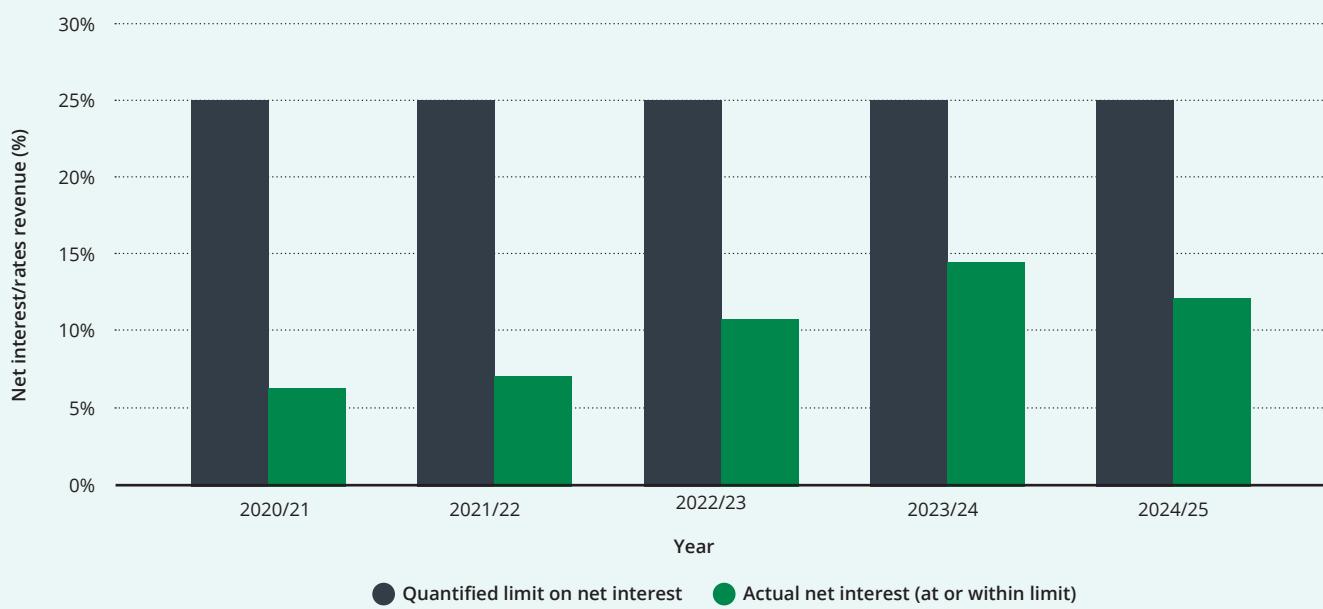
### NET INTEREST TO OPERATING REVENUE



## 3. NET INTEREST TO RATES REVENUE

The following graph compares Council's actual borrowing with quantified limit on borrowing stated in the financial strategy included in Council's LTP. The quantified limits are net interest to annual rates revenue should be below 25% .

### NET INTEREST TO RATES REVENUE

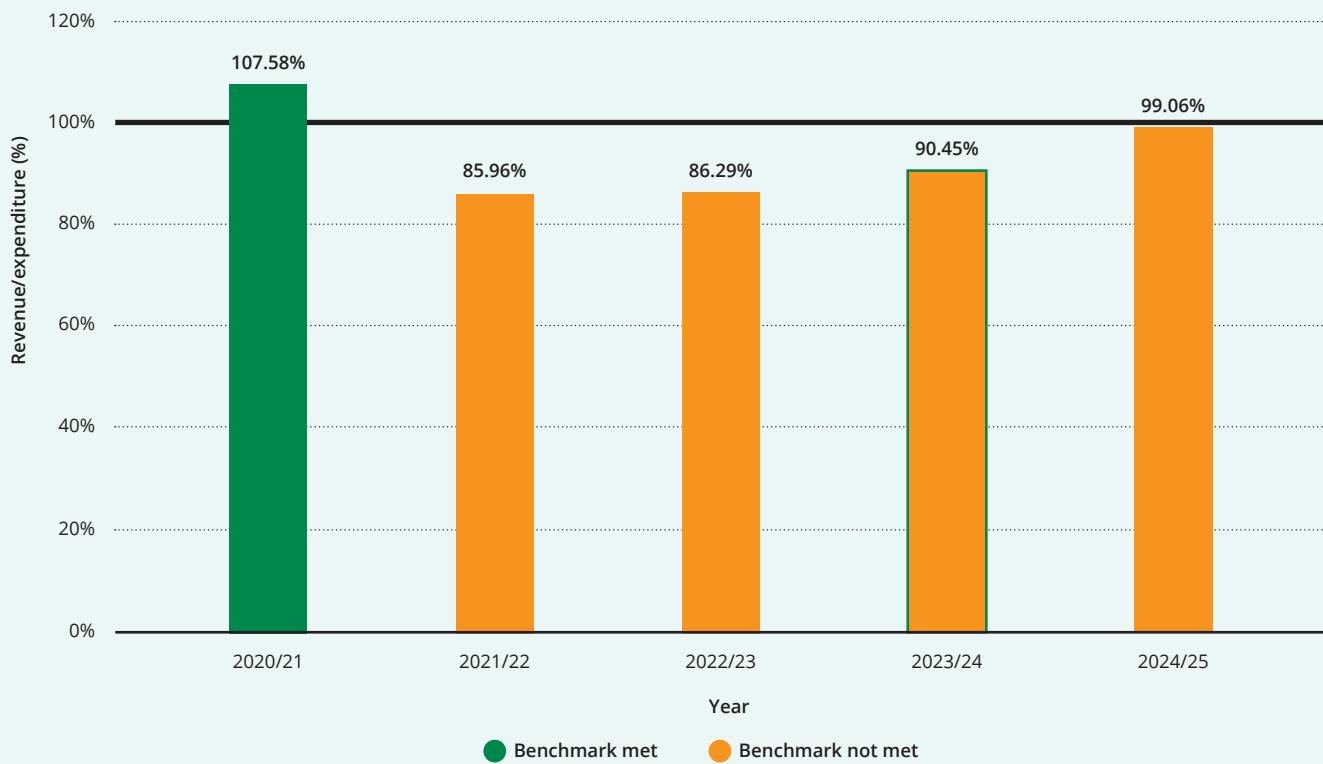


## BALANCED BUDGET BENCHMARK

The following 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, plants or equipment.

Council meets this benchmark if its revenue equals, or is greater than, its operating expenses.

### BALANCED BUDGET



In order to keep the level of rate increases to an affordable level, Council has, for some years, not been fully funding depreciation. Funding depreciation creates a reserve to cover the cost of replacing Council's assets, especially infrastructural assets. Underfunding this reserve is possible only in the short term. Council has been progressively increasing the funding of depreciation since the 2009/10 financial year. The major cause of Council's above inflation rate increases has been the need to increase depreciation funding. The underfunding of depreciation is the major reason for Council not meeting this benchmark exacerbated by the above budget expenditure variances described under the Statement of Comprehensive Revenue and Expense. The benchmark was met in the 2020/21 year due to the significant increase in external capital funding from the Crown.

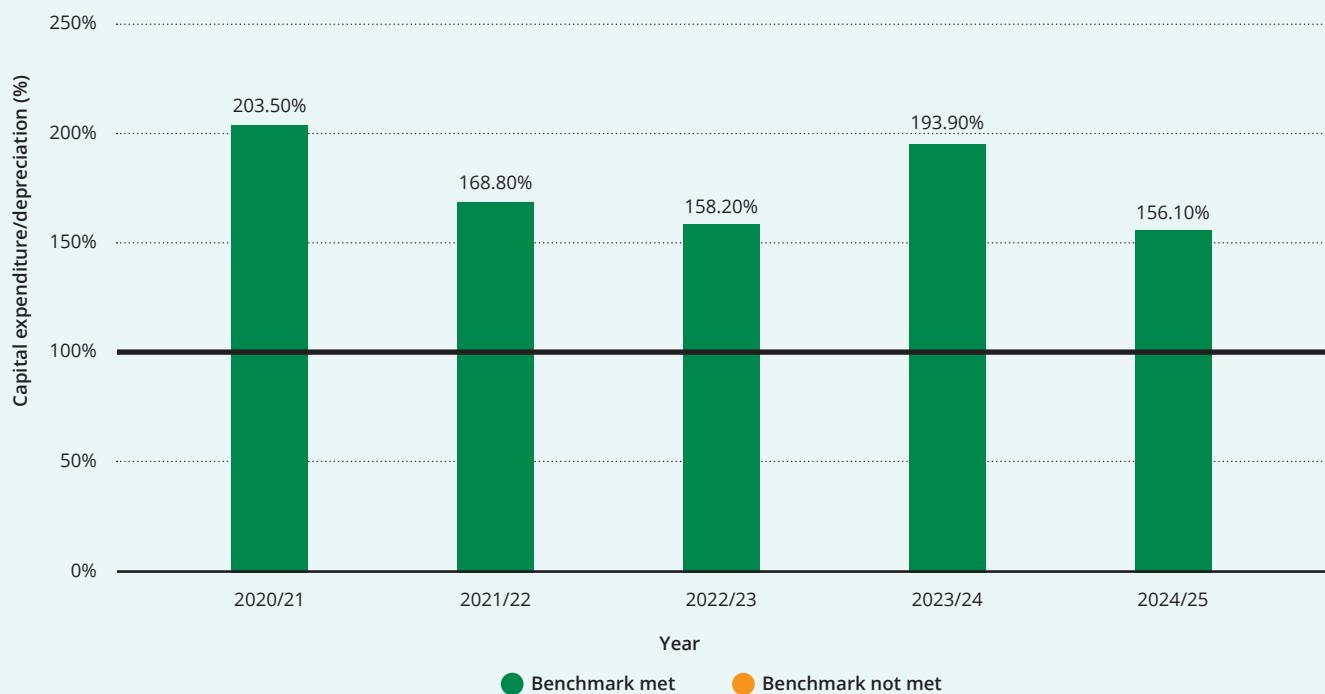
## ESSENTIAL SERVICES BENCHMARK

The following graph displays Council's capital expenditure on network services as a proportion of depreciation on network services. Capital work includes both renewals of existing infrastructure and new capital works undertaken.

Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.

Network services is defined in the regulations as infrastructure relating to water supply, sewage and the treatment and disposal of sewage, stormwater drainage, flood protection and control works and the provision of roads and footpaths. Council owns no infrastructure relating to flood protection and control work.

## ESSENTIAL SERVICES

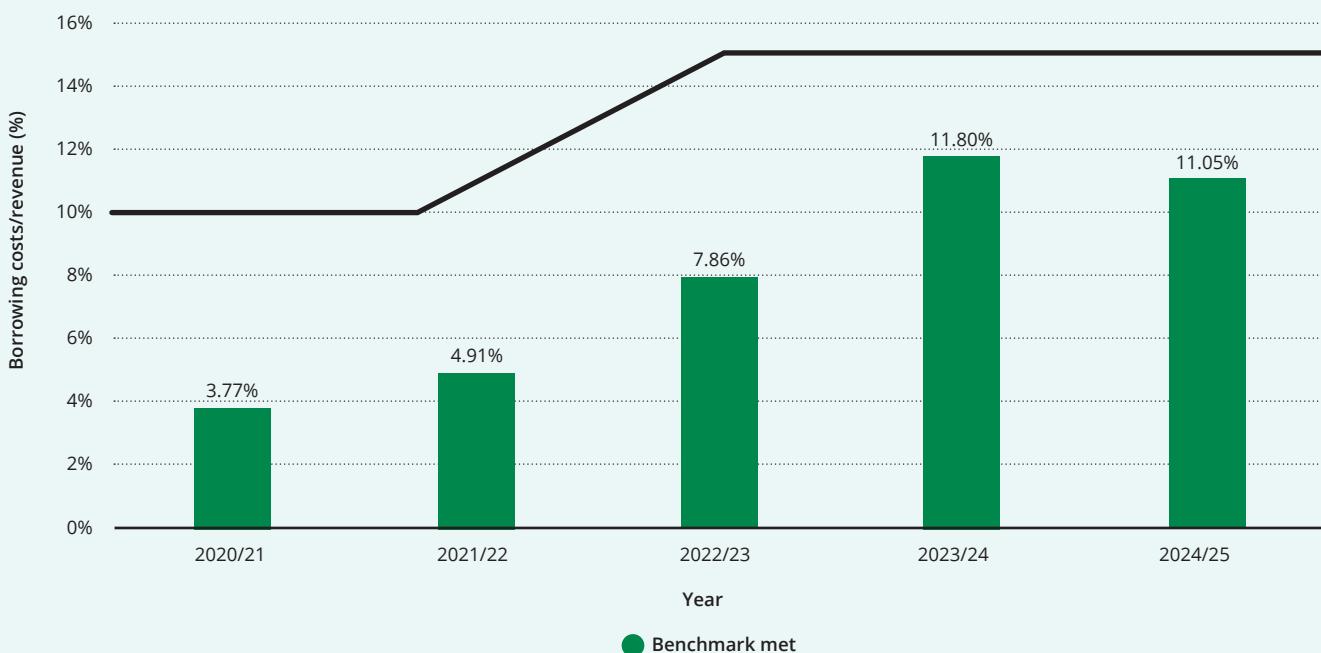


## DEBT SERVICING BENCHMARK

The following graph displays the 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 the Horowhenua population will grow more quickly than the national population growth rate, it meets the debt control benchmark if its borrowing costs are equal or less than 15% of its revenue, (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property, plant or equipment). During the 2021/22 financial year the rohe grew faster than the national population growth rate so a 15% limit has been used.

## DEBT SERVICING

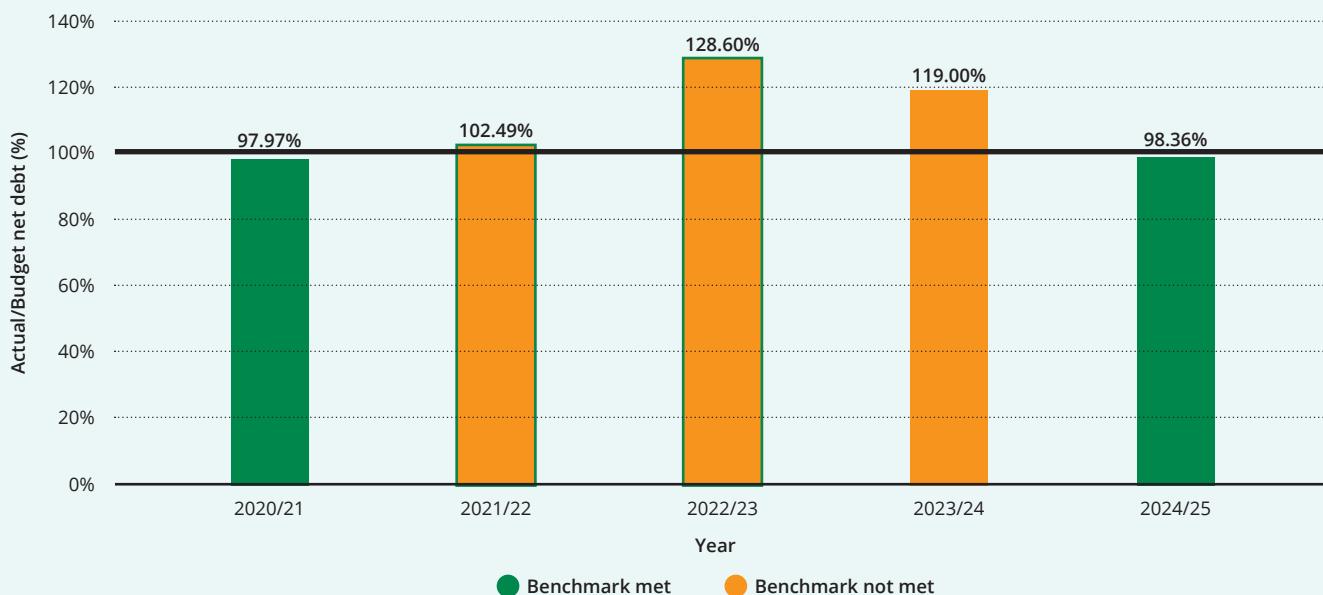


## DEBT CONTROL BENCHMARK

The following graph displays Council's actual net debt as a proportion of planned net debt. In this statement, net debt is financial liabilities less financial assets (excluding trade and other receivables).

Council meets the debt control benchmark if its actual net debt is less than or equal to the net debt planned for the year in its LTP.

### DEBT CONTROL



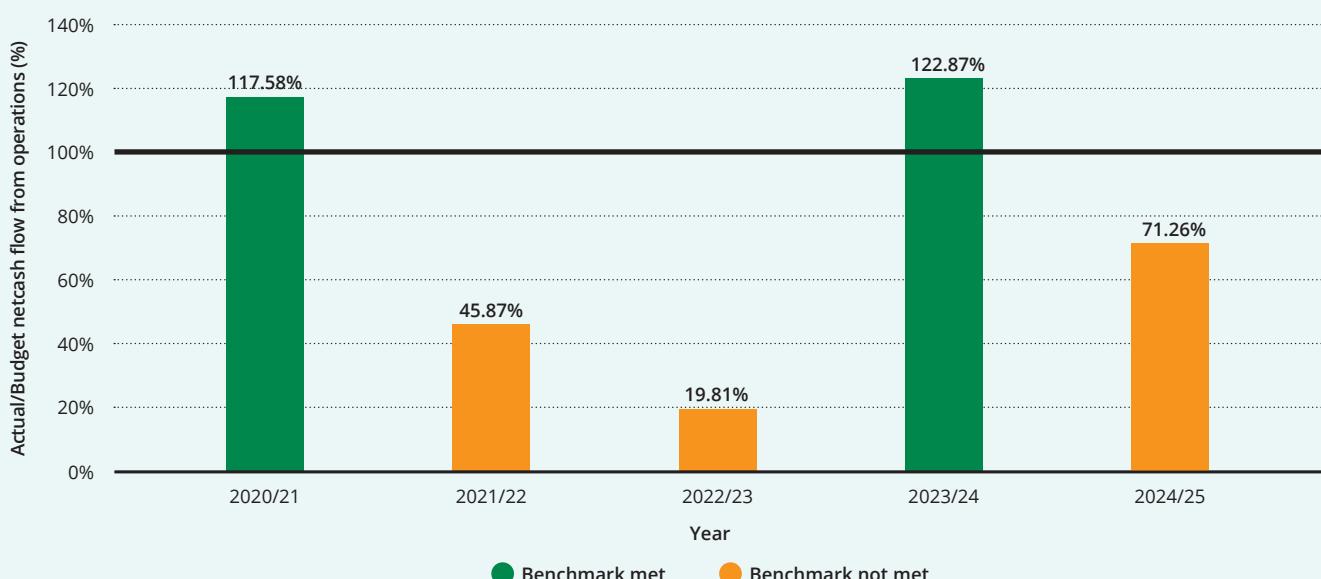
The benchmark was not met in the 2021/2022, 2022/23 and 2023/24 year as planned asset proceeds did not occur as planned.

## 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.

### OPERATIONS CONTROL



The reason for not meeting the benchmark in the 2021/22 financial year is due to not receiving capital grant funding for the Tara-Ika project as a result of it being moved out to future years.

The reason for not meeting the benchmark in the 2022/2023 financial year is due to not receiving capital grant funding for the Tara-Ika project and more expenditure than budget in professional services and asset maintenance contracts.

The 2022/23 results have been restated. They were reported as -43.75%. This restatement in benchmark graph is a result of the restatement of the 2022/23 cashflow statement. Refer to note 39 of 2023/24 annual report for further information for the restatement of 30 June 2023 results.

The reason for not meeting the benchmark in the 2024/25 financial year is largely due to reduced funding from NZTA Waka Kotahi, and a delay in funding from National Infrastructure Funding and Financing NZ with changes in the timing of the associated capital projects.

## Service performance judgements and assumptions

Ō tātou kaimahi - te hauora, te haumaru me ngā tino take mātāmua

The Annual Report 2024/2025 is Horowhenua District Council's first report against the Long-term Plan 2024-2044 (LTP). As part of that LTP, council reviewed its performance measure framework (SSPs). The aim of the review was to improve performance transparency and accountability across the council by improving clarity of the performance of the council group's services and activities, and to make it easier for our community to see specifically what Council was doing and measuring to assess our delivery against our identified levels of service and community outcomes. The review resulted in a performance measure framework with fewer but higher quality measures that focus on the performance dimensions of quantity, timeliness and quality.

For the new measures included, it means prior year results are unavailable.

Measures which have a target of 'Set baseline' for 2024/2025 have been described as Achieved if a result is reported, except as set out in the Land Transport Activity. There NZTA funding was not received to progress this, so a baseline was unable to be set.

When we prepared the forecast Statement of Service Performance (SSPs) in the LTP 2024-2044, the following judgements were made in their selection:

- Whether the compulsory DIA measures applied to our Council or to Horizons Regional Council.
  - For example: Council does not report on DIA Performance Measure 1 – Sub-part 4: Flood Protection and Control Works as this is applicable to Regional Council activities, not our council.
- For the SSPs to be less output focused and be more outcomes focused. We ensured the updated SSPs connect to Council's Community Outcomes, are able to be achieved. They are SMART: Specific Measurable Achievable Relevant Timebound.
- Are relevant to the long term plan and whether they help tell Council's performance story. Council agreed that some measures were important to continue to report on, but did not meet that LTP relevance test, so are reported as Organisation Performance Measures in the Organisation Performance Report, which are presented at each Council meeting.
- Consideration has been given to the views expressed by our residents and ratepayers through the consultation on the performance measures in the LTP consultation process.

## GROUPS OF ACTIVITIES

We have eleven Groups of Activities. They are groups of one or more related activities provided by, or on behalf of, the council or its council-controlled organisation.

Some of these groups of activities are mandated by the Local Government Act 2002.

Judgements have been applied to decide Activities that are not mandatory under the Local Government Act 2002. They include alignment to Council's community outcomes and the approach that Council uses to provide its services.

Relevant measurement judgements have been included within each group of activity section to which the judgement relates.

Further to the above judgements being made in the selection of performance measures, we also apply judgements in the measurement, aggregation, and presentation of service performance information.

As part of setting funding levels the group has considered the impact on services and their related performance measures.

Material judgements have been applied as follows:

## SURVEYS

Our Voice of the Customer, Resident Satisfaction Surveys are a tool used by Council to assess community perception of service delivery. Measures were selected to align with the Long-Term Plan performance framework and retained consistently with prior years to support year-on-year comparisons and tracking. Net Promoter Score (NPS) is included as an overarching indicator of trust and loyalty and is reported alongside service-specific customer satisfaction measures (CSAT).

Council adopted a universal-access approach to minimise sampling bias. Surveys were distributed electronically via Councils electronic newsletters system to all ratepayers with an email on Councils database, and made publicly available to include non-ratepayer and non-emailable residents via Councils Community Connection publication. To protect the integrity of resident sentiment data, responses identified as belonging to Council staff were excluded, otherwise all survey responses were treated equally. No demographic weighting was used; however, the total response volume across nine survey cycles exceeded 15,000 submissions, resulting in estimated margins of error between 3-7% at a 95% confidence level, which Council considers statistically acceptable for performance reporting.

Responses were aggregated by activity group (e.g. water, transport, customer services) to support both governance-level oversight and operational insight. NPS was calculated separately per survey and reported at total level. Percentage satisfaction scores were averaged and rounded to the nearest whole number where decimals were  $\geq 0.5$ . Furthermore, results were presented at both individual activity and grouped service category levels to ensure transparency across reporting tiers. Rounding was applied only where material impact was not introduced. Where required for internal trend tracking, unrounded figures were retained.

Council acknowledges that resident satisfaction is measured at a point of time, and influenced by external factors such as cost-of-living pressures, weather events, national discourse on local government performance, and media attention. These influences were considered when interpreting shifts in sentiment, particularly where they did not align with operational delivery measures.

While resident satisfaction scores reflect perception rather than objective service performance, Council considers these results in the wider context of operational activity, customer request trends, and known service delivery pressures when interpreting overall feedback. This approach ensures that perception-based measures are not interpreted in isolation. Council notes that voluntary participation introduces a degree of self-selection bias; however, consistency across nine survey cycles and alignment with prior years' trends provides confidence in the stability of sentiment direction. Council accepts a degree of self-selection bias inherent in voluntary participation but deems the overall methodology appropriate for public reporting purposes.

Council considers the survey framework a living measurement tool. Future refinements will include improved demographic tagging and wider engagement channels to further enhance representativeness and insight quality.

Council is actively asking ratepayers to sign up for email updates to assist with a number of system improvements, including that our reach for surveys is wider and continue to provide feedback from a wider representation of our community.

## **EXTERNAL IMPLICATIONS FOR STATEMENTS ABOUT PERFORMANCE**

There are conditions that affect the service performance results and may result in a variation from the anticipated or forecasted results. These are ones which are outside the control of the group.

Examples of this are, but not limited to changes in government policy in New Zealand, changes to the funding Council receives, such as from NZTA Waka Kotahi, changes in international travel restriction, global and domestic economic conditions and international policy that may impact areas such as recruitment, availability of material and supplies (for example, materials required for critical infrastructure), volatility in international financial markets and other unforeseen considerations.

## Independent Auditor's Report

### To the readers of Horowhenua District Council's annual report for the year ended 30 June 2025

The Auditor-General is the auditor of Horowhenua District Council (the Council) and its subsidiaries and controlled entities (the Group). The Auditor-General has appointed me, Debbie Bradfield, 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 127 to 212:
  - present fairly, in all material respects:
    - its financial position as at 30 June 2025; and
    - 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 statements comparing actual capital expenditure to budgeted capital expenditure for each group of activities of the Group for the year ended 30 June 2025 on pages 43 to 44, 53 to 54, 61 to 62, 69 to 70, 75 to 76, 82 to 83, 90 to 91, 95 to 96, 104 to 105, 116 to 117, and 124 to 125, have been prepared, in all material respects, in accordance with clause 24 of schedule 10 to the Act;
- the funding impact statement for each group of activities of the Group for the year ended 30 June 2025 on pages 43 to 44, 53 to 54, 61 to 62, 69 to 70, 75 to 76, 82 to 83, 90 to 91, 95 to 96, 104 to 105, 116 to 117, and 124 to 125 has been prepared, in all material respects, in accordance with clause 26 of schedule 10 to the Act; and

- the funding impact statement of the Group for the year ended 30 June 2025 on page 210 has been prepared, in all material respects, in accordance with clause 30 of schedule 10 to the Act.
- the Group's statement of service provision for the year ended 30 June 2025 on pages 32 to 125 and 220 to 221:
  - 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.

#### 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 8 October 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, we draw attention to note 32 on page 206, 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 Palmerston North City Council and Rangitikei District Councils to deliver water, wastewater

and stormwater services from 1 July 2027. The financial impact of this decision is unknown because details of the exact arrangements are still to be considered. In addition, there is some uncertainty as the proposal is yet to be accepted by the Secretary for Local Government.

### **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 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 provision 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 provision 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 and our report on the disclosure requirements, we have performed a limited assurance engagement related to the Council's debenture trust deed, which is compatible with those independence requirements.

Other than these engagements, we have no relationship with, or interests in, the Group.



**Debbie Bradfield**

Audit New Zealand  
On behalf of the Auditor-General  
Wellington, New Zealand

## Glossary

These are short definitions of some terms that are used in this Annual Report.

<b>Advocate</b>	The Council acts as an advocate when it represents the views and interests of the community to a range of organisations including Central Government, Government Agencies and the Regional Council.
<b>Asset</b>	An asset is an item of value owned by the Council on behalf of the people of Horowhenua. Examples are bank accounts, amounts owing by debtors, parks, roads, land, buildings, vehicles, computers and the water, wastewater and stormwater networks.
<b>Asset Management Plan (AMP)</b>	This is a long-term plan for managing an asset to ensure that capacity to provide a service is kept up, and that costs over the life of the asset are kept to a minimum. The plans cover things like service standards, maintenance regimes and future developments. Council has AMPs for all of its major assets including roading, water supply, wastewater disposal, parks and solid waste assets.
<b>Capital Expenditure</b>	Money spent with effect on the long-term rather than the short term. Examples are money used to buy or build a new asset, or to improve the potential of an existing asset. Capital expenditure is generally expected to lead to a higher level of service to the community.
<b>Community Outcomes</b>	Statements of the community's vision and goals for the future of the district. They are defined by the Local Government Act 2002, and it is intended that these outcomes inform and coordinate the activities and planning of all sectors of the community (including the Council).
<b>Council Controlled Organisation (CCO)</b>	An organisation that manages facilities and/or provides services on behalf of the Horowhenua community, in which the Council directly or indirectly controls more than 50% of either the votes or the appointments of directors or trustees.
<b>Debt</b>	The amount owed for borrowed funds.
<b>Depreciation</b>	The allocation of the cost of an asset over its estimated useful life.
<b>District Plan</b>	The plan prepared by the Council under the Resource Management Act that manages, through rules, potential adverse impacts of subdivisions and land use on the environment.
<b>Financial Year</b>	The Council's financial year starts on 01 July and ends on 30 June of the following year.
<b>Funding Impact Statement</b>	An explanation of how the Council's funding requirements are planned to be met through various mechanisms including rates.
<b>Governance</b>	The system of rules, practices, and processes by which a council is directed and controlled. The 'governors' are the Mayor and Council and they govern by making decisions at a strategic level and those they are empowered to make under the Local Government Act 2002, other legislation, and following the requirements and processes in those Acts and other documents such as Standing Orders.
<b>Hāpori</b>	Community
<b>Infrastructure</b>	Assets that form inalienable physical links between or within communities. Examples are roading, water supply systems, wastewater disposal systems and stormwater drainage systems.

<b>Land Value</b>	The value of land, excluding any improvements. For rating purposes, the Council contracts Quotable Value New Zealand to assess the land value of all properties every three years.
<b>Liability</b>	Present obligation arising from past events. Current liabilities are those due for payment within one financial year, and non-current liabilities are those due in the longer term.
<b>Long Term Plan (LTP)</b>	A Long-Term (for a minimum of 10 years) plan (reviewed every three years) that sets out the strategic direction and budget for that period, including community outcomes and the Activities of the Council and provides a long-term focus for the decisions and activities of the Council. The Council currently prepares a 20-year Long Term Plan.
<b>Mahi</b>	Work
<b>Operating Costs</b>	The costs of running the Council in the short term. Examples are the costs of maintaining assets, employing staff and the interest costs of loans.
<b>Projected Financial Statement</b>	The 20-year plan for the Council's revenue and expenditure, cash flows and borrowing.
<b>Performance Target</b>	A measure that shows how well the Council is doing in achieving the goals that it set for itself.
<b>Rates</b>	Paid by all property units to fund general council services as per the Council's Revenue and Financing Policy in the LTP. This includes targeted rates, general rates and commercial rates.
<b>Renewal Expenditure</b>	The cost of replacing components of existing assets to restore them to their original condition. Examples are the replacement of old water mains and the resealing of roads.
<b>Revenue</b>	The amount earned from operations: Examples are rates, dog registration fees, building permit fees, subsidies, rental revenue and interest on investments.
<b>Rohe</b>	District
<b>Significance</b>	The degree of importance of an issue under consideration, as assessed by the Council, in terms of its likely consequences for the current and future wellbeing of the community as determined by the Significance and Engagement Policy.
<b>Stormwater</b>	Rain that runs off properties and roads.
<b>Sustainability</b>	The use of natural, social and physical resources in such a way that takes care of current needs and allows for the ongoing use of those resources for future generations.
<b>Targeted Rates</b>	Any rate other than a general rate, targeted at users or beneficiaries of a particular service. Examples are rates for solid waste, water supply and wastewater. All are set out in the Council's Revenue and Financing Policy in the Long Term Plan.
<b>Uniform Annual General Charge (UAGC)</b>	A fixed-sum rate payable by all properties as part of their contribution to general rates. There are statutory rules whereby the UAGC is not payable on contiguous properties – where two or more properties are next to each other, owned by the same ratepayer, used for a common purpose.
<b>Wastewater</b>	The liquid waste from a property. Examples are sewage, grey water and trade waste.





-  [enquiries@horowhenua.govt.nz](mailto:enquiries@horowhenua.govt.nz)
-  [horowhenua.govt.nz](http://horowhenua.govt.nz)
-  [HorowhenuaDC](https://www.facebook.com/HorowhenuaDC)
-  [06 366 0999](tel:063660999)
-  [Private Bag 4002, Levin 5540](mailto:Private Bag 4002, Levin 5540)
-  [126 Oxford St, Levin 5510](http://126 Oxford St, Levin 5510)