



Summary Annual Report

Te Pūgongo Whakarāpopoto 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

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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 Rangitīkei 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/Otaurū 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

About this report

Mō tēnei pūrongo

Horowhenua District Council adopted the audited Annual Report 2024/25 on 8 October 2025 and authorised it for issue.

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

This summary provides the key points extracted from the Full Annual Report 2024/25. As a "summary" it does not provide the complete picture of the performance of the Council for the year. If you would like to know more, we encourage you to dive into the full Annual Report document.

The full report received an unmodified audit opinion, meaning that Council has:

- complied with the requirements of Schedule 10 of the Local Government Act 2002 that apply to the annual report; and
- that Council made the disclosures about performance against benchmarks as required by the Local Government (Financial Reporting and Prudence) Regulations 2014 on pages 213 to 219 (of the full report), which represent a complete list of required disclosures and accurately reflect the information drawn from the District Council and Group's audited information and, where applicable, the District Council's long-term plan and annual plans.

The audit opinion includes an emphasis of matter for future water delivery drawing attention to note 32 on page 206 (of the full report) which outlines that in response to the Government's Local Water Done Well reforms 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.

Copies of the full Annual Report 2024/25 and the Summary of the Annual Report 2024/25 are available on our website: www.horowhenua.govt.nz/Council/Documents and available to review at our Civic Building and Libraries and Community Centres. (Our contact details are available on the back cover of this document.)

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

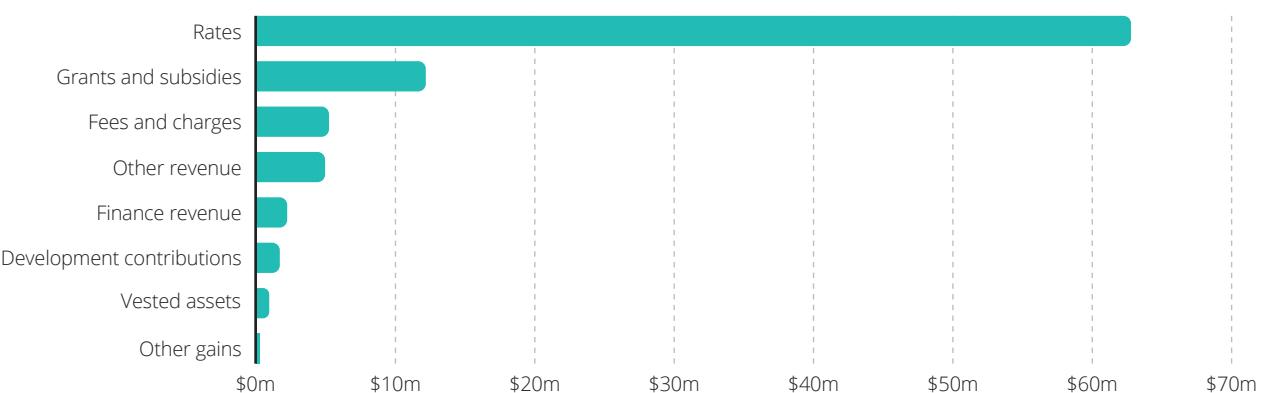
COUNCIL'S LIABILITIES AS AT 30 JUNE 2025

\$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.

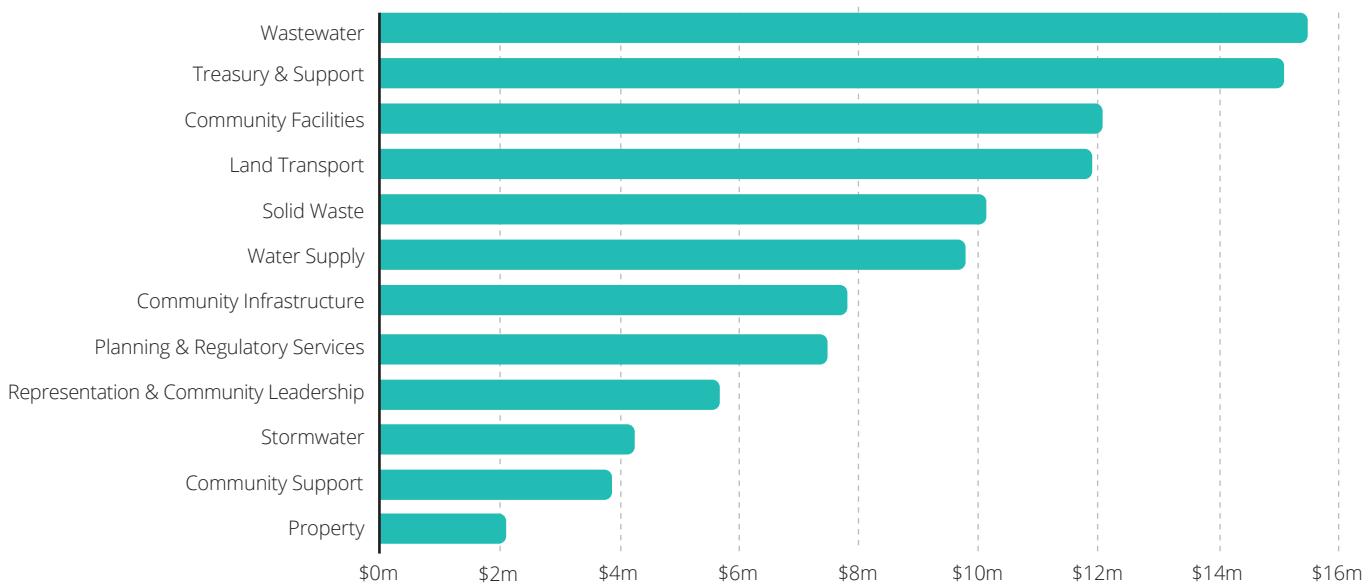
The graph below shows Council's revenue for the 2024/25 financial year:

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
 Water Supply	3 (43%)	4 (57%)	0 (0%)	7 (100%)
 Wastewater	2 (50%)	2 (50%)	0 (0%)	4 (100%)
 Stormwater	5 (100%)	0 (0%)	0 (0%)	5 (100%)
 Land Transport	2 (33%)	4 (67%)	0 (0%)	6 (100%)
 Solid Waste	1 (50%)	1 (50%)	0 (0%)	2 (100%)
 Community Facilities	3 (100%)	0 (0%)	0 (0%)	3 (100%)
 Community Infrastructure	3 (60%)	2 (40%)	0 (0%)	5 (100%)
 Property*	0 (0%)	0 (0%)	0 (0%)	0 (0%)
 Representation and Community Leadership	2 (67%)	1 (33%)	0 (0%)	3 (100%)
 Community Support	2 (40%)	2 (40%)	1 (20%)	5 (100%)
 Regulatory Services	4 (57%)	2 (29%)	1 (14%)	7 (100%)
TOTAL	27 (57.4%)	18 (38.3%)	2 (4.3%)	47 (100%)

* There are no SSPs for the Property activity.



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



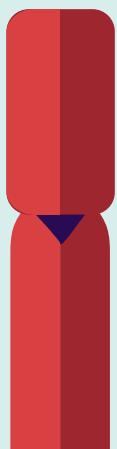
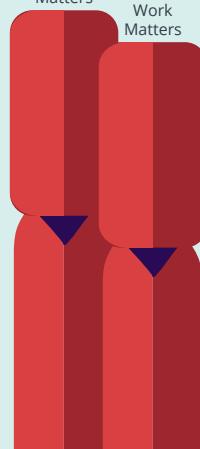
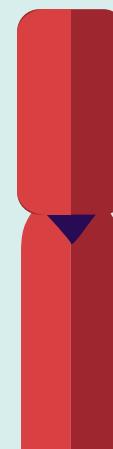
You
Matter



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

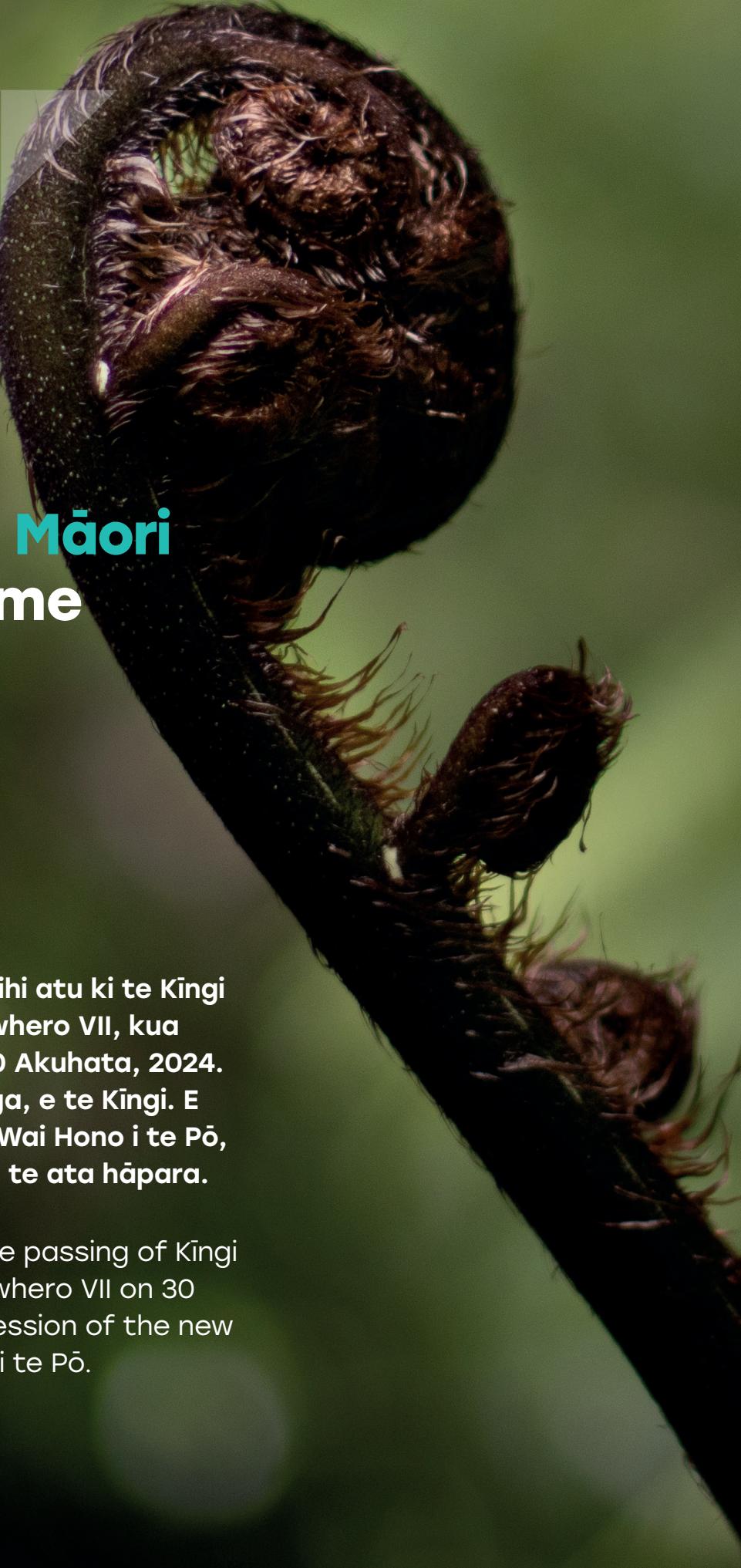
Leveraging the Ōtaki to North of Levin Expressway Project to seize opportunities and ensure alignment with strategic Council priorities for long term community benefit.

KEY ACTIONS FOR 2024/2025

- Continued advocacy on O2NL revocation.
- Championing legacy outcomes.
- Exploring opportunities and planning for consequential O2NL 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.



Summary Activity Updates

He Whakarāpopoto I Ngā Kawenga Mahi

The following pages provide you with a summary of activity information contained in the Full Annual Report. For detailed information on the activity please refer to the Full Annual Report.

Water Supply

Te Whakarato

Wai Māori

WHAKATAUKI

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

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.

KEY INSIGHTS

We continued installing **digital water meters** across the district with Foxton Beach the newest area to join Shannon, Levin and Foxton in this project. An additional 68.2% of water meters were installed during this financial year, bringing the total installations completed to 83%. Tokomaru is next in line to have meters installed.

Water Network upgrades started and/or completed during this financial year include upgrades in Levin on York Street, Tararua Road Roundabout, and MacArthur Street; and in Shannon on Margaret Street. As at financial year end, upgrades on MacArthur Street were still ongoing.

Our **Water Treatment Plants** (WTP) saw installation of UV systems at Foxton Beach WTP and at Tokomaru WTP with the latter also benefitting from a pH correction and coagulation systems. Two filters were refurbished at the Levin WTP.

As directed by the Ministry of Health, we started dosing **fluoride** to the water in Levin and Ōhau

in mid-December 2024. 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.

Council successfully brought the operation and maintenance of drinking water, wastewater and stormwater **services back in-house** on 1 November 2024. 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.

Council consulted with our community about how we deliver water services in the future as part of the Government's **Local Waters Done Well** programme, the result ending in 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 of the process.

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.

THIS ACTIVITY CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES



Strong
Communities



Vibrant
Economy



Outstanding
Environment



Fit for purpose
Infrastructure

73% *Customer Satisfaction Rating*

Customer Satisfaction rating achieved this year is 73%. An increase from 72% the previous year.

61% *Satisfaction With Drinking Water Quality*

Customer Satisfaction rating achieved this year for drinking water quality is 61%.

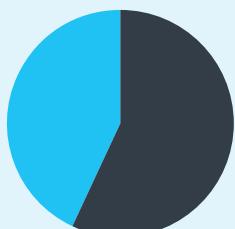
263L */Person/Day*

The average water consumption across the district for this financial year is 263L/person/day, compared to 309L/person/day the previous year.

68.2%

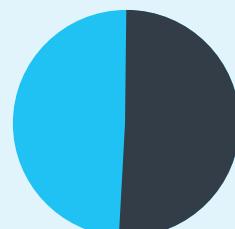
68.2% of the district's water connections had a smart meter installed between July 2024 and June 2025, building on the 14.8% installed at 30 June 2024.

How well did we perform against our Performance measures



- 3 Achieved
- 4 Not Achieved
- 0 Not Applicable

Our investment (\$000)



- \$9,383 Capital Expenditure
- \$9,787 Operating Expenditure

Wastewater Te Wai Para

WHAKATAUKI

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

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.

KEY INSIGHTS

Various **Wastewater Network** upgrades were started and/or completed during this financial year. These include upgrades on Bryce Street, Shannon; and in Levin on York, SH1 Oxford/Tyne Road and MacArthur streets. The upgrade on MacArthur Street was still ongoing at the end of the financial year.

The Levin, Foxton, Foxton Beach and Shannon **Wastewater Treatment Plants** (WWTP) all had some form of work performed during this financial year.

Highlights include:

- Levin WWTP – optimisation of irrigation system, completing bioreactor trial work, and installing a new aerator.
- Tararua Rd WW Stage 3 – Wastewater main extended to allow for growth from the completed main towards the proposed future Tara-Ika main road connection.
- Foxton WWTP – aerator units installed.
- Foxton Beach WWTP – 8 irrigation beds successfully refurbished.
- Shannon WWTP – floating wetland reinstated to original condition and fencing of the High Rate Land Passage completed. Initial planting of 400 plants completed. 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.

THIS ACTIVITY CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES



Vibrant
Economy



Outstanding
Environment



Fit for purpose
Infrastructure

84% *Customer Satisfaction Rating*

Customer Satisfaction rating achieved this year is 84%, a decrease from 86% the previous year.

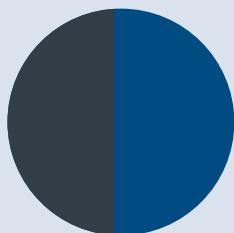
8 *Irrigation beds*

The Foxton Beach WWTP had 8 irrigation beds refurbished during this financial year.

3hrs 25m

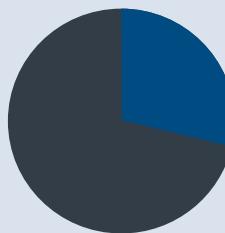
3hrs 25min is the median time to resolve issues requiring a call-out, an increase from 2hrs 42min last year.

How well did we perform against our Performance measures



- 2 Achieved
- 2 Not Achieved
- 0 Not Applicable

Our investment (\$000)



- \$6,201 Capital Expenditure
- \$15,493 Operating Expenditure

Stormwater Te Wai Ua

WHAKATAUKI

Matariki tāpuapua

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

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.

KEY INSIGHTS

Stormwater improvements included a stormwater flow meter being installed in Foxton Beach near the Holben Creek outlet; as well as the successful installation of a Downstream Defender at Mako Mako Road in Levin.

A **LiDAR**¹ surveying project was initiated. This project is aimed at capturing highly accurate ground elevation data which 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 effort.

Work relating to **Stormwater consenting** for Levin included progressing the development of an 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. A comprehensive monitoring programme was completed during 2024/25 for Foxton Beach Stormwater consenting, and a draft improvement plan was developed.

For the first stage of **Tara-Ika** coming off Queen Street East, Council collaborated with the landowner to create a stormwater management system. Our contractors successfully constructed a wetland and soakage basin. Both the construction and planting were successfully completed by the end of 2024.

THIS ACTIVITY CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES



Vibrant Economy



Outstanding Environment



Fit for purpose Infrastructure

52% **Customer Satisfaction Rating**

Customer Satisfaction rating achieved this year is 52%, an increase from 49% the previous year.

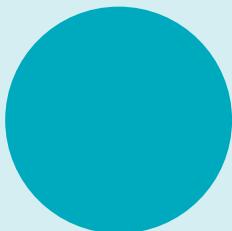
13,623

There are 13,623 stormwater connections as at 1 July 2024.

1,250 **Native Plants**

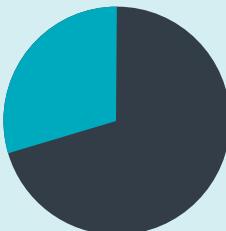
In 2024/25 1,250 native plants were established along the Otāru stream.

How well did we perform against our Performance measures



- 5 Achieved
- 0 Not Achieved
- 0 Not Applicable

Our investment (\$000)



- \$1,787 Capital Expenditure
- \$4,272 Operating Expenditure

¹ LiDAR (Light Detection and Ranging) is a remote sensing technology that uses pulsed laser light to measure distances and create high-resolution 3D models of the environment.

Land Transport Ngā Ara Whenua

WHAKATAUKI

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

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.

KEY INSIGHTS

NZTA Waka Kotahi have decreased National Land Transport Programme **funding** for capital improvements nationwide and made significant additional cuts in several renewal and operational budgets. This resulted in a total funding reduction of \$1.65m for Council for the 2024/25 financial year.

In response, Council reprioritised the capital work programme and 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.

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.

To improve **resilience** at the Waitārere Beach Road / Waitārere Rise intersection, Council installed a new stormwater line which runs west on Waitārere Beach Road to the existing stormwater system.

The **safety improvements** budget was one of the budgets affected by the reduction in funding mentioned above. 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).

THIS ACTIVITY CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES



67% *Customer Satisfaction Rating - Parking*

Customer Satisfaction rating achieved this year is 67%, achieving the same result as the previous financial year.

43% *Customer Satisfaction Rating - District Road Maintenance*

Customer Satisfaction rating achieved this year is 43%, an increase from 39% the previous year.

2.8%

of sealed local road network resurfaced last year.

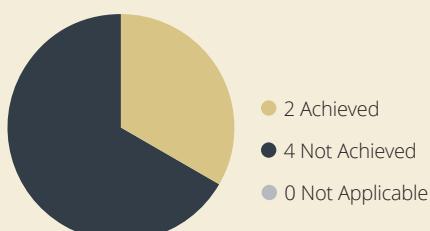
3.24%

of the footpaths network is in a poor or very poor condition.

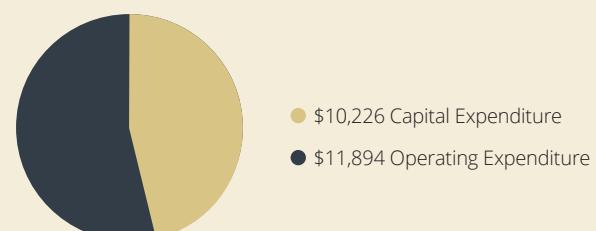
96.76%

of the footpath network in average to excellent condition.

How well did we perform against our Performance measures



Our investment (\$000)



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

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.

KEY INSIGHTS

Waste education continued to be a focus with four waste education workshops being held during this financial year. 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 Council also supports the facilitation of 16 Enviroschools within our district.

One of the initiatives in the **Waste Management Minimisation Plan** 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 Council early in the 2025/26 financial year.

Council upgraded Ōpiki Mobile **Recycling Station** with new infrastructure. This improved our level of service to the local community with associated cost savings due to purpose-built collection.

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.

THIS ACTIVITY CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES



87% Customer Satisfaction Rating - Recycling

87% of customer satisfaction achieved with both Kerbside and Mobile Recycling.

4 Events

Council held 4 events to promote waste education.

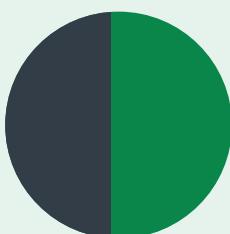
952

This is the number of students across five schools that attended Zero Waste Education.

16

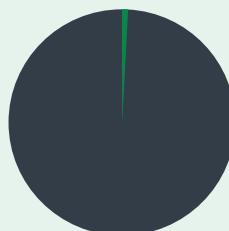
This is the number of Enviroschools within our district that Council supports.

How well did we perform against our Performance measures



- 1 Achieved
- 1 Not Achieved
- 0 Not Applicable

Our investment (\$000)



- \$44 Capital Expenditure
- \$10,119 Operating Expenditure

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

Description of activity

The Community Facilities and Services Activity includes the following:

Aquatic Facilities and Recreation

- The Aquatic Facilities and Recreation Activity provides 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

- 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.

KEY INSIGHTS

This year, we replaced the roof of the **Te Awahou Nieuwe Stroom** facility. The roof was leaking, and it was vital to replace it to protect the important and significant taonga housed inside this building.

Other **renewal work** included replacement of some technology equipment and furniture, including seating and some shelving at Te Takeretanga o Kura-hau-pō (Library).

We connected, educated, and inspired our community through various **library outreach programmes and events**. The Read for Trees initiative was one such programme – encouraging whānau to read together, strengthening intergenerational bonds and reinforcing adults as reading role models. This challenge inspired the community to log over 208,000 pages between December 2024 and February 2025, culminating in a community planting day in April 2025, where 40 native trees were planted at Kowhai Park.

THIS ACTIVITY CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES



94% **Customer Satisfaction Rating - Library Services**

94% of customer satisfaction achieved with our Library services, a decrease from the 95% the previous year.

11,556 **Opportunities**

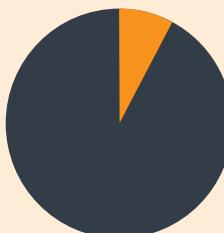
This is the number of opportunities provided for the community and by the community that enhanced wellbeing and safety in or through the use of our aquatic facilities.

How well did we perform against our Performance measures



- 3 Achieved
- 0 Not Achieved
- 0 Not Applicable

Our investment (\$000)



- \$1,000 Capital Expenditure
- \$12,061 Operating Expenditure



Community Infrastructure

Tūāhanga Haporī

WHAKATAUKI

**Me mahi tahi tātou mo te
oranga o te katoa**
We should work together for
the wellbeing of everyone

Description of activity

The Community Infrastructure Activity is dedicated to enhancing community wellbeing through various sub-activities. These activities not only 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.

KEY INSIGHTS

Council formally adopted a **Strategic Recreation Investment Framework** in June 2025. This framework 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. The Framework reflects national and regional best practice, 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.

An **Oxford Street Plane Tree consent** was issued in April 2025 and work included crown reductions, crown lifting and root trimming. These works 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.

Cemetery upgrades this year included extensions at the Foxton cemetery and the Avenue Road cemetery, Levin. – At Avenue Road Council provided ash beams and burials and a new pergola (reflection area).

To help protect and restore the **environment**, Officers supported a wide range of community-led planting, clean-up, and restoration efforts across our district. 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.

Council upgraded the **public toilets** at the Foxton tram station and at Balance Street, Shannon.

Council performed various pieces of work to upgrade and maintain **sportsgrounds and reserves**. These include:

- Installation of a performance stage, BBQ area, Pā Harakeke/flax garden, and a nature play area at the Te Maire Park.
- A new storage shed for Playford Park.
- Installation of new shade sails at the Holben Reserve in Foxton and Jubilee Park in Levin.
- Retaining wall and planting at Flagstaff Reserve in Foxton Beach.
- Resurfacing internal roads at a number of reserves across our district; including the pump track at Holben Reserve.
- Replacing training lights at Easton Park in Foxton.
- Making a number of improvements to Donnelly Park in Levin.



THIS ACTIVITY CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES



83% Customer Satisfaction Rating - Cemeteries

83% of customer satisfaction achieved with Cemeteries, a decrease from 88% the previous year.

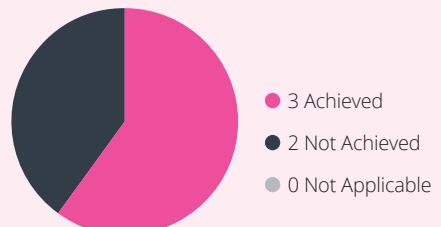
79% Customer Satisfaction Rating - Parks and Reserves

79% of customer satisfaction achieved with our Parks and Reserves, a decrease from 81% the previous year.

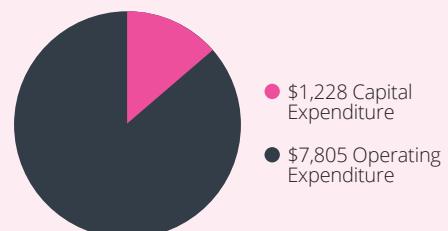
10,800 Spinifex Plants
200 Pingao Plants

Approximately 10,800 spinifex and 200 pingao plants were planted during a number of community planting days at various sites on our coast.

How well did we perform against our Performance measures



Our investment (\$000)



Hei āwhina i te hapori,
ka ora ai te hapori.

Helping the community
to thrive.

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.

KEY INSIGHTS

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 being listed publicly.

Council purchased two 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 earlier, during the 2023/24 financial year.

This year, Council 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.

Council signed agreements (**Licences to occupy**) with two mobile traders for Foxton Beach and one for Waitārere Beach to provide additional services to our community over the summer period.

THIS ACTIVITY CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES



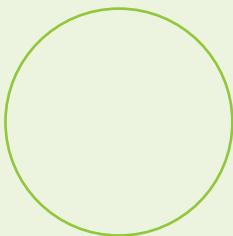
2 Properties

2 properties acquired this year as part of the Levin Town Centre Development Project, bringing the total number of properties purchased to six. Four properties were purchased during the previous financial year.

3 Licences To Occupy

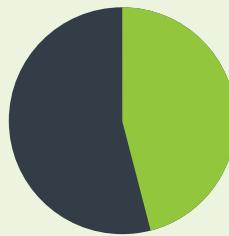
This is the number of mobile traders Council signed agreements with over the 2024/25 summer period – two for Foxton Beach and one for Waitārere Beach.

How well did we perform against our Performance measures



- N/A Achieved
- N/A Not Achieved
- N/A Not Applicable

Our investment (\$000)



- \$1,807 Capital Expenditure
- \$2,126 Operating Expenditure

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.

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.

KEY INSIGHTS

Significant milestones have been achieved with the activation projects forming part of the **Levin Town Centre Strategy**. Highlights include:

- Establishment of the Project Steering Group and Reference Group
- Completion of the Earthquake Prone Building Plan and the Strategic Property Acquisition.
- The Levin War Memorial Hall and Village Green EOI/RFP process progressed through community consultation and commercial negotiations.
- Collaboration with KiwiRail and Greater Wellington Regional Council has advanced the Transport Hub analysis.
- The Levin Town Centre Access and Carparking Strategy is under preparation.
- Pre-work on the former Women's Bowling Green Space has been completed, setting the stage for future activation and use of this space.

Plan Change 6A (a greenfield rezoning in North West Levin), lodged with Council as a private plan change at the end of 2024, and adopted by Council as its own plan change, was notified in April 2025. If approved, it will enable 500+ additional homes within our district. The next step in the process is to notify the summary of submissions, which will commence the further submission period. This is our first plan change in ePlan format.

Council adopted two **Community Plans** during the 2024/25 financial year. Foxton Futures (Foxton and Foxton Beach Community Plan) was adopted in December 2024, and the Shannon/Otāru Community Plan – Council's first fully community-led plan – was adopted in June 2025.

THIS ACTIVITY CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES



500+

This is the number of additional homes that will be enabled in Levin if Plan Change 6A, notified in April 2025, is approved.

297 **Submissions**

This is the number of submissions from the Shannon community to provide feedback to the Shannon Community Plan. This translates into 18.5% of the town's population.

113 **Opportunities**

113 opportunities were provided to the community to influence decision-making.

How well did we perform against our Performance measures



Our investment (\$000)



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

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 Activity includes the following:

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

KEY INSIGHTS

The importance of **Emergency Management** was emphasised this year in April 2025, when a mini tornado hit Levin bringing down trees, damaging utility lines, and lifting roofs and fences. Council's Emergency Management Centre (EOC) was activated, and Council Officers worked alongside other organisations and community members to deal with the aftereffects and support the community.

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.

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. Highlights include:

- Building momentum across digital campaigns.
- Enhancing the Horowhenua website and digital content.
- Launching of several new blogs and the 'What's On' Event Guide.
- Doing surveys and hosting a visitor sector hui to gather stakeholder insights.
- Launching the first printed Horowhenua NZ visitor map.
- Building strong connections made through TRENZ, New Zealand's biggest tourism industry event, and cross-regional initiatives now in development.

THIS ACTIVITY CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES



10 Laptops and Tablets

Extra laptops have been purchased to increase capability and resilience in our Emergency Operations Centre, while tablets purchased will enable Needs Assessments during emergency events.

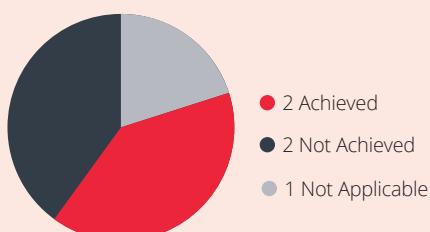
24

This is the number of 4,000-litre water tanks we acquired to strengthen community resilience – this provides an emergency backup supply should regular water sources be disrupted during an event.

2,300 Website views

This is the number of website views generated by our glamping blog (one of our digital campaigns forming part of our Destination Management programme).

How well did we perform against our Performance measures



Our investment (\$000)



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.

Description of activity

The Regulatory Services Activity provides advice, consenting services, assessment, education, compliance and enforcement. These Activities 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

KEY INSIGHTS

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.

In April 2025, Council 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 in the 2025/26 financial year.

During 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 review of the Dog Registration Selected Owner Policy was also completed – replaced with the new Responsible Dog Owner Approval (RDOA) Process from 30 September 2025; and applied to the 2026/2027 registration period.

THIS ACTIVITY CONTRIBUTED TO THE FOLLOWING COMMUNITY OUTCOMES



87.6% Customer Satisfaction Rating – Contacting Council

87.6% of customer were satisfied with the ways they can contact Council.

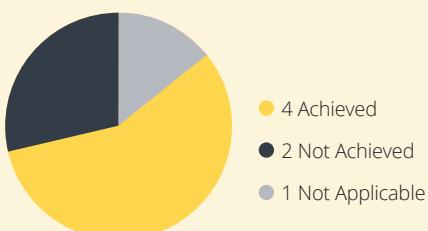
503 Building Consents

503 (of 522) building consents were processed within statutory timeframes this financial year.

1,525 Noise Complaints

1,525 noise complaints were received and responded to by our contractor, 1,467 within 60 minutes.

How well did we perform against our Performance measures



Our investment (\$000)





Financial Information

Ngā Pārongo Pūtea



Horowhenua District Council Financial Statements

These statements cover Horowhenua District Council (Council) and the Horowhenua District Council Group comprising Council and the Shannon Community Development Trust (Group).

The primary objective of Horowhenua District Council is to provide local infrastructure and local public service and perform regulatory functions for the community for social benefit rather than making a financial return.

Accordingly, Council has designated itself as a public benefit entity (PBE) for financial reporting purposes.

The full financial statements of Council and the Group have been prepared in accordance with and are fully compliant with Tier 1 PBE accounting standards.

Council's summary annual report complies with PBE FRS 43 Summary Financial Statements.

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000s).

The financial statements of Council are for the year ended 30 June 2025 and do not provide a complete understanding as the financial statements in the full Annual Report 2024/25. The full Annual Report was authorised for issue by Council on 8 October 2025.

The financial statements presented in this Summary Annual Report represent those recorded in the full Annual Report that have been audited by Audit New Zealand on behalf of the Auditor General. Refer to page 45 for the Independent Auditor's Report.

We draw attention to the Emphasis of Matter on the future of water delivery. Refer to page 45.

Copies of the full Annual Report are available from Council on request (refer to back page for contact details).

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
Revenue						
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	–	–	–
Total revenue		90,227	91,206	83,812	90,248	83,834
Expenditure						
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
Total expenses		98,685	89,090	84,826	98,698	84,832
Operating surplus / (deficit) before tax		(8,458)	2,116	(1,014)	(8,450)	(998)
Income tax expense	6	–	–	–	–	–
Operating surplus / (deficit) after tax		(8,458)	2,116	(1,014)	(8,450)	(998)
Surplus/ (Deficit) attributable to: Horowhenua District Council		(8,458)	2,116	(1,014)	(8,450)	(998)

	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
Other comprehensive revenue and expense						
Gain / (loss) on infrastructural assets revaluations	15	2,409	99,658	112,925	2,409	112,925
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	115
Total other comprehensive revenue and expense for the year		5,233	99,658	113,040	5,233	113,040
Total comprehensive revenue and expense (deficit) for the year		(3,226)	101,774	112,026	(3,218)	112,042
Total comprehensive revenue and expense attributable to Horowhenua District Council		(3,226)	101,774	112,026	(3,218)	112,042

The financial statements should be read in conjunction with the statement of accounting policies and the notes to the accounts. Refer to the Full Annual Report.

Council's financial performance for the 2024/25 financial year is explained by the following:

TOTAL REVENUE

Rates (including water by meter) revenue is the primary source of our operating revenue. Total revenue is lower than budgeted by \$1m predominantly due to lower funding from NZTA Waka Kotahi, and a delay in NIFF funding with changes in the timing of the associated capital projects. This position is partly offset by higher consenting income and additional waste rebate.

TOTAL EXPENSES

Total expenses are higher than budgeted by \$10m predominantly due to non-cash items such as \$2.3m loss on interest rate swap¹, \$3.1m loss on disposal of assets, and \$5m increase in landfill provision².

TOTAL COMPREHENSIVE REVENUE AND EXPENSE (DEFICIT) FOR THE YEAR

Council's net deficit for the year ended 30 June 2025 was \$3m after taking into account the impact of the full asset revaluation for operational assets, restricted assets, and infrastructural assets (solid waste assets only). Last full revaluations for these asset classes were performed for 30 June 2022.

1 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.

2 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 Financial Position as at 30 June 2025

The assets owned by Council and liabilities owned by Council as at 30 June 2025

Note	Council	Council	Council	Group	Group
	Actual \$	Budget \$	Actual \$ Restated		
	30 June 2025 \$000	30 June 2025 \$000	30 June 2024 \$000	30 June 2025 \$000	30 June 2024 \$000
Assets					
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
Total Current assets		76,187	12,931	45,670	76,235
					45,702
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
Total Non-current assets		1,003,447	990,184	991,449	1,003,447
					991,449
Total Assets		1,079,634	1,003,115	1,037,118	1,079,682
					1,037,150
Liabilities					
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
Total Current liabilities		82,773	48,132	63,347	82,413
					62,978

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
Non-current liabilities					
Provisions	23	12,621	8,638	9,099	12,621
Employee benefit liabilities	22	496	472	537	496
Borrowings and other financial liabilities	21	181,000	161,052	159,000	181,000
Derivative financial instruments	11	983	–	148	983
Total non-current liabilities		195,100	170,162	168,784	195,100
Total Liabilities		277,873	218,293	232,131	277,513
Net Assets		801,761	784,822	804,987	805,387
Equity					
Retained earnings	26	236,757	256,177	245,812	237,165
Revaluation reserves	26	555,005	518,636	549,773	555,005
Other reserves	26	9,999	10,009	9,402	9,999
Total Equity		801,761	784,822	804,987	805,387

The financial statements should be read in conjunction with the statement of accounting policies and the notes to the accounts. Refer to the Full Annual Report.

Council's financial position is explained by the following major asset types:

CURRENT 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

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 two 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.

Our major liabilities include:

CURRENT 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.

NON-CURRENT LIABILITIES

Borrowings (maturing past 12 months) - \$181m

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.

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.

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.

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

The ratepayers' stake in Council's assets for the Year Ended 30 June 2025

	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
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)
Balance at 30 June	26	801,761	784,822	804,987	802,169
					805,387

The financial statements should be read in conjunction with the statement of accounting policies and the notes to the accounts. Refer to the Full Annual Report.

CHANGES IN NET WORTH

The Council's net worth is represented by equity which is the difference between what the community owns (assets of \$1,080m) and what the community owes (liabilities of \$278m).

The Council's net worth at the end of the year was \$802m, a decrease of \$3m from 2023/24 restated net worth. The reason for the decrease was for a variety of reasons including the increase in the landfill provision due to the inclusion of trade waste costs for leachate management.

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

The inflows and outflows of cash 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
Cashflow from operating activities					
Cash was provided from:					
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	–	–	–	–	–
Total cash provided	87,201	87,967	80,879	86,218	80,901
 Cash was disbursed to:					
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
Total cash disbursed	70,964	66,229	64,148	70,964	64,126
Net cashflow from operating activity	31	16,237	21,738	16,731	16,254
 Cashflows from investing activities					
Cash was provided from:					
Receipts from sale of property, plant, and equipment					
Proceeds from asset sales	775	2,533	217	775	217
Proceeds from investments	–	–	–	–	–
Total cash provided	775	2,533	217	775	217
 Cash was disbursed to:					
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
Total cash disbursed	51,282	42,901	43,731	51,012	43,731
Net cashflow from investing activity	(50,527)	(40,368)	(43,514)	(50,527)	(43,514)
 Cashflows from financing activities					
Cash was provided from:					
Proceeds from borrowings	67,000	38,804	67,000	67,000	67,000
Total cash provided	67,000	38,804	67,000	67,000	67,000

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

The financial statements should be read in conjunction with the statement of accounting policies and the notes to the accounts. Refer to the Full Annual Report.

CHANGES IN CASH HELD

Rates (including water by meter) and user charges are the primary source of our operating activities' cash inflows.

The majority of these net cash inflows, together with new borrowings (financing activities), are used in the purchase and development of assets around the district (investing activities).

Less cash from operating activities compared to budget is mainly due to a combination of less cash revenue received than budgeted predominantly in grants and subsidies due to the timing of the schedule for invoicing between financial years, and more cash payments to suppliers and employees than budgeted.

The increase in cashflow from financing activities compared to budget is mainly due to increase in gross borrowings allowing Council to invest in large projects, shown in net cashflow from investing activities.

CONTINGENCIES

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. Refer to the full Annual Report, Note 23, (page 183) 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.

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.

RELATED PARTY TRANSACTIONS

Manawatu/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

Shannon Community Development Trust

The Council holds \$350,000 (2024: \$350,000) on deposit on behalf of the Shannon Community Development Trust

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

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, transactions were conducted with key management personnel that are approved by the Office of the Auditor General and disclosed in the full Annual Report, note 27, page 192.

Details of key management personnel compensation is available in the full Annual Report, note 27, page 193.

PRIOR PERIOD CORRECTION

The Council and Group have adjusted its comparative year financial statements (for the year ended 30 June 2024) to correct a 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.

Full disclosure note can be found in note 30 in the full Annual Report on pages 201 to 202.

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.

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.

Independent Auditor's Report

To the readers of Horowhenua District Council's Group's summary of the annual report for the year ended 30 June 2025

The summary of the annual report was derived from the annual report of the Horowhenua District Council (the Council) and its subsidiaries and controlled entities (the Group) for the year ended 30 June 2025.

The summary of the annual report comprises the following information on pages 19 to 31 and 33 to 44:

- the summary statement of financial position as at 30 June 2025;
- the summaries of the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended 30 June 2025;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary statement of service provision (referred to as "Our Performance at a Glance").

Opinion

In our opinion:

- the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the annual report; and
- the summary statements comply with PBE FRS 43, *Summary Financial Statements* (PBE FRS 43).

Summary of the annual report

The summary of the annual report does not contain all the disclosures required by generally accepted accounting practice in New Zealand. Reading the summary of the annual report and the auditor's report thereon, therefore, is not a substitute for reading the full annual report and the auditor's report thereon.

The summary of the annual report does not reflect the effects of events that occurred subsequent to the date of our auditor's report on the full annual report.

The full annual report and our audit report thereon

We expressed an unmodified audit opinion on the information we audited in the full annual report for the year ended 30 June 2025 in our auditor's report dated 8 October 2025.

Our auditor's report on the full annual report also includes an emphasis of matter paragraph drawing attention to page 206 of the financial statements in the full annual report, 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.

Information about this matter is also disclosed on page 43 of the summary of the annual report.

Council's responsibility for the summary of the annual report

The Council is responsible for preparing the summary of the annual report which includes preparing summary statements, in accordance with PBE FRS 43.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the full annual report and whether the summary statements comply with PBE FRS 43.

Our opinion on the summary of the annual report is based on our procedures, which were carried out in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (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 in our capacity as auditor, we have no relationship with, or interests in, the Council and the Group.



Debbie Bradfield
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand

6 November 2025



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