WAITOMO DISTRICT COUNCIL

MINUTES OF A MEETING OF THE WAITOMO DISTRICT COUNCIL HELD IN THE COUNCIL CHAMBERS, 15 QUEEN STREET, TE KUITI ON TUESDAY 30 JUNE 2026 AT 9.00AM

PRESENT:	Mayor John Robertson Deputy Mayor Eady Manawaiti Councillor Olivia Buckley Councillor Allan Goddard Councillor Janette Osborne Councillor Dan Tasker (for part only)
IN ATTENDANCE:	Terry and Davina Davey and Guy Whitaker Joshua Aguilar and David La Varis
STAFF:	Chief Executive, Ben Smit Manager – Governance Support, Michelle Higgie General Manager – Community Services, Helen Beever Chief Financial Officer, Tina Hitchen Manager – Strategy and Policy, Charmaine Ellery Policy Advisor, Rajeshwari (Raj) Mahadevappa

The Mayor noted that the public excluded item can now be moved into the public part of the meeting as the Waikato Civil Defence and Emergency Management Group Joint Committee have approved Mark Bang to be appointed by Waitomo District Council as a Local Controller and Recovery Manager for civil defence and emergency management purposes.

1. Karakia Tuwhera

2. Apologies

Resolution

The apology from Councillor Wallace be received and leave of absence granted.

Robertson/Osborne Carried

3. Declarations of Member Conflicts of Interest

No declarations made.

4. Deputation: Terry and Davina Davey (PaperPlus) and Guy Whitaker (Appliance Plus) – Waitomo District Council Procurement Policy

Council received a deputation from Terry and Davina Davey (PaperPlus) and Guy Whitaker (Appliance Plus) in support of the draft Waitomo District Council Procurement Policy and recommending that Council lobby the promotion of shopping local to the Government.

Councillors thanked Terry and Davina Davey and Guy Whitaker for their deputation.

Resolution

The Deputation from Terry and Davina Davey and Guy Whitaker be received.

Robertson/Manawaiti Carried

Terry and Davina Davey and Guy Whitaker left the meeting at 9.15am

5. Deputation: Joshua Aguilar – Te Kumi Road Loud Noise and Shaking - Petition

Council received a deputation from Mr Joshua Aguilar and David La Varis on behalf of residents of Te Kumi Road regarding a Petition lodged with Council and Fulton Hogan about excessive noise and vibrations caused by truck and trailers hitting a wastewater manhole on Te Kumi Road which has been exacerbated since the last chip seal which has resulted in the seal level being raised so that manhole is not flush with the seal level.

Councillors thanked Joshua Aguilar and David La Varis for their deputation.

Resolution

1 The Deputation from Mr Joshua Aguilar on behalf of Te Kumi Road Residents relating to Loud Noise and Vibration issues be received.

2 Council requests a report from the Chief Executive giving the history of that particular manhole and potential solutions from a Council perspective.

Robertson/Buckley Carried

Mr Joshua Aguilar and David La Varis left the meeting at 9.30am.
The General Manager – Community Services left the meeting at 9.30am.

6. Confirmation of Minutes: 26 May 2026

Resolution

The Minutes of the Waitomo District Council meeting held on 26 May 2026, including the public excluded Minutes, be confirmed as a true and correct record.

Robertson/Osborne Carried

7. Mayor's Report – June 2026

Council considered the Mayor's Report for June 2026.

The Mayor expanded verbally on the business paper and answered Members questions.

Resolution

The Mayor's Report – June 2026 be received.

Robertson/Tasker Carried

8. Chief Executive's Report – June 2026

Council considered the Chief Executive's report providing an oversight of the organisation and its progress toward achieving its vision, outcomes, and priorities.

The Chief Executive expanded verbally on the business paper and answered Members questions.

Council acknowledged the work put in for the transfer of water and wastewater to Waikato Waters Limited effective tomorrow (1 July 2026).

Resolution

The Chief Executive Report – June 2026 be received.

Robertson/Goddard Carried

9. Local Government New Zealand – 2026 Annual General Meeting: Remits and Proposed Rule Change

Council considered a business paper presenting for consideration and determination on how Council wishes to vote at the 2026 Local Government New Zealand Annual General Meeting –

1 Proposed amendment to the Local Government New Zealand Rules
2 Remits Received

The Chief Executive and Manager – Governance Support expanded verbally on the business paper and answered Members questions.

The Chief Financial Officer entered the meeting at 10.10am.

Council noted that it would be beneficial for Council's Delegate to hear the discussion on some of the remits and agreed that the Delegate should be given authority to use their discretion in voting following those discussions at the Annual General Meeting.

Resolution

1 The business paper on Local Government New Zealand – 2026 Annual General Meeting (Remits and Proposed Rule Change) be received.

2 Council support the proposed amendment to Local Government New Zealand's Rules to allow Young Elected Members and Te Maruata to submit remits at future Local Government New Zealand Annual General Meetings.

3 The Mayor (as Presiding Delegate) or if required, the Chief Executive (as Alternate Presiding Delegate) be authorised to vote in support, opposition or to use his discretion on voting following remit discussion as follows:

Remit	Support /Oppose	Comments
1 Priorities for Dog Control Act reform	Support	
2 Improved regulation of vape retailers	Support	
3 Financial support for government reform implementation costs	Support	
4 Removal of Representation Review requirements during Simplifying Local Government reform	Support	
5 Devolution of place-naming authority to Territorial Authorities	Delegate Discretion	Note Risks: 1 Significant cost out onto councils 2 Loss of nationwide consistency
6 Enhanced role for government in supporting subnational diplomacy	Oppose	
7 Bulk funding of transport activities	Delegate Discretion	
8 Improving LTP audit requirements	Support	
9 A fairer approach to uneconomic transport infrastructure funding	Support	

Goddard/Manawaiti Carried

10. Bi-Monthly Activity Report: Corporate and Finance

Council considered a business paper providing an update on activities that form part of the Leadership/Governance Group including Finance.

The Chief Financial Officer and Chief Executive expanded verbally on the business paper and answered Members questions.

Resolution

The Bi-Monthly Activity Report: Corporate and Finance be received.

Manawaiti/Osborne Carried

Councillor Tasker left the meeting at 10.30am.
The meeting adjourned for morning at 10.30am and reconvened at 10.45am.

11. Civic Financial Services Ltd - 2026 Annual General Meeting and Annual Report 2025

Council considered a business paper providing a brief on the appointment of a Proxy to attend the 2026 Civic Financial Services Limited Annual General Meeting and to present the Annual Report for Civic Financial Services Limited (CFSL) for the year ended 31 December 2025.

The Chief Financial Officer and Manager – Governance Support expanded verbally on the business paper and answered Members questions.

Resolution

1 The business paper on Civic Financial Services Limited – 2026 Annual General Meeting and Annual Report 2025 be received.

2 The Civic Financial Services Ltd Annual Report for the year ended 31 December 2025 be received.

Goddard/Osborne Carried

The General Manager – Community Services entered the meeting at 10.49am.

12. Financial Report to 31 May 2026

Council considered a business paper providing an overall progress report on WDC's financial activities for the period ended 31 May 2026.

The Chief Financial Officer and Chief Executive expanded verbally on the business paper and answered Members questions.

Resolution

The Financial Report to 31 May 2026 be received.

Manawaiti/Goddard Carried

The Manager – Strategy and Policy and Policy Advisor entered the meeting at 10.52am.
The Chief Financial Officer left the meeting at 10.55am.

13. Bi-Monthly Activity Report: Strategy and Environment

Council considered a business paper providing an update on work programmes that form part of the Strategy and Environment group.

The Chief Executive and General Manager – Community Services expanded verbally on the business paper and answered Members questions.

Resolution

The business paper on Bi-Monthly Strategy and Environment Group Report be received.

Buckley/Manawaiti Carried

14. Adoption of Drone Policy

Council considered a business paper presenting the Waitomo District Council Drone Policy 2026 for adoption.

The Manager – Strategy and Policy and Policy Advisor expanded verbally on the business paper and answered Members questions.

Resolution

1 The business paper on Adoption of Waitomo District Council Drone Policy 2026 be received.

2 The Council adopt the redrafted Waitomo District Council Drone Policy 2026 as presented.

3 The Chief Executive be authorised to make any final editorial amendments that may be necessary.

Robertson/Manawaiti Carried

15. Adoption of Procurement Policy and Sensitive Expenditure Policy

Council considered a business paper presenting the reviewed Procurement Policy and Sensitive Expenditure Policy for Council adoption.

The Manager – Strategy and Policy expanded verbally on the business paper and answered Members questions.

Council noted the deputation made at the start of the meeting in support of the buy local provision in the Procurement Policy 2026 as presented.

Resolution

1 The business paper on Adoption of Procurement Policy and Sensitive Expenditure Policy be received.

2 The Procurement Policy 2026 be adopted with approval given to the Chief Executive to make minor editorial amendments as required.

3 The Sensitive Expenditure Policy 2026 be adopted with approval given to the Chief Executive to make minor editorial amendments as required.

Osborne/Buckley Carried

16. WDC's Local Government Official Information Act 1987 (LGOIMA) Policy

Council considered a business paper presenting, for information only, the Waitomo District Council's Local Government Official Information and Meetings Act 1987 (LGOIMA) Policy.

The Manager – Strategy and Policy expanded verbally on the business paper and answered Members questions.

Resolution

The business paper on WDC’s Local Government Official Information and Meetings Act 1987 Policy be received.

Goddard/Manawaiti Carried

17. Adoption of Solid Waste Bylaw

Council considered a business paper presenting the Waitomo District Council Solid Waste Bylaw 2026 for adoption to come into effect from 1 July 2026.

The Manager – Strategy and Policy and Policy Advisor expanded verbally on the business paper and answered Members questions.

Resolution

1 The business paper on Waitomo District Council Solid Waste Bylaw 2026 be received.

2 Council adopt the Waitomo District Council Solid Waste Bylaw 2026 as consulted to come into effect from 1 July 2026.

3 The Solid Waste Bylaw dated 2014 be revoked.

Robertson/Manawaiti Carried

18. Adoption of Treasury Policy

Council considered a business paper presenting the draft Treasury Policy 2026 for consideration and adoption.

The Chief Financial Officer expanded verbally on the business paper and answered Members questions.

Resolution

1 The business paper on the Adoption of the Treasury Policy 2026 be received.

2 The Treasury Policy 2026 be adopted.

Robertson/Osborne Carried

19. Adoption of Annual Plan 2026/2027, Supporting Policies and Fees and Charges 2026/2027

Council considered a business paper -

a) Presenting the draft Revenue and Financing Policy 2026 as per Section 102 of the Local Government Act 2002, the draft Significance and Engagement Policy 2026 and the draft Appointment of Directors to Council Controlled Organisations Policy 2026 for consideration and adoption; and

b) Presenting a draft Annual Plan 2026/27 for consideration and adoption as per Section 95 of the Local Government Act 2002; and

c) Requiring Council to set the rates for the 2026-27 financial year pursuant to Sections 23 and 24 of the Local Government (Rating) Act 2002; and

d) For Council to set Fees and Charges for the 2026/27 financial year.

The Chief Financial Officer and Manager – Strategy and Policy expanded verbally on the business paper noting the rates revenue requirement represents an increase of 2.88% for rates revenue (excluding water and wastewater) for the rating year (Annual Plan 2026/2027), and 3.79% including water and wastewater.

The Deputy Mayor let the meeting at 12.00 midday.

Resolution

1 The business paper on Adoption of the Annual Plan 2026/2027, Supporting Policies and Fees and Charges 2026/27 be received.

2 Council adopts the Revenue and Financing Policy 2026 as presented without amendments.

3 Council adopts the Significance and Engagement Policy 2026 as presented without amendments.

4 Council adopts the Appointment of Directors to Council Controlled Organisations Policy 2026 as presented without amendments.

5 Council adopts the Annual Plan 2026/27 document including Fees and Charges schedule for 2026/27.

6 The Chief Executive be authorised to make any final editorial amendments to the Annual Plan 2026/27 document, and any changes directed by the Council at this meeting.

7 Pursuant to Sections 23 and 24 of the Local Government (Rating) Act 2002, Council set the rates, charges, and instalment due dates for the 2026/27 financial year commencing 1 July 2026 and ending on 30 June 2027 as follows:

1. GENERAL RATE

A General Rate set under section 13 of the Local Government (Rating) Act 2002 (LGRA) made on every rating unit across the District, assessed as a rate per $100 of capital value. The General Rate is not set differentially. The General Rate will contribute to the funding of:

Leadership
Other Land and Buildings
District Libraries
Aquatic Centre
Les Munro Centre
Aerodrome
Public Facilities
Parks and Reserves
Elderly Persons Housing
Community Halls
Cemeteries
Community Development
Economic Development
District Promotion
Emergency Management
Regulatory Services
Waste Minimisation
Resource Management
Gallagher Recreation Centre

Requirement in 2026/27 (incl. GST)

General Rate	Rate per $100 capital value	Total Revenue Requirement ($000)
All rating units in the District	0.25433	11,987

2. UNIFORM ANNUAL GENERAL CHARGE

A Uniform Annual General Charge (UAGC) per separately used or inhabited part of a rating unit across the District, set under Section 15(1)(b) of the LGRA. The UAGC will contribute to the funding of:

Leadership
Other Land and Buildings
District Libraries
Aquatic Centre
Les Munro Centre
Aerodrome
Public Facilities
Parks and Reserves
Elderly Persons Housing
Community Halls
Cemeteries
Community Development
Economic Development
District Promotion
Emergency Management
Regulatory Services
Waste Minimisation
Resource Management
Gallagher Recreation Centre

Requirement in 2026/27 (incl. GST)

Uniform Annual General Charge	Charge per SUIP	Total Revenue Requirement ($000)
All rating units in the district	$100	559

Definition of SUIP

A separately used or occupied part of a rating unit includes any part of a rating unit that is used or occupied by any person, other than the ratepayer, having a right to use or inhabit that part by virtue of a tenancy, lease, licence, or other agreement, or any part or parts of a rating unit that are used or occupied by the ratepayer for more than one single use. This definition includes separately used parts, whether or not actually occupied at any particular time, which are provided by the owner for rental (or other form of occupation) on an occasional or long-term basis by someone other than the owner.

For the avoidance of doubt, a rating unit that has only one use (i.e. does not have separate parts or is vacant land) is treated as being one SUIP.

3. TARGETED RATES

Targeted Rates are set on categories of land defined by some factor, such as geographic location, provision of service, area or the use to which the land is put. The titles of 'Targeted Rate' (TR) and 'Targeted Fixed Rate' (TFR) are used by this Council. Targeted Fixed Rates are based on a uniform amount set per separately used or inhabited part of a rating unit (SUIP) or set per rating unit. Targeted Rates are assessed based on capital value or water consumption.

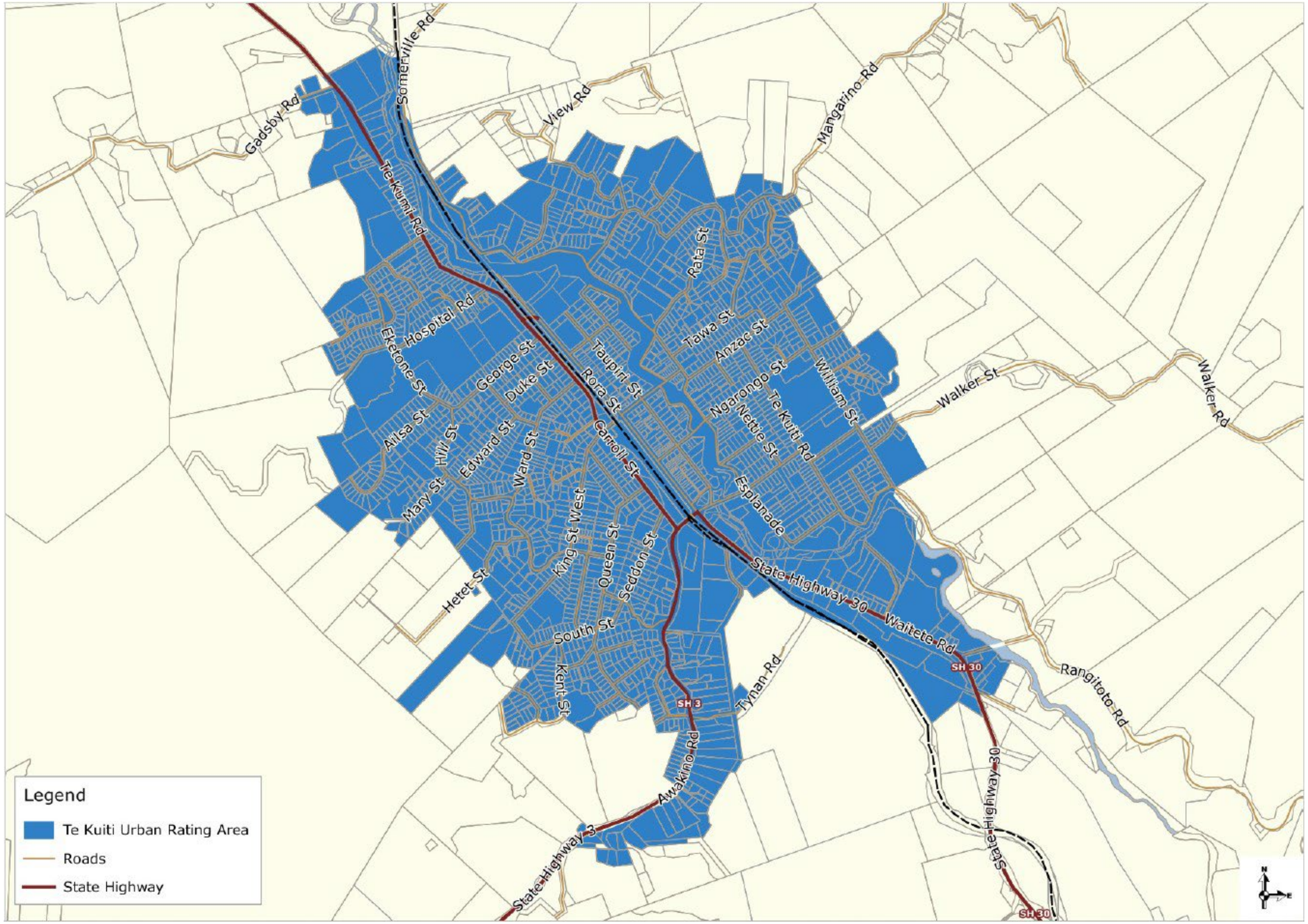
Targeted Rates Differentiated on Location

Council will use location (Schedule 2(6) LGRA) to define the land liable for the Rural Stormwater TFR, and Te Kūiti Urban Stormwater TFR and targeted rate.

The following location definitions for the respective rating areas and maps will apply:

Te Kūiti Urban Rating Area	All rating units situated within the Te Kūiti Urban Rating Area (Refer to Revenue and Financing Policy for further details)
Rural Rating Area	All rating units situated within the Rural Rating Area (Refer to Revenue and Financing Policy for further details)

TE KŪITI URBAN RATING AREA



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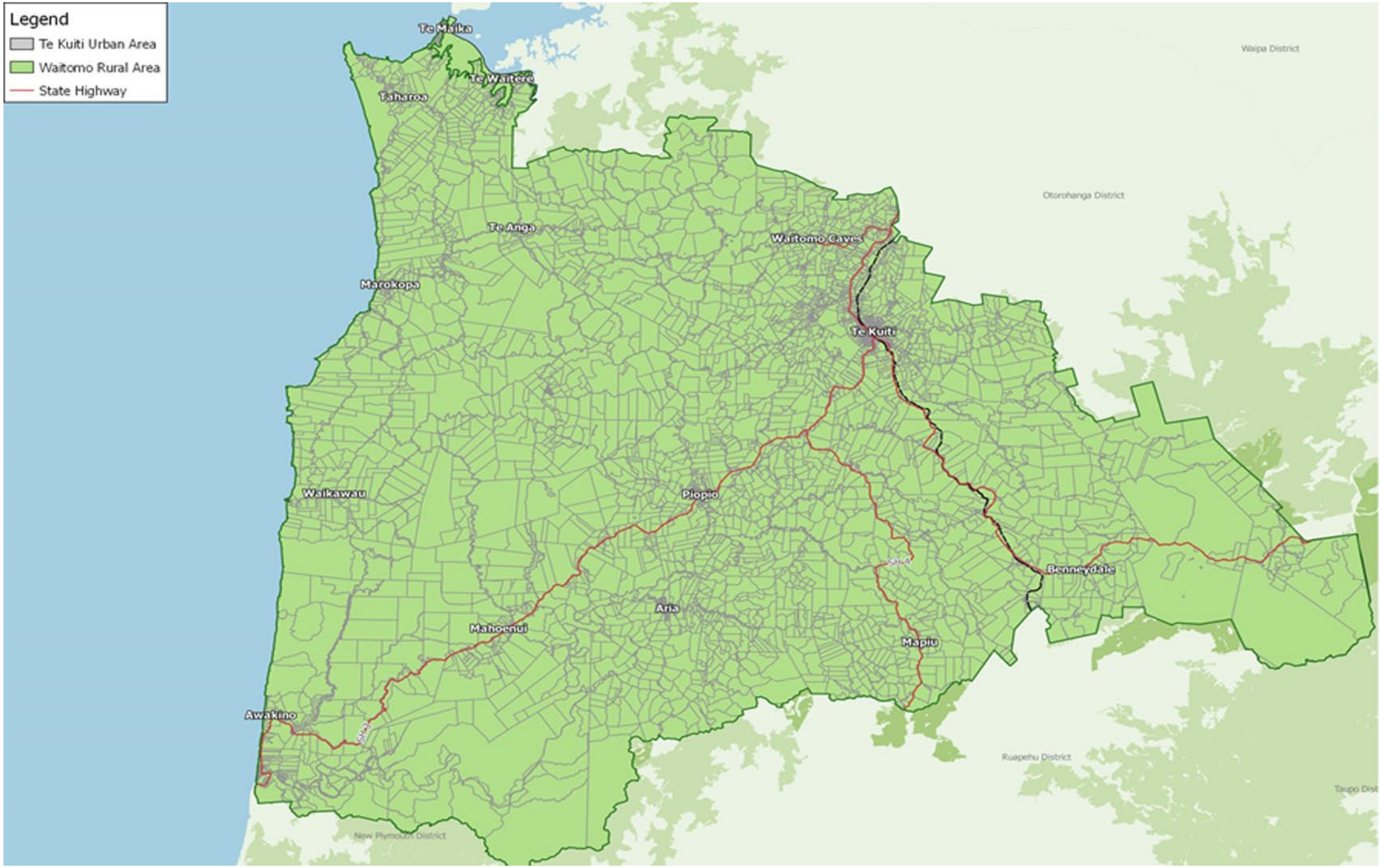
RURAL RATING AREA



Differentials and factors of liability

Targeted rates may be set differentially, with different categories of land attracting a different level of rate. Council has chosen to differentiate the District Roading Rate into two categories and will use the 'use to which the land is put' to define land liable for these rates (schedule 2 (1) LGRA).

Differential Category Definitions

The following land use categories and differential factors will apply to the District Roading Rate:

a) District Roading Rate - General

All rating units in the district excluding those properties categorised as differential b) below.

The District Roading Rate – General category will have a differential factor of 1.0.

b) District Roading Rate -Forestry Exotic

Rating units that have been assigned the FE category code (Forestry Exotic) by Council's Valuation Service Provider and/or properties that are partially used for exotic forestry.

The District Roading Rate – Forestry Exotic category will have a differential factor of 3.0.

Properties with a mixed use

Where rating units have a mixed use (e.g., pastoral and exotic forestry), and the area of exotic forestry is 20 hectares or more, the rating unit will be apportioned to enable the district roading rate to be charged correctly.

The portion used for exotic forestry will be charged the differential of 3.0 and the remaining portion will be charged the differential of 1.0.

3.1 District Roading Rates

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 on every rating unit within the district differentiated on the basis of use. The TR will be assessed as a rate per $100 of capital value to part fund the Roads and Footpaths Activity. The rationale for use of this rate is contained in the Revenue and Financing Policy.

District Roading Rates (TR)	Rate per $100 Capital Value	Total Revenue Requirement ($000)
District Roading Rate – General	0.12464	5,748
District Roading Rate – Forestry Exotic	0.37392	379

3.2 Rural Stormwater TFR

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 per separately used or inhabited part of a rating unit in the Rural Rating Area of the District to fund the Rural Stormwater Activity.

Requirement in 2026/27 (incl. GST)

Rural Stormwater (TFR)	Charge per SUIP	Total Revenue Requirement ($000)
Rural Rating Area	$26	92

3.3 Te Kūiti Urban Stormwater TFR and Targeted Rate

(i) Council set a TFR under section 16 of the Local Government (Rating) Act 2002 per rating unit in the Te Kūiti Urban Rating Area to partly fund the Te Kūiti Urban Stormwater Activity.

(ii) Council set a Targeted Rate under section 16 of the Local Government (Rating) Act 2002 to partly fund the Te Kūiti Urban Stormwater Activity, to be assessed as a rate per $100 of Capital value on every rating unit in the Te Kūiti Urban Rating Area excluding those in respect of which there is a current resource consent to discharge stormwater into the Mangaokewa Stream, and so are not using any part of the urban reticulated stormwater or drainage network.

Requirement in 2026/27 (incl. GST)

Te Kūiti Urban Stormwater (TFR)	Charge per rating unit	Total Revenue Requirement ($000)
Te Kūiti Urban Rating Area	$198	367

Te Kūiti Urban Stormwater Targeted Rate (TR)	Rate per $100 Capital Value	Total Revenue Requirement ($000)
Te Kūiti Urban Rating Area (excluding rating units not using network)	0.08613	675

3.4 Water Supply Rates

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 for Water Supply differentiated on the basis of supply area. The TFR is set per separately used or inhabited part of a rating unit within Te Kūiti and Rural Communities (Piopio, Maniaiti/Benneydale and Mokau), with liability calculated based on whether the SUIP is connected, or merely serviceable (Serviceable means the rating unit is within 100m of water main and practicably serviceable in the opinion of Waikato Waters Limited).

Requirement in 2026/27 (incl. GST)

Water Supply (TFR)	Charge		Total Revenue Requirement ($000)
	Per connected SUIP	Per serviceable SUIP	
Te Kūiti	$1,127	$563	2,438
Piopio	$1,583	$791	395
Maniaiti/Benneydale	$1,583	$791	200
Mokau	$1,583	$791	353

3.5 Extraordinary Water Supply Rate

Council set a TR under section 19 of the Local Government (Rating) Act 2002 per cubic metre of water consumed over and above an annual consumption of 292m3 per SUIP, differentiated by supply area that has been fitted with a water meter and/or is defined as having an extraordinary supply (in accordance with Council's Water Services Bylaw). The rates are:

Requirement in 2026/27 (incl. GST)

Water Supply Rate (TR)	2026/27 Charge per cubic metre (including GST) above 292m^3
Te Kūiti	$4.89
Piopio	$5.33

Water Supply Rate (TR)	2026/27 Charge per cubic metre (including GST) above 292m^3
Maniaiti/Benneydale	$5.87
Mokau	$7.81
Total Revenue Requirement ($000)	$1,636

Metered Water Supply Due Dates

	Reading Period	Due Date
Te Kūiti Meat Companies	Monthly	15th of the month following invoice
Te Kūiti, Piopio, Mokau and Maniaiti/Benneydale	Jul – Dec 2026 Jan – Jun 2027	15th of the month following invoice

3.6 Wastewater Rates

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 to provide for the collection and disposal of sewage. The TFR is set per separately used or inhabited part of a rating unit within the district, with liability calculated based on whether the SUIP is connected to the wastewater network, or merely serviceable (Serviceable means the rating unit is within 30m of sewer reticulation and practicably serviceable in the opinion of Waikato Waters Limited).

Requirement in 2026/27 (incl. GST)

Wastewater (TFR)	Charge		Total Revenue Requirement ($000)
	Per connected SUIP	Per serviceable SUIP	
Te Kūiti (Residential only)	$1,506	$753	2,662
Maniaiti/Benneydale (Residential and Non-residential)	$1,506	$753	175
Te Waitere (Residential and Non-residential)	$1,506	$753	29
Piopio (Residential and Non-residential)	$1,506	$753	315

3.7 Wastewater rates for non-residential properties in Te Kūiti

For all non-residential properties in Te Kūiti, Council set a TFR under section 16 of the Local Government (Rating) Act 2002 per SUIP set on a differential basis based on the following Categories

- **Category 1** - All Businesses
- **Category 2** - Education & Community Childcare, Places of Worship, Marae, Clubs and Societies and Emergency Services. This category consists of organisations that are generally deemed 'not for profit'. For avoidance of doubt, Category 2 only covers properties with uses listed within this category and no others.
- **Category 3** - Government Department use, Rest Homes and Hospitals.

All non-residential SUIPs will be charged one base charge for up to four pans and per pan (Pan Charge) for every pan over and above this threshold on the following basis:

Base Charge:

Requirement in 2026/27 (incl. GST)

Non- Residential Targeted Rate (TFR)	Base Charge per SUIP (up to 4 pans)	Per serviceable SUIP	Total Revenue Requirement ($000)
Category 1	$753	$753	153
Category 2	$753	$753	33
Category 3	$1,506	$753	24

Pan Charge:

Requirement in 2026/27 (incl. GST)

Non- Residential Targeted Rate (TFR)	Number of pans	Charge per pan (Pan Charge)	Total Revenue Requirement ($000)
Category 1	5th pan and over	$1,054	109
Category 2	5-10 Pans	$452	7
	Over 10 Pans	$301	36
Category 3	5th pan and over	$1,054	64

3.8 Solid Waste Collection Rate

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 per separately used or inhabited part of a rating unit to which Council provides a kerbside collection and recycling service differentiated by service areas where Council operates kerbside collection and kerbside recycling services (Te Kūiti, Piopio, Mokau (including Awakino) communities and Waitomo Village and some surrounding parts).

Requirement in 2026/27 (incl. GST)

Solid Waste Collection (TFR)	Charge per SUIP	Total Revenue Requirement ($000)
Te Kūiti	$119	252
Waitomo	$140	95
Piopio	$210	50
Mokau	$195	55

3.9 Solid Waste Rate

Council set a TFR under section 16 of the Local Government (Rating) Act 2002 per separately used or inhabited part of a rating unit District wide to part fund the Solid Waste activity.

Requirement in 2026/27 (incl. GST)

Solid Waste (TFR)	Charge per SUIP	Total Revenue Requirement ($000)
All rating units in the District	$324	1,804

4 RATES PAYMENTS

Rates will be payable in four equal instalments with the due dates for payments being:

1st Instalment	31 August 2026 (Monday)
2nd Instalment	30 November 2026 (Monday)
3rd Instalment	26 February 2027 (Friday)
4th instalment	31 May 2027 (Monday)

Note: The due date for payment of each instalment is the last working day in each of the months specified above. Rates payments will be allocated to the oldest debt first.

5. RATES REMISSIONS AND POSTPONEMENTS

Council has developed a rates remissions policy as per LGA (section 102 (3)(a), 108 and 109) and LGRA (Section 85). Remission categories include Properties Used Jointly as a Single Unit, Community Organisations and Clubs and Societies, Organisations Providing Care for the Elderly, New Residential Subdivisions, Māori Freehold Land, Cases of Land Affected by Natural Calamity, Cases of Financial Hardship, New Businesses, Penalties, and Rates and/or penalties following a Rating Sale or Abandoned Land Sale. The estimated value of these remissions is $225,400 (excluding GST) for the 2026/27 year.

Under the Policy on Remission of Rates, Council will not offer any permanent postponements of rates.

6. PENALTIES

Pursuant to sections 57 and 58 of the Local Government (Rating) Act 2002, Council may apply penalties as follows:

(a) A penalty charge of 10 percent (10%) on any part of an instalment that has been assessed for the financial year commencing 1 July 2026 and which remains unpaid after 5pm on the due date for payment of that instalment, to be added on the penalty dates below:

Instalment 1	2 September 2026
Instalment 2	2 December 2026
Instalment 3	2 March 2027
Instalment 4	2 June 2027

(b) A further penalty charge of 10 percent (10%) on any part of any rates assessed before 1 July 2026 that remains unpaid on 1 July 2026, to be added on 6 July 2026.

(c) No penalties will be charged where a ratepayer is paying rates by direct debit or where there is an approved payment arrangement in place.

Robertson/Osborne Carried

The Deputy Mayor re-entered the meeting at 12.04pm.
The Chief Financial Officer left the meeting at 12.05pm.

20. Adoption of Waitomo District Council Vision Statement

Council considered a business paper presenting an alternative te reo Māori translation for the Waitomo District Council's Vision Statement which includes the sentiment behind the vision rather than just translation of the phrase.

The Manager – Strategy and Policy and Deputy Mayor Manawaiti expanded verbally on the business paper.

Council noted the recommended Vision Statement phrase "Mā tātou" emphasises collective responsibility and action, while "whakairo" carries the meaning of shaping or carving with purpose and intention. Within te ao Māori, whakairo is more than a physical act; it reflects identity, values, aspirations, and the legacy left for future generations. As a result, Mā tātou tō tātou rohe e whakairo conveys the idea of communities, leaders, and future generations working together to intentionally shape the future of the district. It aligns strongly with concepts of stewardship, collective ownership, and long-term vision.

Resolution

1 The business paper on Adoption of Waitomo District Council Vision Statement be received.

2 The suggested Vision Statement be adopted for Waitomo District Council and as part of the Strategic Direction for the 2027-2037 Long Term Plan as follows:

Waitomo
District Council

Mā tātou tō tātou rohe e whakairo
Shaping our district together

Manawaiti/Osborne Carried

21. Delegation of Bylaw Functions to Waikato Waters Limited

Council considered a business paper seeking –

1 Approval from Council to delegate administration functions and enforcement powers of Waitomo District Council Water Services and Trade Waste Bylaws to Waikato Waters Limited.

2 Approval to enter into a Memorandum of Understanding with Waikato Waters Limited and its other shareholding councils in relation to the process that will apply to the joint review of water services bylaws as required under the Local Government (Water Services) Act 2025.

The Manager – Strategy and Policy and Chief Executive expanded verbally on the business paper and answered Members questions.

Resolution

1 The business paper on Delegation of Water Services and Trade Waste Bylaws functions to Waikato Waters Limited be received.

2 Pursuant to, and to the extent permitted under, section 262 of the Local Government (Water Services) Act 2025 and clause 32(5) of Schedule 7 to the Local Government Act 2002, delegates to Waikato Waters Limited all functions and powers of Council relating to the administration and enforcement of the Waitomo District Council Water Supply Bylaw 2015, excluding any powers or functions relating to Stormwater under Part C, and any power to set fees, charges, or rates.

3 Pursuant to, and to the extent permitted under, section 262 of the Local Government (Water Services) Act 2025 and clause 32(5) of Schedule 7 to the Local Government Act 2002, delegates to Waikato Waters Limited all functions and powers of Council relating to the administration and enforcement of the Waitomo District Council Trade Waste Bylaw 2006 (Amended 2016) and excluding any power to set fees, charges, or rates.

4 Agrees to enter into a Memorandum of Understanding with Waikato Waters Limited and its shareholding councils substantially in the form set out in Attachment 1 to this paper, in relation to requirements for the joint review of Bylaws and associated matters.

5 Delegates authority to the Chief Executive to finalise and sign the MoU and finalise and sign such documentation as required to notify Waikato Waters Limited of the delegations and to record Waikato Waters Limited's acceptance of such delegations.

6 Delegates authority to the Chief Executive to notify Waikato Waters Limited of the delegations, record Waikato Waters Limited's acceptance of such delegations, and the WDC Delegation Register be updated in accordance with these delegations once accepted by Waikato Waters Limited Chief Executive.

7 Delegates authority to the Chief Executive to revoke the delegations by mutual agreement between Waitomo District Council and Waikato Waters Limited.

Robertson/Manawaiti Carried

22. Appointment of Civil Defence and Emergency Management Local Controller and Recovery Manager

Council considered a business paper seeking Council's endorsement for the appointment of a Local Controller and Recovery Manager for Waitomo District Council.

The Manager – Governance Support and Chief Executive expanded verbally on the business paper advising that the Waikato Civil Defence and Emergency Management Group Joint Committee has now confirmed Mark Bang being appointed as a Tier 3 Controller for Western Waikato Shared Services (Waipā, Ōtorohanga and Waitomo District Councils) and as Tier 3 Recovery Manager for Waitomo District Council.

Resolution

1 The business paper on Appointment of Waitomo District Council Local Controller be received.

2 Council endorse the appointment of Mark Bang as Local Controller and Recovery Manager for Waitomo District Council until 31 December 2026.

Manawaiti/Goddard Carried

23. Karakia Whakamutunga

There being no further business the meeting closed at 12.40pm

Dated this day of

JOHN ROBERTSON
MAYOR

WAITOMO DISTRICT COUNCIL
Te Raangai Whakakaupapa Koorero (Māori Relations Committee)

MINUTES OF A MEETING OF THE WAITOMO DISTRICT COUNCIL TE RAANGAI WHAKAKAUPAPA KOORERO (MĀORI RELATIONS COMMITTEE) HELD IN THE COUNCIL CHAMBERS, QUEEN STREET, TE KŪITI ON SUNDAY 21 JUNE 2026 AT 10.00AM

PRESENT:	Deputy Mayor Eady Manawaiti (Chair) Mayor John Robertson Councillor Dan Tasker Councillor Isaiah Wallace	
STAFF:	Chief Executive, Ben Smit Manager – Governance Support, Michelle Higgie Manager – Customer and Digital Services, Kat Merrin-Brown	

IN ATTENDANCE:

ONLINE:	Brian Nicholas	Pou Ārahi for the New Zealand Transport Agency Waka Kotahi
IN PERSON:	Cathy Shaw	Western Waikato Emergency Management Coordinator
	Rodney Dow	Mayor, Ōtorohanga District Council
	Ata Te Kanawa	Oparure
	Jamie Tamaki	Ōtorohanga
	Sydney Smith	Hangatiki
	Maude Green	Rōpū Whakahaere o Rereamanu Marae / Te Whare Hauāuru ki Uta
	Niki Koroheke	Rōpū Whakahaere o Te Kauae Marae
	Dawn Magna	Co-Chair Te Whare Hauāuru ki Uta / Rōpū Whakahaere o Pohatuiri Marae
	Kristen Pari	Te Nehenehenui Welfare
	Kim Hancy	Te Whare ki Mōkau ki Runga
	Kale Pompei	Te Rūnanga o Ngāti Mahuta ki te Hauāuru
	Muiora Barry	Te Whare ki Mōkau ki Runga (entered 10.55am)

1. Karakia Tuwhera

2. Apologies

Apologies were noted for the Whare Rōpū Forum as follows:

- Dion Ormsby (Te Whare ki Ngā Tai o Kāwhia)
- Andrew Corkill (Director Regional Relationships, NZ Transport Agency Waka Kotahi)
- Mark Bang (Waitomo District Council Civil Defence and Emergency Management)
- Tanya Winter (Chief Executive, Otorohanga District Council)
- Melaina Huaki, Ngāti Mahuta

3. Declarations of Member Conflicts of Interest

No declarations made.

Robertson/Manawaiti Carried

4. Temporary Suspension of Standing Orders for Whare Rōpū Forum

The Committee considered a business paper recommending the temporary suspension of Standing Order "15.1 Time limits/Ngā tepenga wā" to remove time limit restrictions for both the length of time of the Forum and the speaking time of individual speakers in order to meet the intent of Committee in hosting the Whare Rōpū Forum as part of its meeting.

The Manager – Governance Support expanded verbally on the business paper and answered Members questions.

Resolution

1 The business paper on Temporary Suspension of Standing Orders for the Whare Rōpū Forum be received.

Manawaiti/Tasker Carried

2 Standing Order 15.1 "Time limits/Ngā tepenga wā" be temporarily suspended for the duration of the Whare Rōpū Forum so as not to limit the length of time required for the Forum or restrict the length of time individual speakers may speak. This Standing Order will be deemed reinstated at the conclusion of the Whare Rōpū Forum portion of this meeting.

Manawaiti/Wallace Carried

5. Whare Rōpū Forum

5.1 Whakawhanaungatanga

5.2 Simplifying Local Government – Head Start Process

The meeting considered a business paper providing a high level briefing on the Simplifying Local Government process and the Waitomo District Council's decision to develop a 'Head Start' proposal with Otorohanga District Council for submission to Central Government by 9 August 2026.

10.30am Brian Nicholas, Pou Ārahi for the New Zealand Transport Agency Waka Kotahi joined the meeting online.

Chair Manawaiti gave a brief introduction to the position being taken jointly by Waitomo and Otorohanga District Councils.

The Chief Executive expanded on the business paper providing a high level explanation of the Government's Simplifying Local Government Head Start process and the progress being made by Waitomo and Otorohanga District Councils.

Waitomo District Mayor, John Robertson spoke on historical local government amalgamations throughout New Zealand and Waitomo's position on the upcoming amalgamations.

Otorohanga Mayor Rodney Dow supported Mayor Robertson's explanation of the two Councils position and highlighted that Otorohanga and Waitomo people are the same type of people being rural/west coast people and not urban people.

10.44am The Chair invited Brian Nicholas, Pou Ārahi for the New Zealand Transport Agency Waka Kotahi to introduce himself. It was agreed that Brian would leave the meeting and rejoin when the Hangatiki Roundabout item begins.

10.55am Muiora Barry, Te Whare ki Mōkau ki Runga entered the meeting.

Chair Manawaiti explained that as Chair of the Council's Māori Relations Committee he wants the seven Whare to provide their feedback on the King Country Council proposal.

Forum members in attendance spoke to the King Country Council proposal and were generally supportive of the position taken by the two Councils.

The Chief Executive acknowledged the korero noting that the door will be left open for Ruapehu to join and sought whare assistance to korero with whare from Ruapehu as it is deemed more appropriate for those discussions to be whare to whare and not Council to whare.

Mayor Robertson stated the importance of whare informing their people and gaining their agreement so momentum can be built ahead of lodging the Head Start proposal with the Government.

11.50am Brian Nicholas, Pou Ārahi for the New Zealand Transport Agency Waka Kotahi rejoined the meeting

5.3 Hangatiki Roundabout Concerns

The meeting considered a business paper advising that representatives of Rōpū Whakahaere o Rereamanu Marae on behalf of Ngā Marae o Te Whare Hauāuru ki Uta will brief the hui on concerns regarding the roundabout at Hangatiki at the intersection of State Highways 3 and 37 and providing background information on the roundabout.

Brian Nicholas, Pou Ārahi for the New Zealand Transport Agency Waka Kotahi was in attendance online and undertook to meet outside today's Forum with Maude Green and other stakeholders to address the concerns raised.

12.06am Brian Nicholas, Pou Ārahi for the New Zealand Transport Agency Waka Kotahi and Councillor Wallace left the meeting at 12.10pm.

The meeting adjourned for lunch at 12.10pm and reconvened at 12.25pm.

5.4 Oparure Village – Welcome Sign Concept

Ata Te Kanawa on behalf of the Oparure Village Sign Work Group addressed the Committee on recommendations for a sign concept for Oparure Village welcome signage with a PowerPoint Presentation with recommendations as follows:

1. That the Welcome Sign size be 3000 x 1500
2. That the Welcome Sign be accompanied with a Farewell sign.
3. That the text be (1): NAU MAI KI OPARURE - WELCOME
4. That the text be (2): HAERE RA - FAREWELL
5. That the design element be the KŌTARE *(see image below)*
6. That one set of signs be erected roadside before the first bridge (from SH3)
7. That one set of signs be erected roadside before Charlie Smart property from Mangawhitikau end.

The Chief Executive undertook to progress the concept and recommendations in liaison with Ata Te Kanawa.

Dawn Magna advised the meeting that Te Whare Hauāuru ki Uta endorses the recommendations for Oparure signage.

5.5 Civil Defence and Emergency Management – Marae Emergency Preparedness Plans

Cathie Shaw, Emergency Management Co-ordinator, Western Waikato supported by Kristen Pari, Senior Advisor, Te Nehenehenui and Kale Pompei briefed attendees on Marae Emergency Preparedness Plans and answered questions.

5.6 Waitomo District Council Long Term Plan 2027-2037 Development – PowerPoint Presentation

The Chief Executive provided a briefing on the process and timeline for development of Waitomo District Council's 2027-2037 Long Term Plan (LTP) by way of PowerPoint Presentation and invited Whare to present any items they wish included in the Long Term Plan before December 2026.

The Mayor and Chief Executive reiterated that items/projects can be brought to the Committee and/or Council at any time and the Chief Executive provided the following process explanation:

Projects requiring Council's support (Letters of support):	A letter(s) of support from the Mayor and/or Council can be requested at any time by contacting either the Te Raangai Whakakaupapa Koorero Committee Chair or the Mayor directly. Example: A letter from the Mayor/Council supporting a project funding application
Projects requiring funding sourced within existing Council budgets:	For projects where funding is sought and which can be funded within existing Council budgets - 1 Present the project and funding request to the Te Raangai Whakakaupapa Koorero Committee. 2 If the Committee supports the project and application and it can be funded from within existing budgets the Committee can authorise the Chief Executive to proceed with funding the project. Example: The recent Road Name Change – Te Kumi Station Road renamed Tuariri Road.
Items requiring significant new Council funding (not within current budgets):	For significant projects where Council support and funding is being sought – 1 A detailed project plan will need to be presented to the Te Raangai Whakakaupapa Koorero Committee to obtain support. 2 If the Committee supports the proposal, it will make a recommendation to Council for funding to be included in either a Long Term Plan or Annual Plan budget. Note: This type of application would need to meet certain criteria i.e. evidence of community benefit.

5.7 Revitalisation of the Les Munro Centre

The Chief Executive provided a briefing on the proposed revitalisation of the Les Munro Centre, advising that Ata Te Kanawa has been brought on board to assist with Māori cultural aspects and answered questions.

The Chair thanked attendees to the Whare Rōpū Forum for their korero, advising that Standing Orders will now be reinstated and that Forum attendees are not expected to stay for the formal meeting but are welcome to do so.

The majority of Whare Rōpū Forum attendees left the meeting at 2.10pm.

6. Te Raangai Whakakaupapa Koorero: Resolutions arising from Whare Rōpū Forum

The Committee noted resolutions applicable to Whare Rōpū Forum items as follows:

Resolutions

Simplifying Local Government – Head Start Process

1 The Committee notes that the Whare Rōpū Forum supports the amalgamation of the Otorohanga and Waitomo District Councils to form a King Country Council.

2 The Committee notes the Whare Rōpū Forum encouragement for the two Councils to reach out to the Councils of Ruapehu, Waipa and Taupo to suggest that the parts of these Councils with connections to Te Rohe Potae might consider joining with the King Country Council.

Hangatiki Roundabout Concerns

1 The Committee notes that the Whare Rōpū Forum supports the efforts to engage with New Zealand Transport Agency Waka Kotahi to enhance and add cultural value to the Hangatiki Roundabout.

Oparure Village – Welcome Sign Concept

1 The Committee notes that the Whare Rōpū Forum supports the concept of having welcome and farewell signage for Oparure Village.

2 The Committee notes the advice of Dawn Magna, Co-Chair Te Whare Hauāuru ki Uta, that Te Whare Hauāuru ki Uta endorses the recommendations for Oparure signage.

Tasker/Robertson Carried

7. Te Raangai Whakakaupapa Koorero: Terms of Reference

The Committee considered a business paper presenting the Terms of Reference for Te Raangai Whakakaupapa Koorero (Māori Relations Committee) adopted by Council on 25November 2025 following establishment of TRWK for the 2025-2028 Triennium.

The Manager – Governance Support and Chair expanded verbally on the business paper and answered Members questions.

Resolution

1 The business paper on Te Raangai Whakakaupapa Koorero (Māori Relations Committee) – Terms of Reference be received.

2 The Te Raangai Whakakaupapa Koorero (Māori Relations Committee) Terms of Reference be noted.

Manawaiti/Tasker Carried

8. Te Raangai Whakakaupapa Koorero: Activity Report – June 2026

The Committee considered a business paper documenting for recording and transparency purposes, the activities of Te Raangai Whakakaupapa Koorero (Māori Relations Committee) members during the period October 2025 (post local elections) to May 2026.

Resolution

The Activity Report – June 2026 be received.

Manawaiti/Robertson Carried

9. Te Raangai Whakakaupapa Koorero: Work Plan 2026

The Committee considered a business paper providing an update on progress against the Te Raangai Whakakaupapa Koorero Work Plan.

The Chief Executive expanded verbally on the business paper and answered Members questions.

Resolution

The business paper on Te Raangai Whakakaupapa Koorero – Work Plan be received.

Manawaiti/Tasker Carried

10. Karakia Whakamutunga

There being no further business the meeting closed at 2.20pm

Dated this day of

EADY MANAWAITI
DEPUTY MAYOR
TE RAANGAI WHAKAKAUPAPA KOORERO CHAIR

Document ID: 986694

Report To: Council

Meeting Date:	28 July 2026
Subject:	**Bi-Monthly Activity Report: Community Services Group**
Type:	Information Only
Author(s):	Helen Beever General Manager – Community Services

1. Purpose of Report

1.1 The purpose of this business paper is to update Council on activities that form part of the Community Services Group portfolio.

2. Suggested Resolutions

2.1 The following is a suggested resolution only and does not represent Council policy until such time as it is adopted by formal resolution.

1 The Bi-Monthly Activity Report: Community Services Group be received.

3. Introduction

3.1 The following sections in this business paper align with the Groups of Activities as contained in Council's 2026/2027 Annual Plan and where the portfolio is delivered by the Community Services Group.

4. Leadership

HUMAN RESOURCES

4.1 While not obvious in any planning documents, Human Resources is a critical function of Council falling under the Leadership Activity with the service provided by the Community Services Group in conjunction with the Chief Executive.

CURRENT ACTIVITY

4.2 WDC has been successful in recruiting for the following positions:

- Roading Engineer
- Compliance Administrator (Fixed Term)

4.3 The following positions remain vacant at the time of writing this business paper:

- Customer Support Advisor (Fixed Term)
- Building Control Officer
- Asset Manager
- IT vacancy

4.4 Employee turnover for the year ending 30 June 2026 was 17.6%. The national average employee turnover rate in New Zealand is approximately 21.4% (public and private sectors combined) and the average turnover rate for local government is approximately 15.3%.

4.5 On 25 June 2026 we farewelled our water services staff that have now transitioned to Waikato Waters. It was a great opportunity to say thank you and share memories. Staff that have transitioned leave Waitomo District Council (WDC) with approximately 52 years of combined service.

CUSTOMER AND INFORMATION SERVICES

4.6 Customer and Information Services is one of the several functions within the Leadership Activity in the 2026/2027 Annual Plan and the delivery of these services is provided by the Community Services Group.

4.7 Customer and Information Services includes management of all digital assets, databases and platforms, technical support for staff and cyber security, and the systems that shape how customers interact with Council.

CURRENT ACTIVITY

4.8 Current activity includes:

- The Microsoft Intune build for corporate laptops, including security settings and device controls, is now in final user testing ahead of wider rollout.
- Wireless access points have been upgraded at the Queen Street administration building, Customer Services Hub and Library, providing faster connections and supporting more devices at once. The Les Munro Centre network upgrade is being investigated, which would increase device capacity.
- The Customer Services Hub and Library now have independent internet connections, giving them standalone connectivity if the Queen Street site loses its connection, for example a fibre line fault. Both sites can continue operating as normal in those situations, meaning customers can continue to be served without interruption.
- Flowingly online forms are being progressively added to the Council website, giving customers a simpler way to submit information to Council. Rather than downloading, completing and emailing a PDF form, customers can now complete and submit an online form directly. The highest use forms are being prioritised first, with PDF forms phased out as each online version goes live.

RISKS AND OPPORTUNITIES

4.9 Digital services and information management continue to carry operational and organisational risk due to Council's reliance on business systems, digital records, vendor support, cyber security controls and staff information practices.

LOOKING FORWARD – THE NEXT 3 MONTHS

4.10 Over the next three months, the focus will be on:

- Completing final user testing of the Intune laptop build and progressing wider rollout.
- Following the transition of customer-facing services to Waikato Waters Ltd on 1 July, IT systems and tools will transition on 31 July.
- Commencing Artificial Intelligence Use Policy training.
- Continuing to prioritise and add high use Flowingly forms to the website. The next stage of this work is building automated workflows, so submitted forms move through the required processing steps automatically, rather than being handled as a service request.

- Review and plan for outcomes of the IS risk management assessment.

5. Community and Partnerships

5.1 This group represents a range of collaborative and partnership approaches and initiatives involving many agencies and organisations. The activities involve the common theme of promoting a better quality of life and a better living environment within the district.

5.2 **Community Development** supports the wellbeing of our communities by enabling local organisations and private providers to deliver a variety of community-based services and activities to meet the needs of our community.

5.3 **District Development** is delivered through working in collaboration with a range of community partners for the benefit of the community.

5.4 **Waitomo District Library Services** provide a wide range of services and facilities including physical and online educational and recreational materials, programmes, events, internet and wifi services, technology lessons and online services.

5.5 **Customer Service & Visitor Hub** provide a customer service one-stop-shop centrally located in the main street of Te Kūiti. Information services are also available, providing residents and visitors access to quality, up to date information and advice for activities, attractions, accommodation, and events in the district.

5.6 **Council Recreation Services** engage operators specialising in facility management to manage the Waitomo District Aquatic Centre and Gallagher Recreation Centre.

CUSTOMER SERVICE AND VISITOR HUB

CURRENT ACTIVITY

<u>Dog Registration</u>

5.7 Dog registration for the 2026/2027 registration year is progressing well.

5.8 Customer Services staff have taken a proactive approach by contacting dog owners via phone and email as a courtesy reminder that registrations were due on 1 July 2026.

5.9 This initiative has been well received by the community and has contributed to increased compliance, reducing the number of owners who may otherwise incur registration penalties.

<u>Rates Rebate</u>

5.10 The 2025/2026 rating year concluded with a total of 397 Rates Rebate applications received.

5.11 Of these, 386 applications were approved, while 11 applications required no further action.

5.12 This represents an increase from the 2024/2025 rating year, during which 354 applications were received, 338 were approved, and 16 required no further action.

5.13 Increased community awareness, targeted outreach initiatives, and the ongoing support provided by Customer Services staff have contributed to the increase in both application numbers and successful outcomes for ratepayers.

<u>Pop Up Council</u>

5.14 On 23 June 2026, Customer Services staff hosted a Pop-Up Council session at Mōkau Hall.

5.15 The initiative was well received by residents who attended, with customers benefiting from personalised assistance and more in-depth support with Council-related enquiries.

Customer Services / Waikato Waters

5.16 On 30 June 2026, members of the Waikato Waters Ltd team met with the Customer Services team to provide an overview of customer-initiated processes and frequently asked questions.

5.17 The transition to Waikato Waters Ltd on 1 July 2026 has progressed smoothly.

5.18 All required changes to service request and call centre systems were implemented successfully, with no significant issues identified.

5.19 Systems, processes, and customer correspondence are operating as expected.

Explore Waitomo Brochure

5.20 The Explore Waitomo brochure has been updated and refreshed.

5.21 The updated brochure will be distributed to Information Centres and iSite’s across the Waikato region at the next regional cluster meeting to be held on 5 August 2026.

5.22 Opportunities to extend distribution to larger iSite locations throughout New Zealand will also be explored.

RISKS AND OPPORTUNITIES

5.23 There are no immediate risks identified with this activity.

LOOKING FORWARD – THE NEXT 3 MONTHS

5.24 Dog registration penalty preparation is underway.

COMMUNITY DEVELOPMENT AND DISTRICT DEVELOPMENT

CURRENT ACTIVITY

Community Movie Night

5.25 The Community Movie Night was held at the Les Munro Centre on Thursday 25 June 2026, featuring the New Zealand film Hunt for the Wilderpeople. While attendance was lower than anticipated, those who attended provided positive feedback, with the larger cinema screen proving particularly popular and enhancing the viewing experience.

5.26 Entry to the event was by donation of a non-perishable food item, with attendees contributing a generous collection of items for the local foodbank, continuing to support families within the community.

5.27 The event provided an opportunity for community members to come together in a relaxed, family-friendly environment. Staff will review the event format, including considering weekend screenings and a selection of movies, to encourage greater community participation at future movie events.

Youth Engagement

5.28 During Youth Week, WDC partnered with Te Kūiti High School to host guest speaker Dr Paul Wood on 21 May 2026. The event was attended by all students from Te Kūiti High School, along with students from several other schools across the district.

5.29 Dr Wood delivered an engaging and inspiring presentation focusing on resilience, mindset, the importance of the choices young people make, and the influence of the people they choose to surround themselves with. Students were encouraged to reflect on their own potential and the positive impact they can have on shaping their future.

5.30 Feedback from students and school staff was overwhelmingly positive, with many commenting on the relevance of Dr Wood's message and his ability to connect with young people.

5.31 A Design a Flag Competition was recently launched to encourage creativity and provide young people with an opportunity to contribute to the visual identity of the district. The competition was open to all youth across the Waitomo District.

5.32 Participants were invited to create original flag designs that reflect the district, its people, places and culture. The initiative aimed to provide young people with a platform to express their creativity while fostering a sense of community pride and belonging.

5.33 The competition has now closed, with staff currently reviewing the entries received. The winning designs will be professionally produced and displayed as street flags throughout the district, showcasing the creativity and talent of local youth.

5.34 Support of youth engagement initiatives will continue throughout the year. Future activities will be youth-led, ensuring young people have opportunities to influence the planning and delivery of events and programmes that are meaningful to them

RISKS AND OPPORTUNITIES

5.35 There is a risk that participation at community events is less than expected.

5.36 Staff continue to review marketing channels as an opportunity to extend the reach of promotions. As an example, video footage from Top of the Town 2025 will be used to promote this year’s event.

LOOKING FORWARD – THE NEXT 3 MONTHS

5.37 LMC Community Open Day.

5.38 Spring/Summer Night Markets.

5.39 Planning for Top of the Town which will take place at Centennial Park on 14 November 2026.

5.40 Assessment and allocation of DC Tynan grant applications.

5.41 Planning for the Great NZ Muster 2027.

WAITOMO DISTRICT LIBRARY SERVICES

CURRENT ACTIVITY

5.42 Three events were held over the July school holiday period. These included a craft event in conjunction with the Gallagher Recreation Centre school holiday program, a Matariki craft day, and a *How to train your dragon* event which consisted of a quest and a set of fun challenges. This event ties in with the Mythical Beast Reading Program the library is running during the months of July and August, in collaboration with Otorohanga District Library.

5.43 A review and update of the library’s online resources has been completed to ensure they remain sustainable and provide the best value for library members. The library has joined a consortium with South Waikato, Manawatū, Horowhenua, Ruapehu, and Whanganui libraries, enabling our library to provide a broader and more cost-effective digital collection through a service called BorrowBox. The libraries online learning and information resources have also been expanded by introducing a learn-to-code platform and introducing the online Encyclopaedia Britannica service. These services are available free of charge to all library members, providing greater access to digital learning, research, and recreational resources.

5.44 There has been an increased use of the library's 3D printer over the last few months, with more community members trying their hand at designing and creating their own projects. While there has been some trial and error as people learn the design process, it has been fantastic to see individuals developing new skills, experimenting with their ideas, and creating designs in their own time before bringing them into the library for printing. This service continues to encourage creativity, learning, and innovation within our community.

RISKS AND OPPORTUNITIES

5.45 There are no immediate identified risks with this activity.

LOOKING FORWARD – THE NEXT 3 MONTHS

5.46 Work is underway to update the library webpages to ensure an easy transition between using the library app and linking to information stored on the website. Staff anticipate this work will take a couple of months to complete.

COUNCIL RECREATION SERVICES

CURRENT ACTIVITY

Waitomo District Aquatic Centre

5.47 The Waitomo District Aquatic Centre is closed for the winter season. The complex will re-open on 1 October 2026.

Gallagher Recreation Centre

5.48 The Gallagher Recreation Centre continued to see strong participation across programmes and gym services during May and June. Pickleball, gymnastics, badminton, and the Winter League Basketball competition all attracted good community involvement.

5.49 Gym membership growth remained positive, with a recent promotion generating 60 new sign-ups.

5.50 The facility continues to operate smoothly, with well-supported programmes, strong community engagement, and a focus on delivering quality recreation opportunities and promoting community wellbeing.

6. Recreation and Property

6.1 This group comprises parks and recreation, housing and other properties, community facilities and public facilities.

6.2	**Parks and Recreation**	involves the provision of parks and reserves for recreation, green places that are restful and enhance the visual amenity of our communities.
6.3	**Housing and Property**	involves provision of housing and community facilities such as halls.
6.4	**Community Facilities**	involves the provision of recreation and cultural opportunities to support the health and well-being of the community.
6.5	**Public Facilities**	involves the provision of cemeteries, public car parks, public toilets, street furniture and our CCTV system.

PARKS AND RECREATION

CURRENT ACTIVITY

6.6 Te Waitere Jetty has recently undergone an inspection, and options are being considered for replacement of the pontoon platform. Liaison continues with the Te Waitere Boat Club Committee to help inform requirements.

6.7 The Tree of Lights requires replacement lighting. An inspection is currently underway, and the replacement works are expected to be completed within the next month.

6.8 Approximately five Plane trees along the riverbank have been trimmed back adjacent to the walkway to improve safety for pedestrians and neighbouring properties.

RISKS AND OPPORTUNITIES

6.9 Delays in completing the lighting replacement to the Tree of Lights may impact community expectations.

LOOKING FORWARD – THE NEXT 3 MONTHS

6.10 Refreshing the streetscape planting in Rora Street will commence in September, weather dependent.

HOUSING AND PROPERTY

CURRENT ACTIVITY

6.11 The new WDC Lease Management system is now operational. The intent of the system is to improve overall accuracy and efficiency in our lease management processes.

6.12 New locks have been installed on the two laundries at Redwood Flats due to unauthorised access by members of the public. The new locking system has been implemented to ensure the facilities are used only by authorised residents.

6.13 New smoke alarms have been installed and the gutters cleared as part of ongoing property maintenance at Redwood Flats.

RISKS AND OPPORTUNITIES

6.14 There are no immediate identified risks with this activity.

LOOKING FORWARD – THE NEXT 3 MONTHS

6.15 Property inspections will be undertaken at Redwood Flats over the coming months, to inform the programmed maintenance schedule.

COMMUNITY FACILITIES

CURRENT ACTIVITY

6.16 Development of the new section at Te Kūiti Cemetery is nearing a start date with installation of the new shelter scheduled as the next key milestone. Once the shelter has been installed, landscaping works, including berm formation and planting, will be undertaken to complete the first stage of development.

6.17 A new garden of memories at the Mokau Cemetery is in the design stage.

6.18 A new ashes wall for the recently reopened Kiritehere cemetery is also in design stage.

RISKS AND OPPORTUNITIES

6.19 Weather conditions may impact the timing of landscaping works, including berm construction and planting.

LOOKING FORWARD – THE NEXT 3 MONTHS

6.20 Completing the installation of the new shelter at Te Kūiti Cemetery.

PUBLIC FACILITIES

CURRENT ACTIVITY

6.21 Toilet counters have been installed at two public toilet facilities to monitor usage levels. The counters will be relocated to different sites throughout the year to provide accurate data on facility usage and help inform maintenance and renewal works.

6.22 Staff are working more closely with the cleaning contractor regarding cleanliness standards and the overall presentation of WDC's facilities.

6.23 Painting work has been completed at selected public toilet facilities as part of ongoing efforts to reduce graffiti and improve the appearance of these amenities.

RISKS AND OPPORTUNITIES

6.24 There are no immediate identified risks.

LOOKING FORWARD – THE NEXT 3 MONTHS

6.25 Focused liaison with council's cleaning contractor to enhance the presentation of our public facilities.

Document ID: 986557

Report To: Council

Meeting Date: 28 July 2026

Subject: **Bi-Monthly Activity Report: Roading, Stormwater and Solid Waste**

Type: Information Only

Author(s): Ben Smit
Chief Executive

Hilary Walker
Acting General Manager – Strategy and Environment

1. Purpose of Report

1.1 The purpose of this business paper is to update Council on the Roading, Stormwater and Solid Waste activities.

2. Suggested Resolution

2.1 The following is a suggested resolution only and does not represent Council policy until such time as it is adopted by formal resolution.

1 The Bi-Monthly Activity Report: Roading, Stormwater and Solid Waste be received.

3. Transfer of Water and Wastewater Services to Waikato Waters Ltd

3.1 With WDC's Water and Wastewater Services transferring to Waikato Waters Ltd on 1 July 2026, the Stormwater Activity is now being delivered under WDC's Roading portfolio as it correlates closely with the drainage function of the Road and Footpaths Activity.

3.2 Going forward, any matters for information relating to Water and Wastewater which need to be reported to Council will be included in the Bi-Monthly Corporate and Finance Report under Council Controlled Organisations. For any matters requiring a Council resolution, a separate business paper will be prepared.

4. Roads and Footpaths

4.1 The roads and footpaths activity provides for a safe and reliable transport infrastructure network to facilitate the movement of people and goods, which includes the provision of roads (excluding state highways), footpaths, bridges, traffic services, streetlights, carparks and traffic safety programmes.

4.2 **Road Network** WDC manages and maintains a network of 459km of sealed roads and 547km of unsealed roads. This includes identifying the need for and undertaking maintenance and renewals of the road network, footpaths and ancillary systems such as streetlights, signs and road markings.

4.3 **Subsidised Roading** NZ Transport Agency (NZTA) provides a subsidy for works that meet their criteria via Waikato Regional Council's Land Transport Programme.

4.4 **Unsubsidised Roading** These activities are carried out to ensure safe and efficient travel within and through the District as necessary for road or pedestrian safety and convenience but are not subsidised by NZTA.

Other unsubsidised services include maintaining amenity lights, street cleaning and maintenance of on-street carparks.

4.5 State highways are not WDC's responsibility and are managed/controlled by the New Zealand Land Transport Agency (Waka Kotahi).

4.6 A high-level summary of WDC's roading network assets is tabled below. (extract from 2024 Asset Management Plan)

Asset Type	Qty in Service	Units
Pavement		
Pavement Formation	7,665,721	m3
Pavement Sub-base	682,830	m3
Pavement Shoulder Unsealed	39,394	m3
Pavement Base	594,602	m3
Sealed Surface	2,857,677	m2
Metal Surface	2,175,459	m2
Bridges and Structures		
Bridges & Major Culverts	154	Number
Retaining and Other Structures	437	Number
Footpaths		
Footpaths	72,236	m2
Footpath Crossings	1,708	Number
Road Drainage		
Urban Kerb and Channel and Surface Water Channels	79,416	m
Urban Drainage	781	Number
Rural Kerb and Channel and Surface Water Channels	919,898	m
Rural Drainage	7,703	Number
Rails and Streetlights		
Guardrail & Railings	14,478	m
Streetlights	850	Number
Streetlight Poles	278	Number
Streetlight Brackets	850	Number
Traffic Islands		
Traffic Islands	100	m2
Signs		
Urban Road Signs	939	Number
Rural Road Signs	13,152	Number
Consents		
Consents	**12**	Number

CURRENT ACTIVITY

4.7 The capital works programme has continued to shift toward storm response and resilience delivery. The primary focus over the past two months has been progressing the response to the 18–19 April 2026 storm event and its NZTA funding application, advancing the Winter 2025, October 2025 and April 2026 storm recovery programmes, completion of the Te Anga Road rehabilitation under, completing the Local Roading Professional Services procurement with Pinnacles Civil selected as preferred tenderer, awarding the Bridge Maintenance Physical Works contract, and preparing the 2026/27 resurfacing programme. The Tuariri Road Drainage procurement remains on hold pending further feasibility work.

4.8 The Te Anga Road pavement rehabilitation contract (C500-25-044) was awarded to JC Civil and signed on 29 March 2026. Construction has progressed well through autumn and winter and is now awarded practical completion with a second coat seal planned for the upcoming 26/27 season. Three further rehabilitation sites on Te Anga Road and one on Haurua Road remain in design and will be tendered this financial year.

4.9 Urban drainage inspections are complete, and rural drainage inspections are well advanced. The data is feeding into renewal prioritisation and the Roading Asset Management Plan 2027–2037 review, with network condition and performance data and asset valuation now being compiled.

4.10 The 2026/27 resurfacing programme, with an estimated value of approximately $2.4M, has been scoped and submitted to Inframax Construction Limited for seal design and validation. The programme comprises 48 sections totalling approximately 47.5km, prioritised on a worst-first basis using RAMM condition, residual surface life, roughness, One Network Framework classification, reactive-maintenance history and drainage condition. Priority sites include Mangarino, Walker, Aria, Rangitoto and Te Anga Roads and the Esplanade, with a further 22 sections (approximately 15.7km) deferred to 2027/28. Four sections carrying a high seal-layer count are retained as holding seals over rehabilitation candidates, and sections adjacent to poor drainage have been flagged for inspection and repair ahead of sealing.

4.11 The Bridge Maintenance Physical Works contract (C500-25-056) was tendered and awarded to Maxbuild Ltd, with the Letter of Acceptance issued on 3 July 2026. seven conforming tenders were received. The Streetlighting Maintenance contract (C500-25-043) award is expected this financial year with contract start date set for 1 August 2026.

4.12 The Local Roading Professional Services procurement (C500-25-015) was released to market via GETS on 16 April 2026, with the Registered Tenderer Briefing held on 30 April 2026. Following tender evaluation, Pinnacles Civil was selected as the preferred tenderer and price negotiations were concluded in June 2026. The new contract commenced 1 July 2026.

4.13 The NZGTTM Transition Plan was finalised and approved by NZTA in December 2025. The implementation phase commenced on 1 July 2026, and the roading team is working through the council-responsibility actions in the plan, drawing on the experience of neighbouring road controlling authorities.

LOW-COST LOW-RISK (LCLR)

4.14 The Low-Cost Low-Risk (LCLR) resilience works are delivered as part of the NZTA-funded Crown Resilience Programme. The current programme of stabilisation works, including Taharoa, Speedies and Oparure Roads and the Kent Street slip site, is now complete following minor finishing works, and the roading team is compiling a further list of resilience sites for review under the programme.

SPEED MANAGEMENT

4.15 The proposed permanent speed limit change on Oparure Road (from 80km/h to 50km/h outside the school and marae) has progressed through public consultation, and an Alternative Method Proposal has been finalised, including reclassification of the road. This has been to NZTA for final approval, with support from the principal heavy-vehicle user.

STORM RECOVERY

4.16 All sites associated with the January 2023 storm event (NIWE) have been completed, except for the Ramaroa Road culvert lining, which remains programmed for completion this season.

4.17 For the Winter 2025 (July) storm event, Phase 1 funding of $2.81M and Phase 2 funding of $4.665M remain approved by NZTA. Within Phase 2, the Wall Sites package (five sites, approximately $2.399M) has been awarded to Inframax with construction underway on three sites, and the Buttresses package (two sites, approximately $1.214M) has been awarded to Nicholls & Uttinger. Several Category A packages have been priced and are progressing through construction within the maintenance contract, and the remaining Category B and C sites continue through design and procurement.

4.18 The work on the October 2025 storm response is continuing to progress well. Geotechnical investigations and survey works are complete, and preferred design options have been finalised. NZTA has approved Phase 1 funding of $5.13M for the event, confirmed in TIO, with a Phase 2 estimate of approximately $10.12M, enabling Category A construction to progress.

4.19 Kopaki Road remains partially closed due to ongoing instability, and monitoring continues at Kopaki Road and Mokauiti Road. Residents and logging companies are engaged to maintain access during the response. An options assessment for the RP 4.8 landslide is progressing and will be put forward for Council to decide on the preferred approach.

4.20 Category A sites for the October 2025 event are being managed within the maintenance contract but funded 95% by NZTA outside of current contracts and are now progressing under the approved Phase 1 funding. The 18 sites under further investigation and design (Gribbon, Kumara, Mangatoa, Rangitoto, Te Anga, Te Waitere, Walker, Mapara South, Totoro, Mangarino, Manganui and Mangaotaki Roads) remain in design and tendering, with several now progressing toward construction this financial year. The Walker Road slip repair (CAR R1170351) is being progressed, with the traffic management approach being confirmed before construction. The Te Wairere wall site, which commenced on 11 May 2026 under the July Storm Buttresses programme, is under construction.

4.21 Several sites on Mangatoa and Manganui Roads have been identified as “river retreat” locations, where meandering rivers have moved into the road edge and are eroding the carriageway. Interim retreat and realignment work, including the Mangatoa corner realignment, are being delivered under contract C500-25-042, with associated variations submitted to the Tender Subcommittee for approval. WDC is engaging with Waikato Regional Council on a resource consent strategy to allow river realignment as part of the longer-term resilience response. This work is expected to inform future scoping under the storm recovery programmes.

4.22 The district was hit by a further significant storm event over the weekend of 18–19 April 2026, causing widespread slips, flooding and tree falls across the western part of the district (Mōkau, Awakino, Mahoenui). The initial response is complete, and the NZTA funding application was lodged via TIO in May 2026. It is progressing through NZTA review, “Funding has been approved to undertake the minor works through the maintenance contract.” These will be treated similar to the CAT A sites.

4.23 In parallel, a memo on Taumatamaire Road has been prepared (30 April 2026) for use in the Mayor’s engagement with the Taranaki Mayors regarding the future use of Taumatamaire as an SH3 alternative route. The pack is factual, draws on RAMM dispatch records, the CAS database and the draft AMP and LTP, and sets out the asset condition, slip and crash history, and indicative scope and cost bands of an SH3-detour-capable upgrade. It is not a costed business case. A joint onsite review of Taumatamaire Road by Waitomo and New Plymouth District Councils, together with regional transport representatives, occurred on 12 May 2026 to evaluate the corridor as a potential SH3 bypass, and discussions on the corridor’s potential are continuing between the councils and regional transport representatives.

MAINTENANCE CONTRACT

4.24 The maintenance contract continues to operate within expected parameters. The April 2026 storm response placed additional pressure on zonal maintenance delivery, and a workmanship review was undertaken with Inframax to confirm grading and rolling standards on a small number of unsealed network sites. Resurfacing and structural patching activities have been completed for the season and are largely tracking to programme. A review of the roadside mowing measurement basis and associated claim is also underway with the contractor.

FINANCIAL OVERVIEW

4.25 Storm recovery funding approvals to date include $2.81M for Winter 2025 Phase 1 and $4.665M for Phase 2, and $5.13M for October 2025 Phase 1 approved by NZTA through Transport Investment Online (TIO), with an October 2025 Phase 2 estimate of approximately $10.12M. The April 2026 storm application is approved. In addition, the Professional Services contract value was increased by $728,688 on 17 June 2026, drawing on previously allocated NZTA storm-works funding, to cover storm-related professional services for the remainder of the financial year.

4.26 Storm recovery works are expected to attract a 95% Funding Assistance Rate, which significantly reduces Council’s net exposure; the 95% rate has been confirmed by NZTA for the October 2025 event. Confirmation of April 2026 event funding remains a key financial dependency.

4.27 End-of-financial-year reporting and NZTA claiming for 2025/26 have recently been completed, including the finalisation of roading accruals and the 2026/27 carry-over capital budget, with the year-end subsidy claim submitted in July 2026. Accurate and timely reporting through NZTA's TIO system remains critical to securing and drawing down subsidy: it underpins recovery of storm-recovery funding, including the October 2025 Phase 1 claim confirmed by NZTA at a 95% Funding Assistance Rate, and the April 2026 emergency-works claim. Upcoming TIO items include finalisation of the April 2026 storm claim and continued emergency-works and performance reporting.

4.28 On the performance side, Council's Smooth Travel Exposure (a DIA / REG non-financial performance measure) has declined from approximately 97% in 2015/16 to around 90% in 2024/25, reflecting gradually increasing road roughness and reinforcing the case for sustained renewal investment (AMP Problem Statement 4).

RISKS AND OPPORTUNITIES

4.29 Key risks are framed against the four problem statements in the Roads and Footpaths Asset Management Plan 2027–37.

4.30 Resilience and extreme weather (Problem Statement 2) remain the most significant driver: ongoing instability at Kopaki Road, exposure to further storm events, and dependence on NZTA emergency-works funding, including securing the full funded scope of storm-recovery claims at the elevated Funding Assistance Rate.

4.31 Affordability and cost escalation (Problem Statement 3) continues to pressure delivery, through construction cost escalation on resurfacing and structural works and concurrent capacity pressure across professional services from multiple storm recovery programmes running in parallel.

4.32 Sealed-road underinvestment (Problem Statement 4) is evidenced by declining Smooth Travel Exposure and a rising reactive-maintenance burden, heightened by heavy forestry, quarrying and Taharoa export traffic.

4.33 Structures and bridges (Problem Statement 1) carry longer-term renewal exposure ahead of the 2026 bridge revaluation. A specific current risk is pressure for use of Taumatamaire Road as an SH3 alternative without a corresponding investment commitment.

LOOKING FORWARD – THE NEXT 3 MONTHS

4.34 Over the next three months the immediate priority is completion of the CAT A and April 2026 storm recovery and resilience works across the Winter 2025, October 2025 and April 2026 events, including delivery of the October 2025 Phase 1 works under the approved funding.

4.35 The Bridge Maintenance Physical Works contract (Maxbuild) will move to contract start-up and works, and the Streetlighting Maintenance tender evaluation will be completed and the contract awarded.

4.36 Street Light Maintenance contract to be initiated on 1 August 2026.

4.37 The team will continue working alongside forestry operators to forecast harvest plans and manage the increased pavement consumption and accelerated wear that heavy logging traffic places on the affected network.

4.38 Three further pavement rehabilitation sites Te Anga Road sites and the Haurua Road site being tendered this financial year.

4.39 The 2025/26 resurfacing programme has been delivered. The 2026/27 resurfacing programme, approximately 48 sections and 47.5km has been issued to Inframax for review and pricing and will be delivered in the coming season.

4.40 The internal team restructure continues to be implemented to increase delivery capacity and strengthen procurement and contract management capability comprising a Roading Manager, one senior roading engineer, two Roading Engineers and shared services agreement with Otorohanga DC to provide traffic management control services across both districts. This shift in structure ensures that WDC retains strategic planning, network oversight and contract management while specialist and operational delivery is contracted to the open market.

5. Stormwater

5.1 The Stormwater Activity provides for the collection, diversion, and disposal of urban surface water runoff following rainfall. Surface water flooding can occur in the absence of an effective stormwater drainage system.

5.2 WDC is responsible for the management, maintenance and upgrading of WDC's stormwater network comprising of a network of pipes, open drains, manholes, catchpits (sumps), and discharge mechanisms in Te Kuiti, Maniaiti/Benneydale, Piopio, Mokau–Awakino, Marokopa and Te Waitere.

5.3 The primary elements of the stormwater network consist of 9.52km open drains, around 34.82km of piping, manholes, and outflow structures, making up a total drainage network of approximately 44.34km. Secondary components involve overland flow paths, with a significant portion relying on the road network.

5.4 The stormwater asset components managed by WDC (extracted from 2024 Asset Management Plan) includes:

Asset Type	Quantity	Unit
Catchpit Leads	662	m
Catchpits	101	m
Channels	4.31	m
Culverts	607.19	m
Stormwater reticulation	33.82	km
Open Drains	9.52	km
Stormwater Connections	1,004.45	m
Stormwater Catchpits	1,018	Number
Flood Grates	2	Number
Gabion Baskets - Erosion Prevention Device	1	Number
Inlets & Outlets	27	Number
Manholes	555	Number
Access Point with Grated Lid	2	Number

CURRENT ACTIVITY

5.5 Inspections of the critical stormwater reticulation network, such as open channels, wingwalls and screens continue to be monitored before, during, and after heavy rainfall events.

5.6 From the physical survey work completed, modelling of the network was undertaken. As noted at the November 2025 Council meeting, the Queen St/King St catchment works have been included in the stormwater improvements package of works mentioned below under the stormwater improvements section.

5.7 We are completing additional optioneering for Brook Park and the Ward Street catchments. We have also included Centennial Park.

5.8 With WDC retaining responsibility for the stormwater function, procurement is currently underway for a standalone stormwater contract currently finalising the end of the procurement process.

STORMWATER IMPROVEMENTS

5.9 Camex Ltd was awarded the works and started on 11 May 2026. New wingwalls have been installed at Corner of William & Anzac Street and 43 Williams Street, Te Kuiti.

5.10 The project will upgrade stormwater infrastructure in Te Kuiti to meet level-of-service standards and mitigate flooding risks during intense or prolonged rainfall, protecting the community and environment.

5.11 Planned works include:

- Installing small and large wing walls
- Installing cesspits with outlet pipes
- Clearing debris to improve flow in open drains
- Installing gabion baskets at outlets to prevent erosion

LOOKING FORWARD – THE NEXT 3 MONTHS

5.12 Inflow and Infiltration inspections will continue.

5.13 Stormwater optioneering will continue. This will be subject to resource consent approval by WRC.

6. Solid Waste

6.1 This Solid Waste Activity provides for the environmentally safe reduction, diversion, collection, and disposal of the District's solid waste.

6.2 WDC is responsible for the management of infrastructure and facilities involved in the collection and disposal of waste within the District including kerbside collection, open and closed landfills, recycling facilities, transfer stations, resource recovery centres, and waste management equipment.

6.3	**Waste Minimisation**	focuses on the reduction and diversion (reduce, reuse, recycling and recovery) of solid waste.
6.4	**Kerbside Collection**	WDC is responsible for the kerbside collection and safe management of domestic rubbish, and recycling. Weekly rubbish and recycling collections are provided to the residents of Te Kūiti, Piopio, Awakino, Mōkau and Waitomo Village area.
6.5	**Waste Disposal Transfer**	WDC transports waste to out of district disposal facilities from Te Kūiti and waste transfer stations that are provided at the communities of Maniaiti/Benneydale, Piopio, Marokopa, Kinohaku, and Mōkau/ Awakino.

6.6 The most significant WDC owned assets within the Solid Waste Activity are the Waitomo District Landfill site and transfer stations which consist of:

- Transfer station buildings
- Landfill cells
- Recycling sorting facilities
- Access roads and ramps
- Fencing and gates
- Stormwater management systems

CURRENT ACTIVITY

6.7 Intermediate capping of the Waitomo landfill is finalised for non-active sections, and verification of compaction is required. The current active component necessitates a portion of the intermediate cap.

6.8 Construction of refuse/recycling consolidation area is completed.

6.9 EnviroNZ has demobilised and Evolve has started the new contract.

6.10 Landfill rehabilitation and aftercare plan is under review by WRC.

6.11 Landfill Stormwater Annual Report is under review by WRC.

6.12 Landfill Annual Report is in progress for compilation for it to be submitted to WRC.

6.13 Waste Levy reporting for the 2025/26 financial year is completed

6.14 Awakino transfer station gate, which was damaged in an accident, has been restored and upgraded.

6.15 Updating of the sign boards at transfer stations to reflect new fees and charges.

RISKS AND OPPORTUNITIES

6.16 The instability of the landfill highwall may result in minor shifts to the surrounding area, which could influence surface water movement over time.

6.17 There is an opportunity to use the material from the highwall as final cover for the landfill.

6.18 Evolve is a new contractor and is still adjusting to the work and processes, that may risk increasing public complains.

LOOKING FORWARD – THE NEXT 3 MONTHS

6.19 Applying for a resource consent from WRC to source materials from top of the highwall for final capping of the landfill.

6.20 Providing responses to Customer Survey comments.

6.21 Submitting the Landfill Annual Report to WRC.

6.22 Peer Review assessment and reporting of the landfill.

6.23 Conducting compaction test of the intermediate cover.

6.24 Conducting aerial survey of the landfill.

6.25 Compiling tender documentation by invitation for final capping of landfill.

6.26 In-house training for our Transfer Station staff on Hazardous Substance Risk Management.

6.27 Installing of additional refuse bins at Kara Park in Piopio.

6.28 Installing extra signage in Mokau to show direction of Awakino Transfer Station

6.29 Working to making transfer station operations cashless

Document ID: 987371

Report To: Council

Meeting Date:	28 July 2026
Subject:	**2025/2026 Annual Report on Waitomo District Council Dog Control Policy and Practices**
Type:	Decision Required
Author(s):	Hilary Walker Acting General Manager – Strategy and Environment

1. Purpose of Report

1.1 The purpose of this business paper is present for consideration and adoption the Waitomo District Council Dog Control Policy and Practices Report 2025/2026 ("the Report").

2. Suggested Resolutions

2.1 The following are suggested resolutions only and do not represent Council policy until such time as they are adopted by formal resolution.

1 The business paper on 2025/2026 Annual Report on Waitomo District Council Dog Control Policy and Practices be received.

2 The 2025/2026 Annual Report on Waitomo District Council Dog Control Policy and Practices be adopted.

3. Background

3.1 Section 10A of the Dog Control Act 1996 ("the Act") requires councils to report annually on the administration of their Dog Control Policy and Practices. This has been a requirement since the Act was amended in 2003.

4. Commentary

4.1 Section 10A of the Act specifies the information that Council must include in its report in respect of each financial year as follows:

"a) the number of registered dogs in the territorial authority district:

(b the number of probationary owners and disqualified owners in the territorial authority district:

(c) the number of dogs in the territorial authority district classified as dangerous under section 31 and the relevant provision under which the classification is made:

(d) the number of dogs in the territorial authority district classified as menacing under section 33A or section 33C and the relevant provision under which the classification is made:

(e) the number of infringement notices issued by the territorial authority:

(f) the number of dog related complaints received by the territorial authority in the previous year and the nature of those complaints:

(g) the number of prosecutions taken by the territorial authority under this Act."

4.2 The Report addresses all the matters required by the Act.

4.3 Section 10A also specifies that Council must publicly notify the Report within one month of adopting the report, publish the report online, and send a copy of it to the Secretary for Local Government.

5. Considerations

6.1 RISK

6.2 There is no risk to Council in adopting this report.

6.3 SIGNIFICANCE AND COMMUNITY VIEWS

6.4 This is not a significant decision (in accordance with Council's Significance and Engagement Policy) and there is no requirement for Council to consider any affected persons. Providing the report to the Secretary of Local Government is an operational matter.

6. Attachments/Separate Enclosures

Attachment:

1 2025/2026 Annual Report on Waitomo District Council Dog Control Policy and Practices (Doc # 987372)

WAITOMO DISTRICT COUNCIL
DOG CONTROL POLICY AND PRACTICES REPORT
2025/2026

1 INTRODUCTION

This is Waitomo District Council's (WDC) annual report on Dog Control Policy and Practices for the period 1 July 2025 to 30 June 2026, as required by section 10A of the Dog Control Act 1996 (the Act).

2 DOG CONTROL POLICY AND PRACTICES

Dog Control in the District

2.1 The total number of dogs on WDC's Register at the end of the 2025/2026 registration year was 2,809. A decrease of 137 dogs from the 2024/2025 period.

2.2 WDC provides a twenty-four-hour Animal Control Service, with Animal Control Officers (ACOs) covering this function during normal business hours. Any urgent animal control service requests received after-hours (including weekends and public holidays) are responded to by an after-hour's contractor. This is a long standing arrangement which works well.

2.3 WDC also maintains good working relationships with the local Police, veterinarians, and the Waikato SPCA, Waipa District Council and Pound Hounds.

2.4 The current team structure includes a Team Leader, one full time ACO and a Pound Officer with some Compliance Administrator support. A recent resignation of the Team Leader provides the opportunity to review the structure to ensure it meets organisational requirements.

2.5 The ACO works predominantly in the field, whilst the Compliance Administrator oversees the administration of the WDC Database, the National Dog Database (NDD), and the registration process.

2.6 WDC operates a Dog Pound in William Street, Te Kuiti. The Pound equipment is updated on an as needed basis. Considerable improvements have been made to the Dog Pound in recent years to improve health and safety.

2.7 There was a decrease in the number of dogs impounded (141) from the previous year. (164 in 2024/2025), with 53 dogs returned to their owner, 68 dogs euthanized, 12 re-homed, 2 remain alive at the Pound for rehoming, 2 were classed as other and 2 surrendered to the SPCA. This data is not required for reporting purposes under the Dog Control Act so is not included in the section three Table.

2.8 The owners of impounded dogs are required to pay an impounding fee, as well as registration fees if the dog is unregistered, plus micro-chipping fees if applicable. In addition, sustenance fees are charged for each day the dog is in the pound.

2.9 Microchipping continues to be a key focus. It is noted that the Act requires dogs being registered for the first time to be chipped within two months of registration (with herding dogs exempt from the requirement) and classified dangerous and menacing dogs are also required to be microchipped.

2.10 Microchipping is carried out by the ACO who has the appropriate training to perform the task. Owners are charged a nominal fee of $35 to cover costs.

2.11 The WDC Dog Control Policy and Bylaw were reviewed and formally adopted on 30 June 2025 and is not due to be reviewed until June 2035.

Dog Control Enforcement Practices

2.12 For this period, WDC received 453 dog control related complaints (561 in 2024/2025) that required action.

2.13 WDC takes a pragmatic approach to enforcement, and generally attempts to educate dog owners in the first instance. For example, if a registered dog is picked up for a first wandering offence, the dog might be returned to the owner with a verbal warning, rather than impounding.

2.14 Complaints relating to wandering dogs numbered 291 this year (391 in 2024/2025). In addition, 66 complaints were received in relation to barking dogs (50 in 2024/2025), and 32 complaints were received for rushing/aggression (32 in 2024/2025). WDC works with complainants to identify and capture wandering dogs, sometimes using WDC owned cage traps if required.

2.15 In respect of barking complaints, most are resolved quickly once the owner is advised of the issue has been provided with advice on methods to reduce the barking behaviour. Where the issue is not resolved within a timely manner, an Abatement Notice is issued (as provided by the Act) and this has proven to be a useful tool in these circumstances. WDC issued no barking Abatement Notices in this period.

2.16 WDC received 24 complaints related to attacks (30 in 2024/2025). Each incident is investigated, and a report completed (including an attack rating assessment). Upon completion of the investigation and reporting, a decision is made (and recorded) as to what action is appropriate as per the requirements of the Act. Each incident is assessed on its merits on a case-by-case basis.

2.17 For this period, 73 (50 in 2024/2025) Infringement Notices have been issued and have since either been paid by the Dog Owner or sent to the Court.

2.18 The Infringement Notices were issued as follows:

- None for wilful obstruction of officer
- None for failure/refusal to supply info
- Five for failure to comply with a bylaw
- One for false statement of registration
- Five for failure to comply with effects of the class
- 52 for breach of section 42 (failure to register dog)
- Two for breach of section 52A (failure to keep dog controlled or confined)
- Eight for breach of section 53(1) (failure to keep dog under control)

Dogs Prohibited, Leash Only and Dog Exercise Areas

2.19 WDC's Policy requires all dogs to be on a leash in public places.

2.20 The Policy also identifies dog prohibited areas (i.e. sports grounds, children's playgrounds and schools), and dog exercise areas. Signs are installed as appropriate to advise the public.

Dog Registration and Other Fees

2.21 Dog registration fees have been updated for the 2026/2027 financial year.

2.22 Where dog owners have not registered their dogs within the required timeframe, these are followed up. The process involves an initial reminder letter and phone call / visit to the Owner. If dog owners continue to fail to register their dogs, the dog(s) are then seized and impounded. Dogs are only released from the pound once they are registered.

Education

2.23 WDC proactively engages in education for dog owners on a monthly basis by a range of mediums including the local newspaper, Waitomo Way (a council newsletter) and WDC's two Facebook pages (one dedicated to Animal Control).

Disqualified and Probationary Dog Owners

2.24 Waitomo District has four disqualified dog owners, and one probationary owner.

Menacing and Dangerous Dogs

2.25 For this period, there are two dangerous dogs and 18 menacing dogs classified in the district out of a population of 2,809 dogs. Any new dog of a menacing breed/type is identified following registration, classified and referred for a compliance check.

Other Information

2.26 Council requires owners of more than two dogs on any urban property to apply for a permit from Council. Upon application, the Dog Owner's property is inspected in accordance with the requirements of the Dog Control Bylaw. If the requirements are met, the permit is issued subject to any necessary conditions. A permit may be reviewed by WDC at any time and may be modified or revoked if any non-compliances with the permit are detected.

3 STATISTICAL INFORMATION

Category	For period 01/07/20 – 30/06/21	For period /07/2021 – 30/06/22	For period 01/07/22 – 30/06/23	For period 01/07/23 – 30/06/24	For period 01/07/24 – 30/06/25	For period 01-07-25 – 30/06/26
Total number of Registered Dogs	**3,363**	**3,311**	**3,318**	**3,029**	**2,946**	**2,809**
Total number of Probationary Owners	**0**	**0**	**0**	**0**	**0**	**1**
Total number of Disqualified Owners	**3**	**3**	**2**	**2**	**4**	**4**
Total number of Dangerous Dogs	**2**	**2**	**2**	**2**	**2**	**2**
▪ Dangerous by Owner Conviction Under s31(1)(a)	0					0
▪ Dangerous by Sworn Evidence s31(1)(b)	0					0
▪ Dangerous by Owner Admittance in Writing s31(1)(c)	2	2	2	2	2	2
Total number of Menacing Dogs	**27**	**27**	**25**	**15**	**21**	**18**
▪ Menacing under s33A(1)(b)(i) - i.e. by Behaviour	6	10	11	2	8	6
▪ Menacing under s33A(1)(b)(ii)- by Breed Characteristics	5	3	3	0	0	0
▪ Menacing under s33C(1) by Schedule 4 Breed	16	14	11	13	13	12
Total number of Infringement Notices (excluding cancelled)	**31**	**62**	**22**	**0**	**50**	**73**
Total number of prosecutions	**2**	**1**	**0**	**0**	**1**	**0**
Complaints received:						
▪ Aggressive	9	13	16	50	32	32
▪ Bins/Signs	0	0	0	0	0	0
▪ Bite/attack	29	30	37	28	30	24
▪ Barking	68	63	62	82	50	66
▪ Breach of Council Bylaw or permits	5	0	2	0	0	0
▪ Lost Dog/other	21	22	38	47	44	40
▪ Rushing in public place	8	0	0	0	0	0
▪ Unregistered	2	2	8	4	4	0
▪ Wandering	163	120	205	242	391	291
▪ Worrying animals	3	0	0	0	0	0
▪ No water, shelter, food or exercise	11	3	6	6	10	0
Total Complaints Received	**319**	**253**	**374**	**459**	**561**	**453**

Note: Variations in reporting numbers on aggressive, bite/attacks and rushing between years can occur as a result of how service requests are coded.

Document ID: 987366

Report To: Council

Meeting Date:	28 July 2026
Subject:	**Electoral System for 2028 Election**
Type:	Information Only
Author(s):	Michelle Higgie Manager – Governance Support

1 Purpose of Report

1.1 The purpose of this business paper is to brief Council on the public notification to be completed for the First Past the Post electoral system to be used at the 2028 Election.

2 Suggested Resolutions

2.1 The following are suggested resolutions only and do not represent Council policy until such time as they are adopted by formal resolution.

1 The business paper on Electoral System for the 2028 Election be received.

3 Background

3.1 The Local Electoral Act 2001 (Sections 27–34) defines the process local authorities and their communities must follow to implement an electoral system for its local triennial elections.

3.2 ELECTORAL SYSTEMS

3.3 The choice of electoral system is between:

- First Past the Post (FPP) or
- Single Transferable Vote (STV)

3.4 ADOPTING AN ELECTORAL SYSTEM

3.5 An electoral system can be changed either by holding a poll or by Council resolution.

3.6 If making a resolution, the decision must be made no later than 12 September two years before the next triennial general election **and will take effect for the next two triennial elections**.

3.7 PUBLIC NOTIFICATION OF RIGHT TO DEMAND A POLL

3.8 Regardless of an electoral system being adopted and publicly notified to take effect for two triennial elections, every local authority must no later than 19 September two years before the next triennial election, give public notice of the right to demand a poll on the electoral system.

3.9 The public notification of this decision must include details informing the community of their right to demand a poll if they disagree with the current electoral system. Five percent of voters are required to demand a poll.

3.10 There are no requirements to use a special consultative procedure (SCP) in making this decision.

4 Commentary

4.1 On 30 May 2023, the Council resolved to continue with the FPP electoral system for the next two local body elections in 2025 and 2028, and any associated elections. That position was publicly notified and there was no demand for a Poll.

4.2 It is now necessary before 19 September to publicly notify the electoral system to be used for the 2028 elections (FFP on the basis of Council's resolution made on 30 May 2023) and include details informing the community of their right to demand a poll if they disagree.

4.3 The wording of the public notice will be similar to the following:

Right to demand a poll - Electoral System for 2028 Triennial Elections

Notice is given under section 28 (1) of the Local Electoral Act 2001, that the electors of the Waitomo District Council have the right to demand a poll on the electoral system to be used for the 2028 triennial elections of the Waitomo District Council.

The choice is between the First Past the Post (FPP) and the Single Transferable Vote (STV) electoral systems.

Council gave consideration to the electoral system at its meeting on 30 May 2023 and resolved to continue with (FPP) for the 2025 and 2028 elections.

Unless a poll of electors determines otherwise, the FPP electoral system will continue to be used for the election of the Waitomo District Council.

A valid demand for a poll must be:

- *Made by notice in writing to Ben Smit, Chief Executive Officer, Waitomo District Council.*
- *Signed by at least 5 percent of the number of electors enrolled as eligible to vote at the 2025 triennial election of the Waitomo District Council.*
- *Delivered to the office of the Waitomo District Council, 15 Queen Street, Te Kuiti, no later than 11 December 2027.*

The name of all electors on any poll must appear on the electoral roll of the Waitomo District Council territorial authority, or be included in the most recently published electoral roll for any electoral district under the Electoral Act 1993, or be currently the subject of a direction by the Chief Registrar in relation to unpublished names. The address for which the elector is registered as a parliamentary elector must be within the local government area of the Waitomo District. The elector may also be enrolled or nominated as a ratepayer elector and qualified to vote as a ratepayer elector in the Waitomo District.

Every elector who signs a demand must provide their full name and the address for which they are qualified as an elector of the Waitomo District Council.

5 Analysis of Options

CONTINUE TO USE THE FPP ELECTORAL SYSTEM

5.1 This is the recommended option as it is the current position taken by Council, it is fit-for-purpose, simpler for voters to understand, and better for wards with few members.

Advantages	Disadvantages
• Straight forward system of voting. • Familiar to most people. • Votes can be counted in different locations and then aggregated. • Results are easy to understand and usually announced soon after voting ends. • Results show exactly how many people voted for which candidates.	• Results - generally 'less representative' in nature – results reflect the largest group of voters not necessarily the majority. • More wasted votes.

CHANGE TO USE THE STV ELECTORAL SYSTEM

5.2 It is advised that 5 to 7 members is a preferable number for wards using STV, with an absolute minimum of 3. It is therefore unlikely that STV would be a good option for Waitomo, which currently has wards with 3 members.

Advantages	Disadvantages
• Fewer 'wasted' votes. • Voters express true preference as there is no tactical voting. • Overall results should reflect the wishes of the majority due to the way preferences are counted. • Often results in more equitable representation.	• A more complicated system of voting with a risk of confusing people and reducing participation. • Three-members wards are regarded to be the absolute minimum using this system, which Waitomo has. • Complicated to count with results taking longer to produce. • Results do not show how many votes each candidate received.

HOLD A POLL OF ELECTORS

5.3 Council could decide to hold a poll for the community to decide. However, it is unlikely that there would be enough community interest to make this option necessary or practical.

Advantages	Disadvantages
• Contributes to meeting the purpose of the Local Elections Act — "allow diversity through local decision making in relation to a particular electoral system" and "fair & effective representation for individuals & communities".	• Significant cost involved in holding a poll, including staff time and resources. • Challenge of explaining both forms of voting system. • Unlikely to be great community interest.

6 Considerations

RISK

6.1 No risks have been identified as likely to result from Council resolving to retain the FPP system. If the community feels unhappy about the decision, they can demand a poll.…

CONSISTENCY WITH EXISTING PLANS AND POLICIES

6.2 This decision is consistent with Council's existing plans and policies.

SIGNIFICANCE AND COMMUNITY VIEWS

6.3 In terms of Council's Significance and Engagement Policy, a decision away from the status quo (FPP) is considered to be reasonably significant. There is a legal requirement to consult with communities through public notice; the decision will remain effective until 2028 and it affects a high percentage of WDC's residents and ratepayers

Document ID: 994102

Report To: Council

Meeting Date:	28 July 2026
Subject:	**Delegations Register Review**
Type:	Decision required
Author(s):	Ben Smit Chief Executive

1 Purpose of Report

1.1 The purpose of this business paper is to present to Council a revised Delegations Register for consideration and adoption.

2 Suggested Resolutions

2.1 The following are suggested resolutions only and do not represent Council policy until such time as they are adopted by formal resolution.

1 The business paper on Delegations Register Review be received.

2 The Delegations Register be adopted by Council with minor editorial amendments as required by the Chief Executive.

3 Background

3.1 Council is responsible and democratically accountable for exercising the powers, duties, and responsibilities it has under legislation. Council may delegate responsibilities to the Chief Executive (CE), committees, subcommittees, other subordinate decision-making bodies, or officers. The CE in turn may then delegate some of these responsibilities to staff.

3.2 The Delegations Policy broadly outlines who has permission to delegate and to whom in which circumstances.

3.3 The Delegations Register then outlines the specifics of what responsibilities from legislation or WDC Bylaws have been delegated by the Council to committees, what has been delegated to the Chief Executive, and what the Chief Executive has delegated to specific WDC officers.

3.4 It is a very long and detailed document, the detail on page 8 on 'How the Delegations Register Works' is a useful summary of what the document does. The body of the document is used as a reference rather than to be read in its entirety.

4 Commentary

4.1 The current version of the Register in use was adopted in June 2022, this review (with changes shown in track changes) has aimed to do the following:

a) Reword where required the introduction and the Policy (page 10) for plain English to improve readability

b) Update the delegations to Council committees in line with adopted committee terms of references (part A)

c) Part B: sub-part 1 covers legislation where powers have been delegated by Central Government to councils, and what this Council has then delegated to the Chief Executive. For the review we have checked whether any changes have been made to the legislation, removed repealed legislation, and added relevant new acts.

d) Part B: sub-part 2 covers off bylaws adopted by this Council and the delegations which have been made by Council to the Chief Executive. Changes here reflect any updates to bylaws since the register was last reviewed.

e) Part B: sub-part 3, Part C and Part D have largely been amended to reflect changes in position titles following a recent staff restructure. In some cases titles have changed, in other cases the structure of the organisation is different which is reflected in different delegations to general managers, and the CE taking on the responsibility for roading, stormwater and solid waste.

4.2 The Register enables the Strategy and Policy team to make regular amendments as necessary only to reflect changes in legislation and WDC bylaws.

5 Analysis of Options

5.1 Council may choose to:

Option 1: accept and adopt the revised Declarations Register, with or without minor amendments

Option 2: not adopt the revised Declarations Register and continue to operate the 2022 version.

5.2 Option 1 is the recommended option.

6 Considerations

RISK

6.1 Not adopting a revised register will result in some uncertainty around who has what delegated authority due to some positions no longer existing as well as inconsistencies with legislation.

CONSISTENCY WITH EXISTING PLANS AND POLICIES

6.2 Adoption of the Delegations Register 2026 is consistent with Councils existing plans and policies.

SIGNIFICANCE AND COMMUNITY VIEWS

6.3 It is advised that there is no need for community consultation for this register as there is no impact on the public who in the organisation does what.

6.4 This is not a significant decision under the Significance and Engagement Policy.

7 Attachments/Separate Enclosures

Separate enclosure:

1 Delegations Register 2026 (under review) (Doc # 977505)

Document ID: 993810

Report To: Council

Meeting Date: 28 July 2026

Subject: **Co-Lab – Adoption of Statement of Intent 2026/2027**

Type: Decision Required

Author(s): Tina Hitchen
Chief Financial Officer

1 Purpose of Report

1.1 The purpose of this business paper is to present for consideration and adoption the Co-Lab Statement of Intent (SoI) for 2026/2027.

2 Suggested Resolutions

2.1 The following are suggested resolutions only and do not represent Council policy until such time as they are adopted by formal resolution.

1 The business paper on Co-Lab: Adoption of Statement of Intent 2026/2027 be received.

2 Council adopt the Co-Lab Statement of Intent for the year ended 30 June 2027.

3 The Co-Lab Statement of Intent for the year ended 30 June 2027 be published on Council's website.

3 Commentary

3.1 Co-Lab's draft SoI for the year ended 30 June 2027 was presented to Council on Tuesday 24 March 2026. At that meeting Council resolved:

Resolution

1 The business paper on Co-Lab Half-year Report to the 31 December 2025 and the Draft 2026 Statement of Intent be received.

2 The Co-Lab Half-year Report to 31 December 2025 be published on Council's website.

3 No changes are suggested to the Draft 2026 Statement of Intent for Co-Lab.

Manawaiti/Tasker Carried

3.2 Section 64 of the Local Government Act 2002 (LGA) requires the Board of all CCOs to deliver a completed SoI to the shareholders before the commencement of the financial year to which it relates.

3.3 The Co-Lab Board adopted and delivered a SoI that is consistent with the draft SoI presented to Council on the 24 March 2026.

3.4 A copy of the final Co-Lab Statement of Intent for the year ended 30 June 2027 is attached to and forms part of this business paper.

4 Analysis of Options

4.1 The LGA requires Council to publish the final SoI on its website within one month of adoption and maintain the document on the website for a period of no less than 7 years.

5 Considerations

RISK

5.1 There is minimal risk in adopting the SoI as presented. Council considered the draft SoI at the 24 March 2026 Council Meeting and there are no material changes to the final SoI.

CONSISTENCY WITH EXSITING PLANS AND POLICIES

5.2 The decision to adopt the final SoI 2026/2027 as presented will be consistent with Council's understanding of the future plans of Co-Lab and its objectives for the CCO.

SIGNIFICANCE AND COMMUNITY VIEWS

5.3 The final SoI for 2026/2027 is aligned with the Co-Lab Constitution and their plans and forecasts discussed with the Council previously and is generally aligned with the expectations of Council from its shareholding. Therefore, the decision is not considered to require public engagement as per Council's Significance and Engagement Policy.

6 Attachments/Separate Enclosures

Attachments:

1 Co-Lab Statement of Intent for the year ended 30 June 2027 (Doc # 993811)

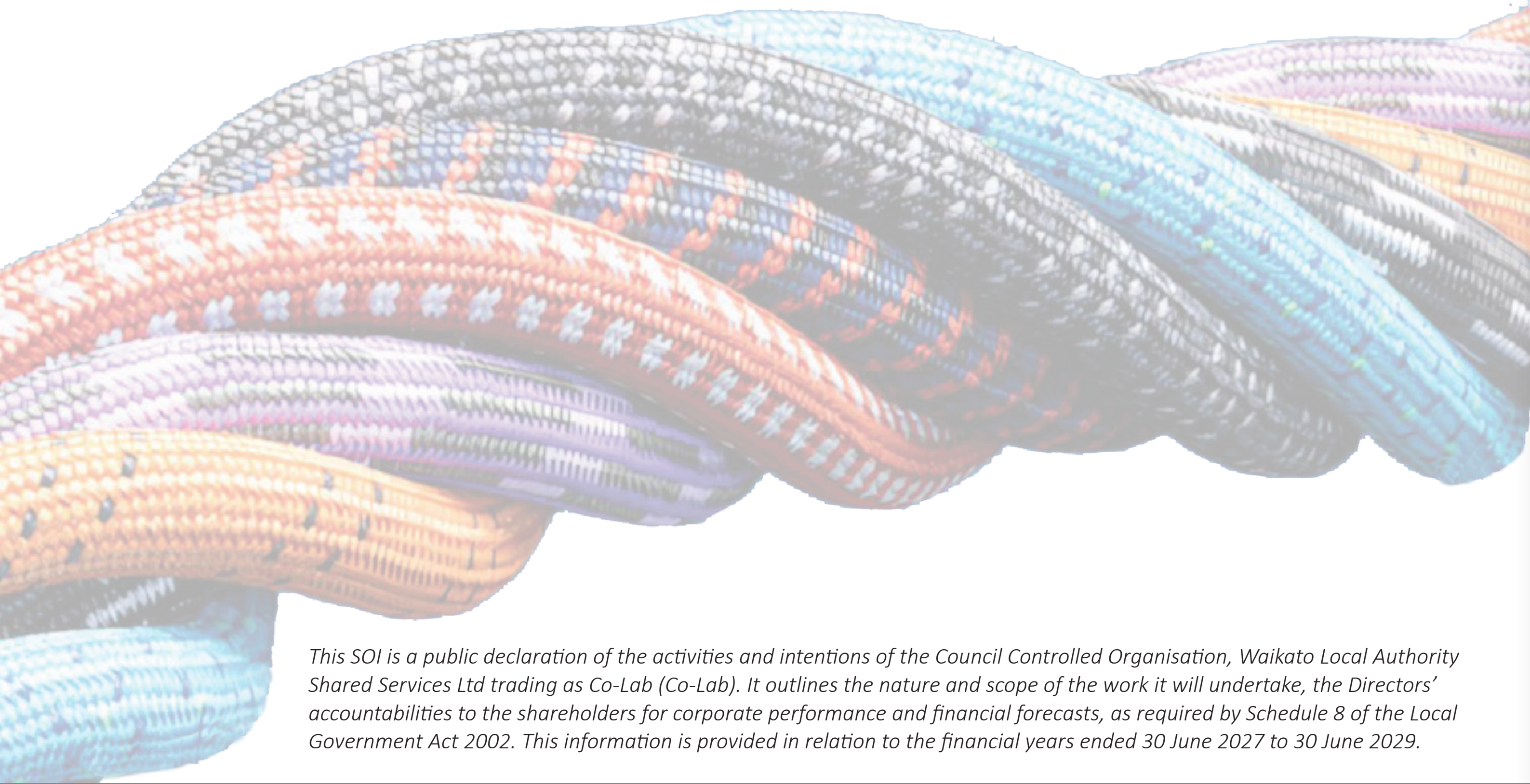
COLAB

BETTER TOGETHER

2026 STATEMENT OF INTENT

for the year ended 30 June 2027

CONTENTS



This SOI is a public declaration of the activities and intentions of the Council Controlled Organisation, Waikato Local Authority Shared Services Ltd trading as Co-Lab (Co-Lab). It outlines the nature and scope of the work it will undertake, the Directors' accountabilities to the shareholders for corporate performance and financial forecasts, as required by Schedule 8 of the Local Government Act 2002. This information is provided in relation to the financial years ended 30 June 2027 to 30 June 2029.

MESSAGE FROM THE CHAIR

As we enter the final year of our three-year strategy, Co Lab's purpose remains unchanged: that we help our councils identify and realise shared opportunities. What is changing is our pace and scale.

Over the last two years, councils have asked more of us and, importantly, have been proactive in working with us to establish shared services. That commitment has lifted performance and confidence in doing things together. It also means we are likely to meet our growth targets ahead of plan, so we are stretching further in FY2026.

We will continue to be responsive to how you want to utilise your collaboration CCO, and flexible in the way we deliver to you. Some councils will want us to lead delivery; others will prefer to co-design. Either way, our role is to be a reliable enabler for collaboration behind the scenes - a dependable backbone that helps councils work smarter, faster, and together, while maintaining a human touch where it matters.

In 2026 we are projecting revenue growth across key services - RIMU and Co-Lab Building Services (CBS) in particular - supported by our aspiration for new council customer uptake of our growing set of services.

As this growth materialises, our intent is simple: reinvest to create even more value for councils and, over time, reduce reliance on member charges. That direction is consistent with our longer term ambition to be increasingly self-sufficient through the value we deliver.

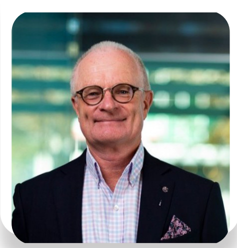
Local government continues to face sector reform and fiscal pressure. The Waikato's strategic position in the country and the Government's focus on enabling growth and infrastructure will keep expectations high while resources are constrained. Collaboration - across councils, with iwi, and with central government - remains our most practical lever to deliver better, faster, and more affordably.

We have made no assumptions about the outcomes of central government reform. Councils' appetite for the Government's headstart pathway will become clearer over the next few months.

As that picture develops, the Board will consider Co-Lab's strategy for the next three-year period in light of the expected changes to local government. That is likely to include how we continue to grow service-based revenue, including through uptake by new council customers, and over time reduce reliance on member charges.

Our commitment to you is practical and unwavering: to help you make a dollar, save a dollar, or improve your service—and do it together, where together makes it better.

Thank you for your continued trust and leadership.



Yours Sincerely,

Peter Stubbs

Chair

STATEMENT OF INTENT 'AT A GLANCE'
OUR 3-YEAR STRATEGY

OUR VISION

Council collaboration through Co-Lab maximises community wellbeing

OUR PURPOSE

Support our councils to achieve this vision by helping them identify and realise shared opportunities

PERFORMANCE FRAMEWORK OUTCOMES

Reduce Costs

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

Create Value for Councils

- Improved levels of quality & service
- Increased skills & expertise
- Improved compliance
- Improved decision making

Enable Innovation & Change

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

3-YEAR S.M.A.R.T. GOALS

Strategic Goals (3-Year)	Objectives
1. Shareholding Councils understand we provide them value	• We know the value we provide shareholders has improved by 15%, by 30 June 2027 • By 30 June 2027, 80% of shareholders agree they get value from Co-Lab
2. Deliver value by growing the scale of our shared service function	• 28 New instances of Co-Lab's shared services being utilised by 30 June 2027
3. Diverse, talented and motivated people work for us	• Staff engagement is maintained at 85% or above, by 30 June 2027 • Staff turnover is less than 15% per annum • Our vacancies are filled by suitable candidates within 3 months

Baseline y/e 30 June 2023

Reference to "shareholders" includes feedback from any stakeholders from shareholding councils that may interact with Co-Lab.

Co Lab defines value to shareholding councils as improvements in cost efficiency, service quality, capability and resilience that councils could not achieve as effectively on a standalone basis. This value is measured through a combination of financial outcomes (including cost avoidance and shared savings), service performance metrics, council uptake and satisfaction, and the extent to which shared services reduce duplication and operational risk.

COMMENTARY

Co-Lab remains aligned with its three-year strategy outlined in the 2024 Statement of Intent. At 31 December 2025 (halfway through our 3-year strategy), we had expanded our shared services function by 16 instances, progressing towards the original target of 24 instances over the three-year period. With this great progress realised, we are now setting our sights on achieving 28 instances over the three-year period.

PERFORMANCE MEASURES

To ensure we deliver against our 3-year strategy, consistent with last year, we are using the following annual Key Performance Indicators (KPI).

STRATEGIC GOAL	3-YEAR OBJECTIVE	ANNUAL KPI
Shareholding councils understand we provide them value.	We know the value we provide shareholders has improved by 15%, by 30 June 2027* *(baseline y/e 30 June 24).* **Based on the regional benefits of collaboration (not an individual councils' benefits from collaboration).*	Year-on-year increase in the value we provide to councils.
	By 30 June 2027, 80% of shareholders agree they get value from Co-Lab.	80%+ of council survey respondents believe those Co-Lab services they received meet or exceed their expectations (evidenced by an annual survey).
	All shareholders take up at least one additional shared service.	Year-on-year increase in the utilisation of services we provide to councils.
Deliver value by growing the scale of our shared service function.	28 new instances of Co-Lab shared services being utilised, by June 2027. *(baseline y/e 30 June 24)*	Year-on-year increase in the utilisation of services we provide to councils.
		Year on Year increase in the number of services available to councils.
Diverse, talented and motivated people work for us.	Maintain staff engagement above 85%.	Maintain staff engagement above 85%.
	Staff turnover is less than 15%.	Staff turnover is less than 15%.
	Our vacancies are filled by suitable candidates within 3 months. *All baselined y/e 30 June 24)*	Vacancies are filled by suitable candidates within 3 months.

Reference to "shareholders" includes feedback from any stakeholders from shareholding councils that may interact with Co-Lab.

NATURE & SCOPE OF SERVICES

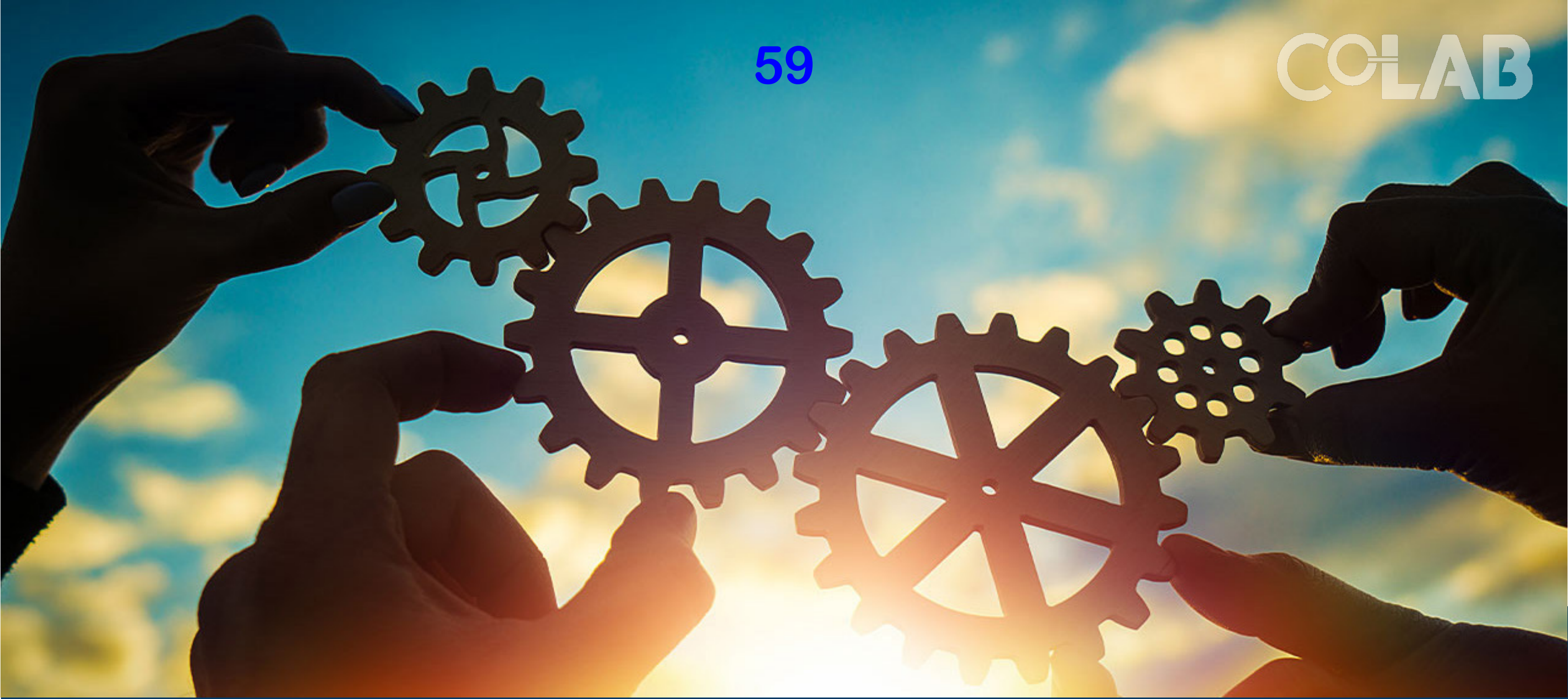
Co-Lab has three main functions. It:

1. Acts as an "ideas laboratory" – working with councils to investigate and develop opportunities to work together;
2. Delivers shared services to councils; and
3. Enters joint procurement arrangements.

OPPORTUNITY DEVELOPMENT

Beyond the focus areas below, Co-Lab will develop opportunities that will reduce costs, create value for councils, and/or enable innovation, at the direction of its shareholding councils.

If you'd like more information on the Opportunity Development Projects we are currently investigating, please get in touch.



SHARED SERVICES

A list of our shared services follows below. We also facilitate other shared initiatives but do not actively manage them as a shared service. This includes the Shared Valuation Data Scheme and the Health and Safety Pre-Qualification Scheme.

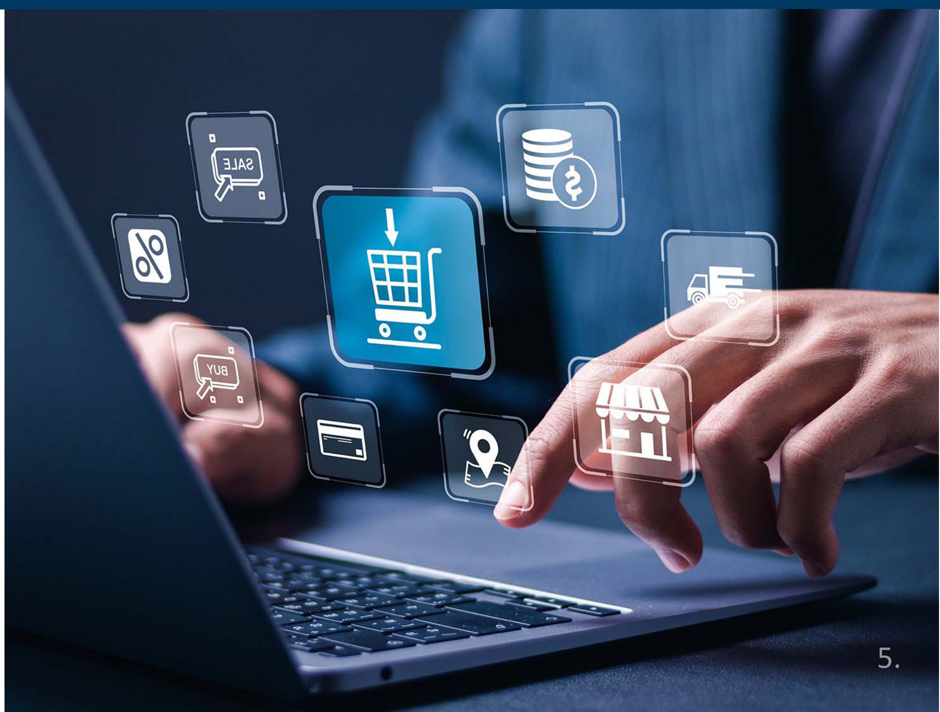
The nature of some existing services have evolved but for the most part, they remain largely unchanged from prior years. We have however established a significant new service, RIMU (Road Infrastructure Measurement & Use), in partnership with NZTA's Road Efficiency Group.

Co-Lab Water Services has been forecast to remain a Co-Lab operated service for the period. The staff will be employed by IAWAI and the same arrangements to operate the service will continue with consolidation of the customer base over time.

For more information on our services, please visit our website **colabsolutions.govt.nz**

JOINT PROCUREMENT

Co-Lab enters joint procurement arrangements for the benefit of councils, with a focus on value for money and supply certainty. As part of this Co-Lab operates two panels - a professional services panel and a legal services panel - to provide easy and compliant access to these services. It also manages a number of joint contracts with suppliers that councils can be part of.



FOCUS AREAS

BUILDING CONSENT TRANSFORMATION & AUTOMATION

- Onboarding councils to Co-Lab Building Services
- Launching Project LEGO (building consent checking assistant)

SERVICE GROWTH TO NEW COUNCIL CUSTOMERS

- Prioritising Co-Lab Building Services, followed by Trade Waste and RAMM expertise (RATA)

REGIONAL COLLABORATION

- Enabling collaborative initiatives from Mayoral Forum & CE Forum (similar to Waikato Water Done Well)

SERVICE DEVELOPMENT

- RATA Spaces & Places

PROCUREMENT & COST EFFICIENCY

- Joint procurement initiatives including renewal of Shared Valuation Data Service (SVDS)

CO-LAB SERVICE DELIVERY

The principal initiatives operating under the Co-Lab umbrella are:

	RATA	Waikato Building Consent Group (WBCG)	Co-Lab Building Services (CBS)	Co-Lab Geospatial Services (CoGS)	Co-Lab Water Services	Co-Lab Procurement Support	Regional Infrastructure Technical Specifications (RITS)	Energy & Carbon Management	Waikato Regional Transport Model (WRTM)	Road Infrastructure Measurement & Use (RIMU)
	Enabling good practice roading and infrastructure asset management.	Coordinated support to Building Consent Authorities.	Processing overflow building consents.	Manages Waikato geospatial data platform Waikato Open Data Hub	Sampling & Analysis, Trade Waste and Smart Water.	Joint procurement contracts, procurement support and advice.	Manages accepted products list for infrastructure projects.	Supports councils to achieve good energy efficient practices and assess climate change impact.	Enables integrated planning of land use and transport.	Provides consistent, quality data collection & management of NZ's roading network to councils in partnership with REG
PARTICIPATION										
Shareholding Councils										
Hamilton City Council	●	●	●	●	●	●	●	●	●	
Hauraki DC	●	●	●	●	●	●	●			
Matamata-Piako DC	●	●	●	●	●	●	●	●	●	
Ōtorohanga DC	●	●		●	●	●	●	●		
Rotorua Lakes Council				●	●	●	●	●		
South Waikato DC	●			●	●	●	●	●		
Thames-Coromandel DC	●	●	●			●		●	●	
Waikato DC	●	●	●	●	●	●	●	●	●	
Waikato Regional Council	●			●		●		●	●	
Waipā DC	●	●		●	●	●	●	●	●	
Waitomo DC	●	●	●	●	●	●	●			
Western Bay DC	●		●			●				
Other Councils/Customers										
Taupō DC	●			●	●	●		●		
Hamilton Airport					●					
Road Controlling Authorities										●
Service GROWN since 2019	●			●			●		●	
Service NEW since 2019	●		●		●	●				●

FINANCIALS

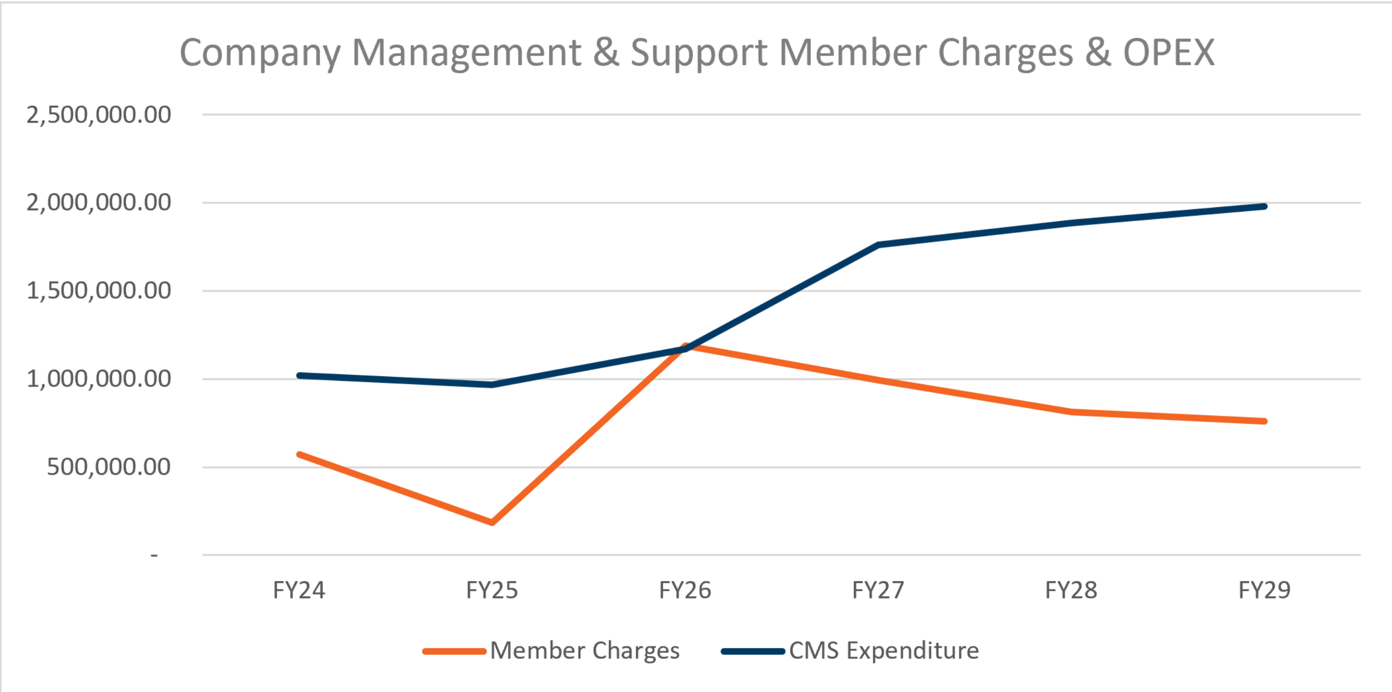
OVERVIEW

SERVICES

Revenue from services is budgeted to increase in the 2026/27 financial year (FY), primarily driven by the continued growth and success of our new services, RIMU and Co-Lab Building Services. As in previous years, we continue to use revenue generated within services to minimise the cost to member councils wherever possible.

MEMBER CHARGES

Following the one-off reduction in FY25, when cash reserves were used to significantly lower member charges, we previously indicated that charges would return to normal levels from FY26. In FY27, Company Management & Support (CMS) operating expenditure increases to support continued growth in our services. Importantly, that growth also increases service revenue, enabling a reduction in member charge contributions from councils. That is, the additional cost reflects investment in growth rather than increased reliance on shareholder funding.



There is a significant level of uncertainty with the proposed central government reforms, particularly in the latter years of the SOI. How these reforms may ultimately play out across our shareholders and their consequent impact on Co-Lab will become clearer in the coming months. Given the current lack of clarity, the budget and forecasts have been prepared based on the information available today rather than reflecting any assumptions about the financial impact of future reform.

STATEMENT OF FINANCIAL PERFORMANCE

Co-Lab
Company Summary
for the forecast financial years ended 30 June 2027-2029

	Budget 2025/26	Forecast 2025/26	Budget 2026/27	Budget 2027/28	Budget 2028/29
Income					
Data Sales	409,636	350,158	312,616	328,249	344,661
Services Revenue	13,293,272	13,452,308	13,795,139	14,487,520	15,202,640
Interest Revenue	60,000	60,000	60,000	63,000	66,150
Total Income	**13,762,908**	**13,862,466**	**14,167,755**	**14,878,769**	**15,613,451**
Operating Expenditure					
Personnel Costs	5,625,819	5,823,253	7,749,091	8,394,723	8,812,400
Depreciation and amortisation	53,076	27,342	27,546	31,549	32,783
Other Expenditure	7,907,388	7,534,400	6,671,953	6,417,635	6,904,747
Total operating expenditure	**13,586,283**	**13,384,995**	**14,448,590**	**14,843,907**	**15,749,930**
Net Surplus (Deficit) before tax	**176,625**	**477,471**	**(280,835)**	**34,862**	**(136,479)**

STATEMENT OF FINANCIAL POSITION

Co-Lab
Financial Position
for the forecast financial years ended 30 June 2027-2029

	Budget 2025/26	Forecast 2025/26	Budget 2026/27	Budget 2027/28	Budget 2028/29
CAPITAL					
Shares - SVDS	1,607,001	1,607,001	1,607,001	1,607,001	1,607,001
Shares - WRTM	1,350,000	1,350,000	1,350,000	1,350,000	1,350,000
Retained Earnings	(2,218,374)	(1,255,375)	(777,904)	(1,058,739)	(1,023,878)
Plus Current Year Operating Surplus/(Deficit)	176,625	477,471	(280,835)	34,861	(136,479)
TOTAL CAPITAL FUNDS	**915,253**	**2,179,097**	**1,898,262**	**1,933,123**	**1,796,644**
ASSETS					
CURRENT ASSETS					
Prepayments	6,350	0	6,350	6,668	7,001
Accounts Receivable	688,146	2,079,370	2,125,163	2,231,815	2,342,018
Bank	1,027,595	1,558,086	823,311	806,397	597,311
GST Receivable / (Payable)	57,092	23,066	(24,037)	(6,678)	(9,532)
TOTAL CURRENT ASSETS	1,779,183	3,660,523	2,930,787	3,038,202	2,936,798
NON-CURRENT ASSETS					
WRTM - Intangible Asset	2,296,855	2,296,855	2,296,855	2,296,855	2,296,855
MoneyWorks Software	1,195	1,195	1,195	1,195	1,195
Accumulated Depreciation	(2,298,050)	(2,298,050)	(2,298,050)	(2,298,050)	(2,298,050)
IT Equipment & Office Furniture	197,500	226,670	286,670	326,670	366,670
Accumulated Depreciation - IT equipment & Office Furniture	(145,356)	(142,335)	(172,898)	(204,448)	(237,230)
TOTAL NON-CURRENT ASSETS	52,144	84,335	113,772	122,222	129,440
TOTAL ASSETS	**1,831,327**	**3,744,858**	**3,044,559**	**3,160,424**	**3,066,238**
LESS CURRENT LIABILITIES					
Accounts Payable	737,951	1,354,491	917,406	965,982	1,000,293
Accounts Payable Accrual	39,106	39,443	40,700	42,735	44,872
Employee Benefits	139,016	171,826	188,191	218,583	224,428
TOTAL CURRENT LIABILITIES	916,074	1,565,760	1,146,297	1,227,301	1,269,593
NET ASSETS	**915,253**	**2,179,097**	**1,898,262**	**1,933,123**	**1,796,644**

STATEMENT OF CASHFLOWS

Co-Lab
Statement of Cashflows
for the forecast financial years ended 30 June 2027-2029

	Budget 2025/26	Forecast 2025/26	Budget 2026/27	Budget 2027/28	Budget 2028/29
Cashflows from Operating Activities					
Interest Received / (Paid)	59,484	32,612	60,000	63,000	66,150
Receipts from Other Revenue	13,515,578	16,051,131	14,059,603	14,709,117	15,437,098
Payments to Suppliers	(13,796,410)	(13,870,324)	(14,846,861)	(14,731,672)	(15,675,188)
Taxes Paid	0	0	0	0	0
Goods & Services tax (net)	(132,793)	(439,429)	47,103	(17,359)	2,854
Net cash from operating activities	(354,141)	1,773,990	(680,155)	23,086	(169,086)
Cashflows from Investing Activities					
Capital enhancements	0	0	0	0	0
Purchase of PPE	(36,674)	(40,000)	(56,979)	(40,000)	(40,000)
Purchase of investments	2,358	0	2,358	0	0
Net cash from investing activities	(34,316)	(40,000)	(54,621)	(40,000)	(40,000)
Cashflows from Agency Activities					
Net receipts held on behalf of councils	0	(1,337,245)	0	0	0
Net cash from agency activities	0	(1,337,245)	0	0	0
Net increase in cash, cash equivalents and bank accounts	(388,457)	396,745	(734,775)	(16,914)	(209,086)
Opening cash and cash equivalents and bank overdrafts	1,416,052	1,161,341	1,558,086	823,311	806,397
Closing cash, cash equivalents and bank accounts	**1,027,595**	**1,558,086**	**823,311**	**806,397**	**597,311**
Summary of Bank Accounts					
BNZ - Call a/c	1,027,595	1,558,086	823,311	806,397	597,311
Closing Balance of Bank	**1,027,595**	**1,558,086**	**823,311**	**806,397**	**597,311**

CO-LAB

APPENDIX I : GOVERNANCE

Co-Lab is owned in equal portion by 12 Local Authorities

Co-Lab conducts itself in accordance with its constitution, its annual Statement of Intent, the provisions of the LGA and Co-Lab policies.

The Board comprises five council representative directors and an independent Chair. There is also a standing Audit & Risk Committee.

DIRECTOR	REPRESENTING
Peter Stubbs	Independent Chair
Chris McLay	Waikato Regional Council
Lance Vervoort	Hamilton City Council
Ben Smit	Ōtorohanga, Rotorua, South Waikato and Waitomo District Councils
Steph O'Sullivan	Waikato and Waipā District Councils
David Speirs	Hauraki, Matamata-Piako, Thames-Coromandel District and Western Bay of Plenty District Council

The independent Chair of Co-Lab receives director fees and reimbursed expenses. Directors representing the councils will not receive any fees or reimbursed expenses for work undertaken on behalf of the company.

APPENDIX II : POLICY STATEMENTS

STATEMENT OF ACCOUNTING POLICIES

REPORTING ENTITY

Waikato Local Authority Shared Services Limited ("the Company") is a Company incorporated in New Zealand under the Companies Act 1993 and is domiciled in New Zealand. The company is a Council Controlled Organisation as defined under section 6 of the Local Government Act 2002 (LGA), by virtue of the shareholding councils' right to appoint the Board of Directors.

The primary objectives of the Company are to:

- Develop opportunities that benefit the Waikato region's local authorities; and
- Act as a vehicle to deliver value-added services to those local authorities.

The Company has designated itself as a public benefit entity (PBE) for financial reporting purposes.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION

Financial statements are prepared on the going concern basis, and the accounting policies are applied consistently throughout the period.

STATEMENT OF COMPLIANCE

Financial statements are prepared in accordance with the requirements of the LGA, which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

Financial statements are prepared in accordance with and comply with Tier 2 PBE Standards reduced disclosure regime (RDR). WLASS is eligible to report under the RDR as it: is not publicly accountable; and has expenses more than $2 million, but less than $30 million.

The accounting policies set out below are consistent with the prior year, other than the inclusion of policy:

- on operating leases, related to the lease of commercial premises;
- employees; and
- property, plant and equipment.

MEASUREMENT BASE

The financial statements are prepared on a historical cost basis.

PRESENTATION CURRENCY & ROUNDING

The financial statements are presented in New Zealand dollars, and all values are rounded to the nearest dollar unless otherwise stated. The functional currency of the Company is New Zealand dollars

GOODS & SERVICES TAX

All items in the financial statements are stated exclusive of goods and services tax (GST), except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense.
The net amount of GST recoverable from, or payable to, the Inland Revenue (IR) is included as part of receivables or payables in the statement of financial position.
The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the cash flow statement.

Commitments and contingencies are disclosed exclusive of GST.

CRITICAL ACCOUNTING ESTIMATES & ASSUMPTIONS

In preparing the financial statements the Company makes estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. There are no areas requiring estimate or assumptions made that are considered to carry a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

INTANGIBLE ASSETS

USEFUL LIVES AND RESIDUAL VALUES

At each balance date the Company reviews the useful lives and residual values of its intangible assets. Assessing the appropriateness of useful life and residual value estimates of intangible assets requires the Company to consider a number of factors such as the expected period of use of the asset by the Company and expected disposal proceeds from the future sale of the future sale of the asset.

An incorrect estimate of the useful life of residual value will impact the amortisation expense recognised in the income statement and carrying amount of the asset in the balance sheet. The Company minimises the risk of this estimation uncertainty by reviewing that the asset technology is still relevant and there is no alternative options to recreate the asset at a lower price.

IMPAIRMENT OF INTANGIBLE ASSETS

Intangible assets measure at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

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

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

REVENUE

REVENUE

Revenue comprises the fair value of the considerations received or receivable for the sale of goods and services, excluding GST, rebates and discounts and after eliminating sales within the Company. No provisions have been recorded as all revenue and trade receivables are expected to be received.

OTHER REVENUE

Member charges for all activities are recognised when invoiced to the user (i.e. councils). The recorded revenue is the net amount of the member charges payable for the transaction.

Contributions received for projects that were not completed in a financial year are recognised when the Company provides, or is able to provide, the service for which the contribution was charged. Until such time, contributions are recognised as liabilities.

OPERATING EXPENSES

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

PERSONNEL COSTS

DEFINED CONTRIBUTION SCHEMES

Employer contributions to KiwiSaver, the Government Superannuation Fund, and other defined contribution superannuation schemes are accounted for as defined contribution schemes and are recognised as an expense in the surplus or deficit when incurred.

RECEIVABLES

Short-term receivables are recorded at the amount due, less any provision for amounts not considered collectable.

Receivables are initially measured at nominal or face value. Receivables are subsequently adjusted for penalties and interest as they are charged and impairment losses. Non-current receivables are measured at the present value of the expected future cash inflows.

Debtors are amounts due from customers. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

CASH & CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, deposits held at call with banks, with original maturities of three months or less, and bank overdrafts.

INCOME TAX

Income tax expense includes components relating to both current tax and deferred tax.

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

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

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

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable surpluses will be available against which the deductible temporary differences or tax losses can be utilised.
Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit.

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

OTHER FINANCIAL ASSETS

Investments in bank deposits are measured at fair value plus transaction costs.

At each balance date the Company assesses whether there is any objective evidence that an investment is impaired. Any impairment losses are recognised in the income statement.

PAYABLES AND DEFERRED REVENUE

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

Trade and other payables are non-interest bearing and are normally settled on 30-day terms, therefore the carrying value of trade and other payable approximates their fair value.

Contributions received for projects that were not completed in a financial year are recognised as deferred revenue until the Company provides, or is able to provide, the service for which the contribution was charged.

EMPLOYEE BENEFITS LIABILITIES

SHORT-TERM EMPLOYEE ENTITLEMENTS

Employee benefits expected to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay.

These includes salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, and sick leave.

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

A liability and an expense are recognised for bonuses where there is a contractual obligation or where there is a past practice that has created a constructive obligation.

A liability and an expense are recognised for bonuses where there is a contractual obligation or where there is a past practice that has created a constructive obligation.

PRESENTATION OF EMPLOYEE ENTITLEMENTS

Sick leave, annual leave, vested long service leave, and non-vested long service leave and retirement gratuities expected to be settled within 12 months of balance date, are classified as a current liability. All other employee entitlements are classified as a non-current liability.

RECONCILLIATION OF EQUITY

Equity is the shareholders interest in WLASS and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components:

CONTRIBUTED EQUITY

Contributed equity is the net asset and liability position at the time the company was formed. The allocation of capital amongst shareholders is explained in this note.

RETAINED EARNINGS

Retained earnings is the company’s accumulated surplus or deficit since formation.

Document ID: 993800

Report To: Council

Meeting Date:	28 July 2026
Subject:	**Inframax Construction Limited – Adoption of Statement of Intent 2026/27**
Type:	Decision Required
Author(s):	Tina Hitchen Chief Financial Officer

1 Purpose of Report

1.1 The purpose of this business paper is to present for consideration and adoption Inframax Construction Limited's Statement of Intent for the year ending 30 June 2027.

2 Suggested Resolutions

2.1 The following are suggested resolutions only and do not represent Council policy until such time as they are adopted by formal resolution.

1 The business paper on Inframax Construction Limited – Adoption of Statement of Intent 2026/2027 be received

2 Council adopt the Inframax Construction Limited Statement of Intent for year ended 30 June 2027.

3 The Statement of Intent for Inframax Construction Limited be published on Council's website.

3 Commentary

3.1 Council considered Inframax Construction Limited's (ICL) draft Statement of Intent (SoI) at the 24 March 2026 Council meeting and resolved:

Resolution

1 The business paper on Inframax Construction Ltd – Half Annual Report to 31 December 2025 and the draft Statement of Intent for year ending 30 June 2027 be received.

2 The Inframax Construction Limited – Half Annual Report to 31 December 2025 be published on Council's website.

3 No changes are suggested to the Inframax Construction Ltd draft Statement of Intent for the year ending 30 June 2027.

Robertson/Goddard Carried

3.2 Section 64 of the Local Government Act 2002 (LGA) also requires the Board of all CCOs to deliver a completed SoI to the Shareholders before the commencement of the financial year to which it relates.

3.3 The ICL Board of Directors (BoD) were advised following the 24 March 2026 Council meeting that Council had no amendments to the draft SoI.

3.4 The BoD have adopted and delivered the final SoI for Council's adoption. No changes have been made to the SoI since the draft was considered by Council in March.

3.5 Enclosed separately and forming part of this business paper is a copy of the final ICL SoI for the year ended 30 June 2027.

4 Analysis of Options

4.1 The LGA requires Council to publish the final Statement of Intent on its website within one month of adoption and to maintain the document on the website for a period of no less than 7 years.

5 Considerations

RISK

5.1 There is minimal risk in adopting the SoI as presented. Council considered the draft SoI at the 24 March 2026 Council meeting and there are no changes to the final SoI.

CONSISTENCY WITH EXISTING PLANS AND POLICIES

5.2 The decision to adopt the ICL SoI 2026/27 as presented will be consistent with Council's understanding of the future plans of ICL and its objectives for the CCO.

SIGNIFICANCE AND COMMUNITY VIEWS

5.3 The ICL SoI 2026/27 is aligned to ICL's Constitution and plans and forecasts discussed with the Council previously and is generally aligned with the expectations of Council from its shareholding. Therefore, the decision is not considered to require public engagement as per Council's Significance and Engagement Policy.

6 Attachments/Separate Enclosures

Attachments:

1 Inframax Construction Limited – Statement of Intent 2027 Final (Doc # 993801)

Inframax Construction Limited

STATEMENT OF INTENT

FOR THE YEAR ENDING 30 JUNE 2027

1.0 INTRODUCTION

1.1 Inframax Construction Limited is –

- a limited liability company pursuant to the Companies Act 1993.
- a Council Controlled Organisation pursuant to Section 6 of the Local Government Act 2002.

1.2 This Statement of Intent is prepared to meet the requirements of Section 64 and Schedule 8 of the Local Government Act 2002.

1.3 It outlines the activities and intentions of Inframax Construction Limited and the objectives to which those activities will contribute. Performance targets and measures are specified, along with the Company's policies relating to governance and other matters.

1.4 The Statement of Intent is reviewed annually by the Company following consultation with Waitomo District Council.

2.0 NATURE AND SCOPE OF ACTIVITIES

2.1 The core business of the Company will be roading maintenance and construction, quarrying and crushing of aggregates and maintenance and construction of utilities and infrastructure assets.

2.2 The Company will compete for infrastructure contracts in the central western North Island Districts and in other areas where it is identified that such contracts will yield an appropriate rate of return or where the Company believes that there are sound commercial reasons for doing so.

2.3 The Company may expand into other ventures and/or activities that are consistent with the Company's objectives and the provisions of the Local Government Act 2002.

3.0 OBJECTIVES

The principal objective of Inframax Construction Limited is to operate as a successful business and to contribute to the wellbeing of the communities in which it operates.

In pursuing the principal objective, the Company and Directors shall:

- Maximise the long-term viability and profitability consistent with the Shareholder's objectives for ownership and value creation.
- Seek and develop profitable business opportunities that make best use of the people, technical and financial resources of the Company.

- Ensure assets and liabilities are prudently managed consistent with the nature of a contracting business.

- Ensure transparent and informed relationships are maintained with the shareholder within the spirit of 'no surprises'.

- Act as a good employer by:

  - Providing a work environment that recruits, fosters and maintains safe, competent, motivated, committed and productive employees

  - Recognising and rewarding excellent performance of any staff.

- Act in an environmentally and socially responsible manner and implement sustainable business practices.

4.0 CORPORATE GOVERNANCE

Pursuant to Section 57 of the Local Government Act 2002, the Board of Directors is appointed by the shareholder to govern and direct the activities of the Company.

All Directors are required to comply with a formal Code of Conduct, which is based on the Institute of Directors in New Zealand's Code of Practice for Directors.

(a) Role of the Board of Directors

The Directors' role is defined in Section 58 of the Local Government Act 2002. This section states that all decisions relating to the operation of the CCO shall be made pursuant to the authority of the directorate of the Organisation and its Statement of Intent. The Board consults with the Company's shareholder in preparing and reviewing the Statement of Intent.

The Board meets on a regular basis and is responsible for the proper direction and control of the Company's activities. This responsibility includes such areas of stewardship as the identification and control of the Company's business risks, the integrity of management information systems and reporting to the shareholder.

The Board accepts that it is responsible for the overall control system operating within the Company but recognises that no cost-effective internal control system will permanently preclude all errors or irregularities. The control systems reflect the specific risks associated with the business of the Company.

To achieve this governance the Board will:

- Conduct regular briefings with the designated shareholder representatives to discuss emerging risk and opportunities of the business, the general forecast performance expectations and to learn of relevant changes in council policies, expectations and risk appetite.

- Act on a fully informed basis, in good faith, with due diligence and care, and in the best interests of the company.

- Act in accordance with the Constitution and Statement of Intent.

- Ensure compliance with applicable legislation, regulation, codes and accounting standards.

- Structure itself to utilise the expertise of Directors to add value.

- Monitor the effectiveness of overall governance and make changes as needed.

- Monitor and manage potential conflicts of interest of management, board members and shareholder.

- Appoint and monitor the performance and remuneration of the Chief Executive Officer and oversee succession planning.

- Ensure the Company's financial management is consistent with good business practice.

- Decide on necessary actions to protect the Company's financial position and the ability to meet its debts and other obligations when they fall due, and ensure such actions are taken.

- Ensure the Company's goals are clearly established, and that strategies are in place for achieving them (such strategies being expected to originate, in the first instance, from management).

- In the spirit of 'no surprises', keep the shareholder informed on significant events and issues, including those sensitive to publicity that may arise from Council being a political organisation.

- Promote a culture which requires all employees to adhere to high levels of ethical behaviour.

- Ensure the Company has appropriate risk management/regulatory compliance policies in place and that these are monitored on a regular basis.

(b) <u>The Role of the Shareholder</u>

The Board aims to ensure that the shareholder is informed in a timely manner of all major developments affecting the Company's state of affairs. The shareholder is consulted on the review of the Company's Statement of Intent and is responsible for the appointment of Directors. Information is communicated to the shareholder in the Annual Report, the Half-Annual Report and special meetings where required.

The shareholder is expected to:

- Deal with issues raised by the Company in a prompt and expedient fashion.

- Maintain a high level of communication with the Company on relevant matters.

- Ensure transparent and collaborative relationships are maintained with the Company.

5.0 PERFORMANCE INDICATORS

In its half-year and annual report, the Company will record its performance relating to its goals and objectives.

6.0 PERFORMANCE MEASURES AND TARGETS

The Company will endeavour to exceed the targets of the Projected Business Plan.

6.1 Ratio of Shareholder's Funds to Total Assets

The Ratio of Shareholder's Funds to Total Assets shall not be less than that set out in this Statement of Intent.

6.2 Current Ratio

The Current Ratio measures solvency. The Company will maintain a positive Current Ratio. For the purposes of this measure, "Positive" means equal to or greater than 100%.

6.3 EBITDA

Earnings before interest, tax, depreciation and amortisation gives an indication on the underlying operational profitability of the business.

6.4 Revenue

Measuring revenue growth gives a good indication of the rate at which the company has expanded the business.

6.5 Bank Covenants

The Company will meet all bank covenants.

	30 June 27	30 June 2028	30 June 2028
6.1 Equity Ratio Shareholders Funds expressed as a % of Total Assets	Greater than 48%	Greater than 48%	Greater than 48%
6.2 Current Ratio Current Assets expressed as a % of Current Liabilities	Positive	Positive	Positive
6.3 EBITDA Earnings Before Interest, Tax, Depreciation and Amortisation	$4.0m	$4.2m	$4.4m
6.4 Revenue Revenue Targets	$44m	$48m	$50m
6.5 Bank Covenants As agreed with the Bank from time to time	Met	Met	Met

7.0 NON-FINANCIAL PERFORMANCE MEASURES

7.1 Health and safety observations (leadership) per year

Safety observations are a health and safety lead indicator which allow managers and front-line workers to have conversations about how effectively health and safety risks are being controlled and how Inframax can continue to improve. Safety observations require managers to engage with workers to get feedback on risk controls and the effectiveness of them and to actively follow up on improvements. They provide assurance to managers that hazard controls are fit for purpose taking into account the working environment, operational pressures or other factors.

7.2 Field safety inspections (critical risk controls check)

Field safety inspections are a health and safety lead indicator. A field safety inspection is a planned examination of a sample of an Inframax workplace or work activity to assess the effectiveness of health and safety management. Field safety inspections are focussed on the activities identified as critical risks on Inframax's risk register.

7.3 ISO 9001 Accreditation

ISO 9001 is a quality accreditation standard verifying that the company has systems and processes in place to operate to industry best practices. It confirms that issues within the company are identified, recorded and information used to generate continual business improvement.

7.4 ISO 45001 Accreditation

ISO 45001 is a global standard for Occupational Health and Safety (OS&S) Management Systems that provides a practical solution to improve the safety and health of both employees and other personnel by preventing work-related injury and ill health, as well as by proactively improving the Company's OH&S performance.

7.5 Environmental Consent Compliance

There are three measures of environment consent compliance - full, partial and non-compliance. Full compliance of consents held by the Company indicates that all conditions of consents are met in full and the organisation is acting in an environmentally responsible manner.

7.6 Number of Broader Outcome Initiatives

The Local Government (Community Well-being) Amendment Act 2019 provides for local authorities to play a broad role in promoting social, economic, environmental and cultural well-being of their communities. Broader Outcome Initiatives are initiatives the Company deploys that contribute to the wider social, economic, cultural and environmental well-being of the communities for which it operates in.

	30 June 27	30 June 28	30 June 29
7.1 Health and safety observations (leadership) per year	360	360	360
7.2 Field safety inspections (critical risk controls check) per year	300	300	300
7.3 ISO 9001 Accreditation	Standard Achieved	Standard Achieved	Standard Achieved
7.4 ISO 45001 Accreditation	Standard Achieved	Standard Achieved	Standard Achieved
7.5 Environmental Consent Compliance	Full Compliance	Full Compliance	Full Compliance
7.6 Number of Broader Outcome Initiatives	15 (Waitomo District 9, Other 6)	20 (Waitomo District 10, Other 10)	25 (Waitomo District 13, Other 12)

8.0 DIVIDEND POLICY

8.1 Subject to the Directors being satisfied as to the solvency of the Company, the meeting of its bank covenants and the integrity of its asset replacement and investment programme, the Company is committed to the provision of annual distributions to the Shareholder in accordance with the Company's Capital Structure Policy and Dividend Policy.

8.2 The Company may declare dividends as approved by the Directors in accordance with the timings outlined in the Company's Dividend Policy.

8.3 The Directors may from time to time pay interim dividends in accordance with the timings outlined in the Company's Dividend Policy.

8.4 The Company's policy is to distribute to its Shareholder up to 50% of net profit after tax (NPAT) (excluding asset revaluations) each financial year, as a dividend payment, subject to the Dividend Policy guidelines.

8.5 Should a distribution to the Shareholder occur, it will be made, after consultation with the Shareholder, and after taking account of all tax considerations.

9.0 ACCOUNTING POLICIES

9.1 The Company will maintain accounting records in accordance with the Companies Act 1993 and the Financial Reporting Act 2013.

Significant accounting policies adopted by the Company in its Annual Report are –

- Compliance with New Zealand generally accepted accounting practice (NZ GAAP).
- Preparation on a historical cost basis, apart from Land and Buildings and Heavy Quarry Equipment which are stated at their fair value.
- Preparation on a going concern basis.
- Financial assets, other than those at fair value, are assessed for impairment at each balance date.
- Revenue and profit are primarily recognised based on value earned.
- Trade and other receivables are stated at their expected realisable value after providing for impairment.
- Aggregate stocks are valued using standard costs based on the estimated average cost of production.
- Property, plant and equipment other than Land and Buildings and Heavy Quarry Equipment (which are measured at fair value), are carried at cost less accumulated depreciation and impairment losses.
- Trade and Other Payable are recognised when the Company becomes obliged to make future payments.

10.0 INFORMATION TO BE PROVIDED TO SHAREHOLDERS

10.1 Annual Report and half-yearly operational report will be submitted in accordance with the Local Government Act 2002.

10.2 The half-yearly report will include details as are necessary to enable an informed assessment of the Company's performance during the reported period. This report will be accompanied by the Chairman's review of the period. The half-yearly report will be made available to the Shareholder no later than 1 March in every year.

10.3 The Annual Report will include all items required by the Companies Act 1993, the Financial Reporting Act 2013 and such other information as the Directors deem necessary for the Shareholder to measure performance of the Company against performance targets as agreed in the Statement of Intent.

11.0 SIGNIFICANT ACQUISITIONS

11.1 Procedure to be followed as per Schedule 8, Clause 9(1)(i) of the Local Government Act 2002 regarding share transactions will be at the discretion of the Directors unless the acquisition qualifies as a major transaction as defined in 10.3.

11.2 The Board will consult with the Shareholder before making any significant acquisition including investment in another entity.

11.3 Acquisitions involving more than 10% of the total assets of the company will constitute a "major transaction" under Section 129 of the Companies Act 1993 and will require a special resolution of the Shareholder.

12.0 ESTIMATED COMMERCIAL VALUE OF SHAREHOLDER'S INVESTMENT

12.1 Net Assets in the Annual Report as at 30 June 2025 stood at $13.53m.

12.2 An independent valuation of the shares in the company was undertaken in September 2025. The valuation method adopted for the valuation was an earnings capitalisation valuation (as opposed to an asset based valuation method). The valuation, using the earnings based approach, assessed that the fair value of 100% of the shares in the Company at 30 June 2025 was between $12.5m and $14.6m, with a midpoint of $13.5m.

12.3 The Directors believe that as the business continues to deploy and realise value from business improvement initiatives, the company’s operating performance and, in turn, the earnings based valuation of the shares will continue to grow.

13.0 CAPITAL SUBSCRIPTION

13.1 No capital will be required from the Shareholder.

13.2 No capital injections from the Shareholder are expected in the current period.

Document ID: 986743

Report To: Council

Meeting Date:	28 July 2026
Subject:	**Local Government Funding Agency Limited – Statement of Intent 2026-29**
Type:	Information Only
Author(s):	Wayne La Roche Financial Accountant Tina Hitchen Chief Financial Officer

1. Purpose of Report

1.1 The purpose of this business paper is to present the Statement of Intent 2026-2029 (SoI) for the NZ Local Government Funding Agency Limited (LGFA).

2. Suggested Resolutions

2.1 The following are suggested resolutions only and do not represent Council policy until such time as they are adopted by formal resolution.

1 The business paper on Local Government Funding Agency Limited – Statement of Intent 2026-2029 be received.

3. Background

3.1 The LGFA was incorporated in December 2011 for the purpose of providing debt funding to local authorities in New Zealand.

3.2 Waitomo District Council (WDC) joined the LGFA as a borrower and guarantor in April 2017. Substantially all WDC's borrowings are now provided by the LGFA.

3.3 As a borrower WDC looks to the LGFA as first lender of choice for Council's borrowing requirements. As a guarantor to the LGFA, WDC has an ongoing interest in the financial strength of LGFA.

3.4 Enclosed separately and forming part of this paper is the LGFA Statement of Intent (SOI) and accompanying letter.

4. Commentary

4.1 LGFA has provided the final SoI which includes performance targets for the 2026/27 year and financial forecasts for three years.

4.2 Noted in the Nature and scope of activities, LGFA confirmed that it will provide financing to support CCOs established under the Local Water Done Well initiative. However the accompanying letter notes that there is a high level of uncertainty around the amounts and timings of lending to water CCOs.

4.3 The specific objectives and performance targets are set out in the following table, with the targets set for the 2026/27 financial year, with additions, deletions and amendments from last year's SOI noted.

Strategic Priority	Measure	Target 2026/27
Governance, capacity and business practice	Compliance with Shareholder Foundation and Treasury Policies.	No breaches.
	Staff Engagement Survey results	All scores greater than 80%
	Maintain Credit Rating.	Equal to New Zealand Government (when rated by same credit rating agency).
	Total Operating Income for the period to 30 June 2027 ~~2026.~~	~~>$44.7 million.~~ >$46.2 million
	Total Operating Expenses (excluding approved issuer levy) for the period to 30 June 2027 ~~2026~~.	~~<$12.1 million~~ <$13.5 million.
Optimising financial services for local government	Market Share to local govt sector.	>80%
	Annual Borrowers Survey.	>85% Satisfaction score.
	Refinance existing loans to councils.	100%
	Eligible lending requests met	100%
	Onboarding all remaining water CCOs who did not join in 2025-26 by 30 June 2027. This assumes all water CCOs apply to join LGFA.	Onboard all waters CCOs once their application to join LGFA has been approved.
Environmental and social responsibility	~~Comply with the Health and Safety at Work Act 2015.~~ Health and Safety	No notifiable incidents.
	Maintain Toitu Carbon Zero certification.	Carbon zero certification maintained.
	~~Meet carbon reduction targets.~~	~~< 8.7 tCO_2e annual per person GHG emissions.~~
	Increase Green, Social & Sustainable loans (GSS) and Climate Action Loans (CALs).	Two new GSS loans undertaken, and two new borrowers enter into CALs.
	Develop a sustainable financing option for the water sector	New sustainable financing option is available to water entities.
	Enhance our insight into climate-related risks through council lending	Climate change is incorporated into LGFA's credit risk assessments.
	~~Assess required governance skills for LGFA's climate-related risks and opportunities.~~	~~Develop a director skills matrix.~~
Effective management of loans	Review Participating Borrowers financial position.	100%
	Meet each participating borrower over a 15-month period.	100%

Strategic Priority	Measure	Target 2026/27
Industry leadership and engagement	Provide quarterly updates to shareholders and borrowers on sector developments that are impacting LGFA.	Four quarterly updates to councils and CCOs.
	Meet annually with key stakeholders to discuss sector issues from the LGFA perspective.	Nine meetings across stakeholders.
	Support councils with Local Water Done Well by providing timely and responsible advice for on-boarding water CCOs.	On-boarding process is underway for all water CCOs who have requested it.
	Provide a governance opportunity for a council or CCO staff member under the LGFA Future Director Programme.	One Future Director appointed for an 18-month term.

4.4 LGFA's financial forecasts include the following:

$millions	SoI 25/26 Jun 2026	SoI 26/27 Jun 2027	SoI 26/27 Jun 2028	SoI 26/27 June 2029
Net interest income	$42.8	$44.3	$45.5	$47.4
Net profit	$24.5	$25.3	$25.3	$26.0
Total Assets	$29,252	$29,792	$31,056	$32,832
Shareholder equity	$155	$180	$203	$228

4.5 The financial performance targets are followed by a number of financial ratios including a return on equity target of 16.2% for 2026/27.

4.6 LGFA's primary stated objective continues to maximise benefits to participating borrowers rather than shareholders and as such, subject to the Board's legal obligations and views on appropriate capital structure, dividends are discretionary.

4.7 Notwithstanding the above, LGFA's dividend policy allows for an annual rate of return to shareholders equal to LGFA's fixed rate bond cost of funds plus 2.00% over the medium term.

4.8 Ratepayer Assistance Scheme (RAS)

4.9 LGFA is supporting the development of the RAS that will assist ratepayers with the ability to defer rates, enter property improvement loans and spread the payment of development contributions (or levies) over a long time horizon. LGFA has committed to financially contribute to the RAS business case. If the business case is supportive and the RAS proceeds (subject to shareholder approval), LGFA will consider taking a shareholding, providing a debt facility and support services, and managing the RAS debt issuance programme.

4.10 It is note that LGFA's support for this scheme has not been factored its financial forecasts in this SOI.

5. Attachments/Separate Enclosures

Attachments:

1 Local Government Funding Agency Letter and Statement of Intent 2026-2029 (Doc #986749)

LGFA
New Zealand Local Government Funding Agency
Te Pūtea Kāwanatanga ā-rohe

30 June 2026

Dear LGFA stakeholder

Statement of Intent 2026-2029

Please find attached the Statement of Intent (SOI) for the 2026-29 period.

LGFA remains focused on delivering strong results for our council and CCO borrowers and shareholders.

For our council and CCO borrowers, we seek to optimise funding terms and conditions by

- Achieving savings in borrowing costs
- Provide longer dated financing and
- Provide certainty of access to markets.

For our shareholders we are focused on

- Delivering a strong financial performance
- Monitoring asset quality and
- Enhancing our approach to treasury and risk management.

The following points regarding the 2026-29 SOI are worth noting:

- The SOI including the financial forecast covers the financial years 2026-27 (FY27), 2027-28 (FY27) and 2028-29 (FY29).
- We are assuming gross bond issuance of $4.66 billion (FY27), $4.77 billion (FY28) and $4.80 billion (FY29) which is based on gross borrowing by councils and CCOs of $4.88 billion (FY27), $5.48 billion (FY28) and $5.69 billion (FY29). Gross borrowing by councils is higher than issuance due to the larger amount of loan refinancing.
- Profitability is expected to be strong with projections for annual Net Profit of $25.3 million, $25.3 million, and $26.0 million over the three year forecast period. However, we remain cautious in placing too much emphasis on the second year (FY28) and third year (FY29) forecasts given that we have $9.5 billion of LGFA bonds and $13.7 billion of council and CCO loans maturing over the three year forecast period. This is because assumptions regarding the amount and timing of loan refinancing, interest rates, and sources of LGFA bond issuance have a material impact on financial projections.

LGFA
New Zealand Local Government Funding Agency
Te Pūtea Kāwanatanga ā-rohe

- Expenses excluding Approved Issuer Levy (AIL) are forecast to be $13.5 million (FY27), $14.2 million (FY28) and $14.8 million (FY29) while AIL is forecast to be $7.4 million, $7.9 million, and $8.4 million respectively. AIL is paid to the New Zealand Government on interest paid on our foreign currency borrowing and is the largest single expense for LGFA.
- The proposed SOI performance targets are focused on sustainability, stakeholder engagement, strengthening the financial position of LGFA, and monitoring the credit quality of the loan book.
- As with previous years, there remains uncertainty within the SOI forecasts relating to the amount of both loans and LGFA bonds outstanding as this depends upon the magnitude and timing of council and CCO borrowing. The actual amount of borrowing will be influenced by the ability of councils and CCOs to deliver on the capex projections in their Long Term Plans, any capex cost increases as well as the amount of Central Government assistance in funded capex delivery.
- While the SOI assumes that LGFA will lend to water CCOs, there is a high level of uncertainty regarding the amount and timing of lending as the water CCOs are currently being established.
- We have made no assumptions regarding the impact to the SOI forecasts from the Ratepayer Assistance Scheme ("RAS"). LGFA has committed (subject to shareholder approval) to contributing towards the establishment and ongoing management of the RAS. It is too early to build any impact from RAS into the forecasts.

We remain committed to delivering the lowest possible borrowing cost to the local government sector, providing certainty of access to financing, and offering long dated debt tenors to councils and CCOs while at the same time protecting the interests of our guarantors and shareholders through maintaining a strong financial and capital position.

We thank you for your support of LGFA and please feel free to contact me if you have any questions or require further clarification relating to the SOI or LGFA in general.

Yours sincerely

Mark Butcher
Chief Executive

2026 – 2029

Statement of Intent

LGFA

New Zealand Local Government Funding Agency
Te Pūtea Kāwanatanga ā-rohe

1. Introduction

This Statement of Intent (SOI) sets out the nature and scope of the activities, objectives, and performance targets for the New Zealand Local Government Funding Agency Limited (LGFA) for the three-year period 1 July 2026 to 30 June 2029.

LGFA is enabled under the Local Government Borrowing Act 2011 and is a council-controlled organisation (CCO) for the purposes of the Local Government Act 2002.

The SOI is prepared in accordance with section 64(1) of the Local Government Act 2002.

2. Nature and scope of activities

LGFA raises debt funding for the purpose of providing debt financing to New Zealand local authorities and CCOs (members).

In August 2024, LGFA confirmed that it will provide financing to support water CCOs established under Local Water Done Well. Four water CCOs have joined LGFA in the 2025-26 financial year and we are expecting a further 13 to join in the 2026-27 year.

LGFA may raise debt funding either domestically and/or offshore in either NZ dollars or foreign currency. LGFA seeks to minimise the cost of borrowing for its council and CCO borrowers.

LGFA is required to pay a 2% Approved Issuer Levy (AIL) on the interest paid on foreign currency borrowing to Central Government but does not pay AIL on any NZD borrowing. AIL is our single largest expense at $23.8 million over the three-year forecast period and is effectively a tax on Local Government by Central Government.

LGFA only lends to members that have completed required relevant legal and operational arrangements and comply with the LGFA's lending policies.

In addition, LGFA may undertake any other activities considered by the LGFA Board to be reasonably related, incidentally to, or in connection with, that business.

The LGFA Board has agreed subject to receiving shareholder approval to support the development of the Ratepayer Assistance Scheme (RAS).

3. Our purpose Ta tatou kaupapa

Benefiting local communities through delivering efficient financing for local government.

Ka whiwhi painga ngā hapori mā te whakarato pūtea tōtika ki ngā kaunihera.

Cover: The Amberley Beach Proactive Relocation Project. **Hurunui District Council**

Above: Papa Rererangi i Puketapu Solar Farm, the first project financed under our GS Renewable Energy category. **New Plymouth District Council**

4. Our values Ō mātau uara

We act with integrity	We are customer focused	We strive for excellence	We provide leadership	We are innovative
E pono ana mātau	E arotahi ana mātau ki te kiritaki	E whakapau kaha mātau kia hiranga te mahi	He kaiārahi mātau	He auaha mātau
We are honest, transparent and are committed to doing what is best for our customers and our company.	Our customers are our borrowers, investors, and all other organisations that we deal with. We listen to them and act in their best interests to deliver results that make a positive difference.	We strive to excel by delivering financial products and services that are highly valued at least cost while seeking continuous improvement in everything we do.	We are here for our stakeholders in being strategically minded, providing resilience and executing our strategy. We embrace a high-performance culture and can be relied upon to deliver results.	To meet our ever-changing customer requirements, we will encourage innovation and provide a diverse range of financial products and services.

5. Foundation objectives

The Shareholders' Agreement is a foundation document and states that, in accordance with the Local Government Act, in carrying on its business the objectives of the Company will be to:

(a) achieve the objectives of the Shareholders (both commercial and non-commercial) as specified in the Statement of Intent. The Shareholders agree that the Company shall carry on its business with a view to making a profit sufficient to pay a dividend in accordance with the Dividend Policy, but that the primary objective of the Shareholders with respect to the Company is that it optimises the terms and conditions of the debt funding it provides to Participating Local Authorities;

(b) be a good employer;

(c) exhibit a sense of social and environmental responsibility by having regard to the interests of the community in which it operates and by endeavouring to accommodate or encourage these when able to do so; and

(d) conduct its affairs in accordance with sound business practice.

This Statement of Intent sets out the company's strategic priorities, together with associated objectives and performance targets, which align with the foundation objectives and have been agreed with shareholders.

6. Strategic priorities

The following five strategic priorities encompass the foundation objectives and guide the LGFA Board and management in determining our strategy, objectives, and associated performance targets.

Governance, capability, and business practice

LGFA is committed to best-practice corporate governance underpinned by sound business practice to ensure its long-term sustainability and success. It is important to attract and retain high quality directors and staff to ensure the ongoing success of the organisation.

Optimising financing services for local government

LGFA's primary objective is to optimise the terms and conditions of the debt funding it provides to its members. Amongst other things, LGFA will achieve this by delivering operational best practice and efficiency across our lending products and services.

Environmental and social responsibility

LGFA recognises the risks inherent in climate change for councils and supports New Zealand's shift to a low-carbon economy. LGFA will exhibit a sense of social and environmental responsibility by having regard to the interests of the community in which it operates and by endeavouring to accommodate or encourage these when able to do so.

Effective management of loans

LGFA will ensure its loan book remains at a high standard by ensuring it understands each member's financial position and managing assets within an appropriate risk management framework to ensure shareholder value is not compromised.

Industry leadership and engagement

LGFA will take a proactive role to enhance the financial strength and depth of the local government debt market and will work with key central government and local government stakeholders on sector issues.

Upgrading of the seawall at The Strand. **Tauranga City Council**

7. Objectives and performance targets

This section sets out LGFA's objectives and performance targets for SOI 2026-2029.

The financial performance targets are focused on the 2026-2027 year and, as applicable, are based on the financial forecasts outlined in section 8.

Governance, capability, and business practice

Objectives	How we measure our performance
Demonstrate best-practice corporate governance.	The Annual Report outlines our compliance with the eight core principles underpinning the NZX Corporate Governance Best Practice Code.
Set and model high standards of ethical behaviour.	LGFA has adopted a formal Code of Ethics, incorporating its Conflicts of Interest and Code of Conduct policies, which sets out the standards and values that directors and employees are expected to follow.
Achieve the shareholder-agreed objectives and performance targets specified in this Statement of Intent.	LGFA reports performance against objectives quarterly to shareholders and in our Annual Report, Half Year Report and Climate-Related Disclosures.
Ensure products and services offered to participating borrowers are delivered in a cost-effective manner.	LGFA prepares annual operating budgets and monitors progress against these monthly. Financial performance is reported quarterly to shareholders and in our Annual and Half Year Reports.
Be a good employer by providing safe working conditions, training and development and equal opportunities for staff.	The Annual Report reports on our health and safety and wellbeing practices and policies, compliance with the Health and Safety at Work Act, diversity and inclusion and capability and development.
Attract and retain the best quality staff.	A high level of staff satisfaction and engagement in the Annual Staff Engagement survey. Succession planning, retention and recruitment outcomes are reviewed and reported.

Performance targets	2026-2027 target
Comply with the Shareholder Foundation Polices and the Board-approved Treasury Policy at all times.	No breaches.
Staff Engagement Survey results	All scores greater than 80%.
Maintain LGFA's credit rating equal to the Central Government rating where both entities are rated by the same Rating Agency.	LGFA credit ratings equivalent to Central Government.
LGFA's total operating income, excluding unrealised gains / (losses) on financial instruments, for the period to 30 June 2027.	>$46.2 million.
LGFA's total operating expenses (excluding Approved Issuer Levy) for the period to 30 June 2027.	<$13.5 million.

Optimising financing services for local government

Objectives	How we measure our performance
Provide interest cost savings relative to alternative sources of financing.	Measure LGFA issuance spreads against other high-grade issuers in the New Zealand domestic capital markets.
Offer flexible short and long-term lending products that meet the borrowing requirements for borrowers.	Measure LGFA's share of overall council borrowing. Survey participating borrowers on an annual basis.
Deliver operational best practice and efficiency for lending services.	Monitor settlements errors for new trades and cashflows. Survey participating borrowers on an annual basis.
Ensure certainty of access to debt markets, subject always to operating in accordance with sound business practice.	Maintain a vibrant primary and secondary market in LGFA bonds. Monitor participation by investors at our tenders through bid-coverage ratios and successful issuance yield ranges. Have the ability to issue debt securities in NZD and foreign currency.

Performance targets	2026-2027 target
Share of aggregate long-term debt funding to the Local Government sector. The market share excludes entities who are ineligible for borrowing from LGFA e.g. water entities not financially supported by their parent councils.	> 80%
Conduct an annual survey of Participating Borrowers who borrow from LGFA as to the value added by LGFA to the borrowing activities.	> 85% satisfaction score.
Successfully refinance existing loans to councils and LGFA bond maturities as they fall due.	100%
Meet all lending requests from Participating Borrowers, where those requests meet LGFA operational and covenant requirements.	100%
Onboard all remaining water CCOs who did not join in 2025-26 by 30 June 2027. This assumes all water CCOs apply to join LGFA.	Onboard all water CCOs once their application to join LGFA has been approved.

Environmental and social responsibility

Objectives	How we measure our performance
Assist the local government sector in achieving their sustainability and climate change objectives.	LGFA is committed to assist borrowers financing of projects that promote environmental and social wellbeing in New Zealand, and to encourage a reduction in greenhouse gas emissions and increase climate-resilience amongst borrowers. We do this through the development of lending products such as Green and Social (GS) loans and Climate Action Loans (CALs). This objective will be measured by the number of new GS loans and the number of new members eligible for CALs.
Improve sustainability outcomes within LGFA.	LGFA is committed to reducing our carbon emissions, increasing our resilience to climate change, and managing our climate-related risks and opportunities. To do this effectively, climate change considerations will be embedded into our governance, strategy and risk management functions.

Performance targets	2026-2027 target
Health and Safety.	No notifiable incidents.
Maintain Toitū Carbon Zero certification.	Carbon-zero certification maintained.
Increase our GS lending book and Climate Action Loans.	Two new GS loans undertaken and two new borrowers enter into CALs.
Develop a sustainable financing option for the water sector.	The new sustainable financing product is utilised by water entities.
Enhance our insight into climate-related risks through council lending.	Climate change is incorporated into LGFA's credit risk assessments.

Effective management of loans

Objectives	How we measure our performance
Proactively monitor and review each Participating Borrower's financial position, including its financial headroom under LGFA policies. Analyse finances at the Council group level where appropriate and report to shareholders.	LGFA reviews all participating councils and CCOs financial statements on an annual basis and the agendas and management reports on an ongoing basis for all councils on the LGFA borrower watch-list. Member councils are required to complete annual compliance certificates by the end of November each year.
Endeavour to meet each participating borrower annually, including meeting with elected officials as required, or if requested.	Number of members visited in a year.
Ensure a smooth transition of water-related loans if the Local Water Done Well Reforms progresses over forecast period.	LGFA will be able to ensure the successful transition of existing council water-related loans to Water CCOs (if requested by a council).

Performance targets	2026-2027 target
Review each Participating Borrower's financial position.	100%
Arrange to meet each Participating Borrower over a 15-month period, including meeting with elected officials as required, or if requested.	100%

Industry leadership and engagement

Objectives	How we measure our performance
Take a proactive role to enhance the financial strength and depth of the local government debt market and work with key central government and local government stakeholders on sector and individual council issues.	Report on actions undertaken and progress made on sector issues. Identifying any legislative or Central Government policy changes that may impact LGFA and undertake formal or informal submissions. Assist the local government sector with understanding any legislative or Central Government policy changes that may impact LGFA. Provide the opportunity for a Council or CCO staff member to enhance their governance understanding and skills through the LGFA Future Director Programme.
Support the local government sector with the transition to the Local Water Done Well Reforms by assisting with the development options for the Water Services Delivery Plans and communicating our requirements (lending, financial covenants, reporting), as well as loan pricing guidance, implementation considerations and views on best practice.	Report on our sector-wide engagement and initiatives with assisting members' transition to the Local Water Done Well Reforms.

Performance targets	2026-2027 target
Provide quarterly updates to shareholders and borrowers on sector developments that are impacting LGFA.	Four quarterly updates to councils and CCOs.
Meet annually with Infrastructure Commission, Local Government New Zealand, Taituara, Water New Zealand, Infrastructure New Zealand, Crown Infrastructure Partners, Department of Internal Affairs, Treasury and Minister's office to discuss sector issues from an LGFA perspective.	Nine meetings across stakeholders.
Support councils with Local Water Done Well by providing timely and responsible advice for on-boarding water CCOs.	On-boarding process is underway for all water CCOs who have requested it.
Provide a governance opportunity for a council or CCO staff member under the LGFA Future Director Programme.	One Future Director appointed for an 18 month term.

The Amberley Beach Proactive Relocation Project. **Hurunui District Council**

8. Financial forecasts

LGFA's financial forecasts for the three years to 30 June 2029:

Summary comprehensive income $m	Jun 27	Jun 28	Jun 29
Net interest income	**44.3**	**45.5**	**47.4**
Other operating income	1.9	1.9	1.9
Total income	**46.2**	**47.4**	**49.3**
Approved Issuer Levy	7.4	7.9	8.4
Operating expenses	13.5	14.2	14.8
Net profit	**25.3**	**25.3**	**26.0**
Financial position $m	**Jun 27**	**Jun 28**	**Jun 29**
Liquid assets portfolio	4,585	4,695	6,110
Loans	25,207	26,361	26,722
Other assets	-	-	-
Total assets	**29,792**	**31,056**	**32,832**
NZD bonds on issue (ex Treasury stock)	16,950	17,626	18,084
FCY bonds on issue	10,597	10,885	12,057
Bills & ECP on issue	1,158	1,158	1,158
Borrower notes	879	1,021	1,122
Other liabilities	-	-	-
Total liabilities	**29,584**	**30,689**	**32,421**
Capital	25	25	25
Reserves	(8)	(8)	(8)
Retained earnings	164	188	212
Dividend	(2)	(2)	(2)
Shareholder equity	**180**	**203**	**228**
Shareholder equity + borrower notes	1,059	1,225	1,350
Ratios	**Jun 27**	**Jun 28**	**Jun 29**
Liquid assets/funding liabilities	16.1%	15.9%	19.5%
Liquid assets / total assets	15.4%	15.1%	18.6%
Net interest margin	0.18%	0.17%	0.18%
Cost to income ratio	29.2%	29.9%	30.1%
Return on average assets	0.09%	0.08%	0.08%
Shareholder equity/total assets	0.6%	0.7%	0.7%
Shareholder equity + BN/total assets	3.6%	3.9%	4.1%
Asset growth	9.1%	4.2%	5.7%
Loan growth	4.8%	4.6%	1.4%
Return on equity	16.2%	14.1%	12.8%
Capital ratio	17.8%	19.7%	20.6%

The above forecasts assume a gross bond issuance programme of $4.66 billion (FY27), $4.77 billion (FY28) and $4.80 billion (FY29) based upon term gross lending to councils and CCOs of $4.88 billion (FY27), $5.48 billion (FY28) and $5.69 billion (FY29).

Note: The forecasts include consideration that LGFA will provide financing to support water CCOs established under Local Water Done Well. However, there is a level of uncertainty regarding the financial forecasts for both council borrowing and LGFA bond issuance due to the uncertainty relating to the timing of the establishment of water CCOs and the impact on councils.

Our council lending and LGFA bond issuance forecasts include LGFA lending to the proposed water CCOs if they meet our qualifying criteria for membership. We have assumed we will not be lending to financially independent water CCOs such as Watercare as they are unlikely to meet the qualifying criteria.

Borrower Notes are subordinated capital instruments that contribute as equity. When a Council or CCO borrows on a long term basis from LGFA, they must subscribe for 5% of the face value of the loan in the form of Borrower Notes.

Ratepayer Assistance Scheme

LGFA is supporting the development of the Ratepayer Assistance Scheme (RAS) that will assist ratepayers with the ability to defer rates, enter property improvement loans and spread the payment of development contributions (or levies) over a long time horizon. LGFA has committed to financially contribute to the RAS business case. If the business case is supportive and the RAS proceeds then (subject to shareholder approval), LGFA will consider taking a shareholding, providing a debt facility, providing support services, investing in preference shares (akin to the LGFA Borrower Notes) and managing the RAS debt issuance programme. The LGFA participation in RAS has not been factored into the above financial forecasts.

9. Dividend policy

LGFA primary objective is to maximise benefits to participating borrowers rather than shareholders. Consequently, it is intended to pay a limited dividend to shareholders.

The Board's policy is to pay a dividend that provides an annual rate of return to shareholders equal to LGFA fixed rate bond cost of funds plus 2.00% over the medium term.

At all times payment of any dividend will be discretionary and subject to the Board's legal obligations and views on appropriate capital structure.

10. Governance

Board

The Board is responsible for the strategic direction and control of LGFA's activities. The Board guides and monitors the business and affairs of LGFA, in accordance with the Companies Act 1993, the Local Government Act 2002, the Local Government Borrowing Act 2011, the Company's Constitution, the Shareholders' Agreement for LGFA and this SOI.

The Board comprises seven directors with six being independent directors and one being a non-independent director.

The Board's approach to governance is to adopt best practice with respect to:

- The operation of the Board.
- The performance of the Board.
- Managing the relationship with the Company's Chief Executive.
- Being accountable to all Shareholders.

All directors are required to comply with a formal Charter.

The Board will meet on a regular basis and no fewer than six times each year.

Shareholders' Council

The Shareholders' Council is made up of between five and ten appointees of the Shareholders (including an appointee from the Crown). The role of the Shareholders' Council is to:

- Review the performance of LGFA and the Board, and report to Shareholders on that performance on a periodic basis.
- Make recommendations to Shareholders as to the appointment, removal, replacement, and remuneration of directors.
- Make recommendations to Shareholders as to any changes to policies, or the SOI, requiring their approval.
- Ensure all Shareholders are fully informed on LGFA matters and to coordinate Shareholders on governance decisions.

11. Information to be provided to Shareholders

The Board aims to ensure that Shareholders are informed of all major developments affecting LGFA's state of affairs, while at the same time recognising both LGFA's obligations under NZX Listing Rules and that commercial sensitivity may preclude certain information from being made public.

Annual Report

The LGFA's balance date is 30 June.

By 30 September each year, the Company will produce an Annual Report complying with Sections 67, 68 and 69 of the Local Government Act 2002, the Companies Act 1993 and Financial Reporting Act 2013. The Annual Report will contain the information necessary to enable an informed assessment of the operations of the company, and will include the following information:

- Directors' Report.
- Financial Statements incorporating a Statement of Financial Performance, Statement of Movements in Equity, Statement of Financial Position, Statement of Cashflows, Statement of Accounting Policies and Notes to the Accounts.
- Comparison of the LGFA's performance regarding the objectives and performance targets set out in the SOI, with an explanation of any material variances.
- Auditor's Report on the financial statements and the performance targets.
- Any other information that the directors consider appropriate.

Climate-Related Disclosures

By 30 September each year, the Company will produce Climate-Related Disclosures in accordance with the Aotearoa New Zealand Climate Standards issued by the External Reporting Board.

The Climate Standards require the Company to disclose climate-related information across the following four thematic areas:

- Governance
- Strategy
- Risk management
- Metrics and targets.

Half Yearly Report

By 28 February each year, the Company will produce a Half Yearly Report complying with Section 66 of the Local Government Act 2002. The Half Yearly Report will include the following information:

- Directors' commentary on operations for the relevant six-month period.
- Unaudited half-yearly Financial Statements incorporating a Statement of Financial Performance, Statement of Movements in Equity, Statement of Financial Position and Statement of Cashflows.

Quarterly Report

By 31 January, 30 April, 31 July, and 31 October each year, the Company will produce a Quarterly Report. The Quarterly Report will include the following information:

- Commentary on operations for the relevant quarter, including a summary of borrowing margins charged to Participating Borrowers (in credit rating bands).
- Comparison of LGFA's performance regarding the objectives and performance targets set out in the SOI, with an explanation of any material variances.
- Analysis of the weighted average maturity of LGFA bonds outstanding.
- In the December Quarterly Report only, commentary on the Net Debt/Total Revenue percentage for each Participating Local Authority that has borrowed from LGFA (as at the end of the preceding financial year).
- To the extent known by LGFA, details of all events of review in respect of any Participating Borrower that occurred during the relevant quarter (including steps taken, or proposed to be taken, by LGFA in relation thereto).
- Details of any lending to CCOs during the quarter and the amount of CCO loans outstanding.
- Commentary on sustainability initiatives.

Statement of Intent

By 1 March in each year the Company will deliver to the Shareholders its draft SOI for the following year in the form required by Clause 9(1) of Schedule 8 and Section 64(1) of the Local Government Act 2002.

Having considered any comments from the Shareholders received by 30 April, the Board will deliver the completed SOI to the Shareholders on or before 30 June each year.

Shareholder Meetings

The Board will hold an Annual General Meeting between 30 September and 30 November each year to present the Annual Report to all Shareholders.

The Company will hold a meeting with the Shareholders' Council approximately every six months – prior to the Annual General Meeting and after the Half Yearly Report has been submitted. Other meetings may be held by agreement between the Board and the Shareholders' Council.

12. Acquisition/divestment policy

LGFA will invest in securities in the ordinary course of business. It is expected that these securities will be debt securities. These investments will be governed by LGFA's lending and/or investment policies as approved by the Board and/or Shareholders.

Any subscription, purchase, or acquisition by LGFA of shares in a company or organisation will, if not within those investment policies, require Shareholder approval other than as concerns the formation of wholly-owned subsidiaries and the subscription of shares in such wholly-owned subsidiaries.

13. Activities for which compensation is sought from Shareholders

At the request of Shareholders, LGFA may (at its discretion) undertake activities that are not consistent with its normal commercial objectives. Specific financial arrangements will be entered into to meet the full cost of providing such activities.

Currently there are no activities for which compensation will be sought from Shareholders.

14. Commercial value of Shareholder's investment

LGFA will seek to maximise benefits to Participating Local Authorities as Borrowers rather than Shareholders.

Subject to the Board's views on the appropriate capital structure for LGFA, the Board's intention will be to pay a dividend that provides an annual rate of return to Principal Shareholders equal to LGFA fixed rate bond cost of funds plus 2.00% over the medium term.

As the Shareholders will have invested in the LGFA on the basis of this limited dividend, the Board considered that at establishment the commercial value of LGFA was equal to the face value of the Shareholders' paid up Principal Shares - $25 million.

In the absence of any subsequent share transfers to the observed share transfers on 30 November 2012, the Board considers the current commercial value of LGFA is at least equal to the face value of the Shareholders' paid up Principal Shares of $25 million. This equates to a value per share of $1.00.

15. Accounting policies

LGFA has adopted accounting policies that are in accordance with the New Zealand International Financial Reporting Standards and generally accepted accounting practice.

1. Reporting entity

The New Zealand Local Government Funding Agency Limited (LGFA) is a company registered under the Companies Act 1993 and is subject to the requirements of the Local Government Act 2002.

LGFA is controlled by participating local authorities and is a council-controlled trading organisation as defined under section 6 of the Local Government Act 2002. LGFA is a limited liability company incorporated and domiciled in New Zealand.

The primary objective of LGFA is to optimise the debt funding terms and conditions for participating borrowers.

The registered address of LGFA is Level 8, Grant Thornton House, 215 Lambton Quay, Wellington 6011.

2. Statement of compliance

LGFA is an FMC reporting entity under the Financial Markets Conduct Act 2013 (FMCA).

LGFA is a profit orientated entity as defined under the New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS).

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP) and they comply with NZ IFRS and other applicable Financial Reporting Standard, as appropriate for Tier 1 for-profit entities. The financial statements also comply with International Financial Reporting Standards (IFRS).

3. Basis of preparation

MEASUREMENT BASE

The financial statements have been prepared on a historical cost basis modified by the revaluation of certain assets and liabilities.

The financial statements are prepared on an accrual basis.

FUNCTIONAL AND PRESENTATION CURRENCY

The financial statements are presented in New Zealand dollars rounded to the nearest thousand, unless separately identified. The functional currency of LGFA is New Zealand dollars.

FOREIGN CURRENCY CONVERSIONS

Transactions denominated in foreign currency are translated into New Zealand dollars using exchange rates applied on the trade date of the transaction.

CHANGES IN ACCOUNTING POLICIES

There have been no changes to accounting policies.

EARLY ADOPTION STANDARDS AND INTERPRETATIONS

LGFA has not early adopted any standards.

STANDARDS NOT YET ADOPTED

LGFA does not consider any standards or interpretations in issue but not yet effective to have a significant impact on its financial statements. This includes NZ IFRS 18 Presentation and Disclosure in Financial Statements.

FINANCIAL INSTRUMENTS

Financial assets

Financial assets, other than derivatives, are recognised initially at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest rate method.

Cash and cash equivalents include cash on hand, bank accounts and deposits with an original maturity of no more than three months.

Cash provided by LGFA as security for financial arrangements remains a financial asset of LGFA and is recognised as cash pledged as collateral in the Statement of Financial Position, separate from cash and cash equivalents.

Purchases and sales of all financial assets are accounted for at trade date.

At each balance date, an expected credit loss assessment is performed for all financial assets and is calculated as either:

- Credit losses that may arise from default events that are possible within the next 12 months, where no significant increase in credit risk has arisen since acquisition of the asset, or
- Credit losses that may arise from default events that are possible over the expected life of the financial asset, where a significant increase in credit risk has arisen since acquisition of the asset.

Impairment losses on financial assets will ordinarily be recognised on initial recognition as a 12-month expected loss allowance and move to a lifetime expected loss allowance if there is a significant deterioration in credit risk since acquisition.

Financial liabilities

Financial liabilities, other than derivatives, are recognised initially at fair value less transaction costs and subsequently measured at either:

- Amortised cost and subsequently measured at amortised cost using the effective interest rate method; or
- Fair value through income statement (FVTIS).

Financial liabilities are classified as FVTIS if they are derivative financial liabilities or if LGFA chooses to classify financial liabilities as FVTIS if the use of the classification removes or significantly reduces an accounting mismatch. This classification includes debt issues that are designated at FVTIS where LGFA has economically hedged the foreign exchange and interest rate risk using derivatives, but hedge account is not applied. Any such classification is made on the date of initial recognition and is irrevocable.

Purchases and sales of all financial liabilities are accounted for at trade date.

OTHER ASSETS

Property, plant and equipment

Items of property, plant and equipment are initially recorded at cost.

Depreciation is charged on a straight-line basis at rates calculated to allocate the cost or valuation of an item of property, plant and equipment, less any estimated residual value, over its remaining useful life.

OTHER LIABILITIES

Employee entitlements

Employee entitlements to salaries and wages, annual leave and other similar benefits are recognised in the profit and loss when they accrue to employees.

REVENUE

Interest income

Interest income is accrued using the effective interest rate method.

The effective interest rate exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this rate to the principal outstanding to determine interest income each period.

EXPENSES

Expenses are recognised in the period to which they relate.

Interest expense

Interest expense is accrued using the effective interest rate method.

The effective interest rate exactly discounts estimated future cash payments through the expected life of the financial liability to that liability's net carrying amount. The method applies this rate to the principal outstanding to determine interest expense each period.

Approved issuer levy

Approved Issuer Levy is a function of securities held by offshore holders of certain LGFA bond maturities.

Income tax

LGFA is exempt from income tax under Section 14 of the Local Government Borrowing Act 2011.

Goods and services tax

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

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

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

Commitments and contingencies are disclosed exclusive of GST.

SEGMENT REPORTING

LGFA operates in one segment being funding of participating borrowers in New Zealand.

JUDGEMENTS AND ESTIMATIONS

The preparation of these financial statements requires judgements, estimates and assumptions that affect the application of policies and reported amounts. For example, the fair value of financial instruments depends critically on judgements regarding future cash flows, including inflation assumptions and the risk-free discount rate.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates and these estimates and underlying assumptions are reviewed on an ongoing basis. Where these judgements significantly affect the amounts recognised in the financial statements they are described in the following notes.

Document ID: 987355

Report To: Council

Meeting Date:	28 July 2026
Subject:	**Debt Transfer to Waikato Waters Limited**
Type:	Information Only
Author(s):	Wayne La Roche Financial Accountant Tina Hitchen Chief Financial Officer

1 Purpose of Report

1.1 The purpose of this business paper is to brief Council on the outcome of the transfer of Council's debt relating to wastewater and water supply assets to Waikato Waters Limited (WWL).

2 Suggested Resolutions

2.1 The following is a suggested resolution only and does not represent Council policy until such time as they are adopted by formal resolution.

1 The business paper on Debt Transfer to Waikato Waters Limited be received.

3 Background

3.1 Under the Transfer Agreement with WWL, the responsibility for drinking water and wastewater services transferred to WWL on 1 July 2026. This included the transfer of assets, operations and debt to WWL.

3.2 Set out in the commentary below is a summary of the debt transfer between WDC and WWL.

4 Commentary

4.1 As required by the Transfer Agreement, WDC provided a Council Debt Notice to WWL in May 2026, which detailed the amounts and methodology of calculation.

4.2 The debt settlement amount was based on projected internal loans for wastewater and water supply less projected operational and depreciation reserves balances for water supply and wastewater at 30 June 2026.

4.3 In addition to this, the Council Debt Notice also included an estimate of the cost of closing out the interest rate swaps, break costs for the early repayment of LGFA debt and reimbursement of the WWL establishment funding (including interest costs).

4.4 Due to the amount of debt to be transferred for WDC (being smaller relative to other councils), the transfer process agreed was a cash-out process rather than a novation process (novation involves changing the name on the debt instruments).

4.5 The total amount received from WWL was $32,705,000 on settlement date of 1 July 2026, made up of the following:

Calculation of Settlement Amount	$000's
Estimated Wastewater Internal Loans	10,883
Estimated Water Supply Internal Loans	21,301
Estimated Wastewater Operational & Depreciation Reserves	3,196
Estimated Water Supply Operational & Depreciation Reserves	(3,819)
	31,561
Other Items	
Estimated Interest Rate Swap Closeouts	75
Estimated LGFA break costs	57
Establishment Funding Share	990
Interest on Establishment Funding	22
Total Cash Received from WWL	**32,705**

4.6 WDC's total debt prior to the debt settlement was $38,000,000 at 30 June 2026. From the cash received WDC repaid $32,000,000 of external debt with the LGFA, consisting of $21,000,000 Floating Rate Notes and $11,000,000 Commercial Paper.

4.7 After the debt was repaid on 1 July, the remaining debt is $6,000,000. This is made up of three tranches of Floating Rate Notes for the ringfenced debt related to the investment in Inframax Construction Limited.

4.8 Interest rate swaps associated with the debt repaid were cancelled which included three current swaps (notional value $15 million) and three future start swaps (notional value $16 million). The interest rate swap close-out cost paid to Westpac was $342,900. The difference between the estimated interest rate swap close-out and LGFA break costs in the Council Debt Notice and what was actually paid on 1 July 2026, will be reimbursed by WWL as part of the final wash-up calculation to be completed.

4.9 The LGFA borrower notes, associated with the Floating Rate Notes that were repaid, were also refunded to WDC. These totalled $833,000, consisting of $775,000 principal and $58,000 interest.

4.10 A summary of cash receipts and outgoings is presented in the table below.

Cash settlement transactions	$000's
Total Cash Received from Waikato Waters Ltd	32,705
Borrower Notes and interest repaid to WDC from LGFA	833
Payments Made	
LGFA Floating Rate Notes	(21,000)
LGFA Commercial Paper	(11,000)
Interest Rate Swaps Closeout	(343)
LGFA Break costs	(34)
Net Cash Received after Debt Settlement	**1,161**

4.11 The Transfer Agreement provides for a wash-up calculation to finalise the amount of debt and other balances to be transferred. This calculation will be based on the audited annual report for the 2025/26 financial year and will be finalised once the annual report is adopted in October 2026.

4.12 As the initial debt notice was based on projected amounts at 30 June 2026 for internal loans and reserves, a wash-up is required to incorporate actual results which will differ from the projected results. This includes the amounts for internal loans raised for 2025/26 for water and wastewater capital expenditure for the year and changes to the water and wastewater reserve balances which is based on the operational results.

4.13 Impact on Financial Statements

4.14 The Annual Report 2025/26 which covers the 12 months ended 30 June 2026 will be substantially unchanged as the water transfer occurred on the first day of the 2026/27 financial year. Additional note disclosures will be included for events after balance date, a contingent liability for the WWL debt guarantee and updated commentary on the transfer of water supply and wastewater assets and operations on 1 July 2026.

4.15 Accounting for the transfer transaction includes the recognition of Council's interest in WWL as an intangible asset. The amount recognised for the intangible asset will be the carrying value of the assets transferred to WWL net of waters reserves and internal loans.

4.16 The debt repayment (from cash received from WWL) and the reduction in borrower notes will also be reflected in the balance sheet from 1 July 2026. The balance of asset revaluation reserves, and operational and depreciation reserves for water and wastewater activities, will be transferred to accumulated funds.

4.17 An apportionment statement will be prepared for WWL with details of prepaid expenses (including prepaid insurance) and employee liabilities for staff transferred to WWL.

4.18 Any retention monies owing for contracts novated over to WWL will also be paid over to WWL once balances are finalised for year end.

4.19 Insurance cover excluding water and wastewater assets

4.20 With the transfer of assets to WWL, the insurance coverage required by WDC will be significantly reduced. Declared values for the Material Damages and Business Interruption (for building and above ground assets), Infrastructure (for underground assets and some bridges) and Motor Vehicles policies will reduce.

4.21 WWL has been added as a party to the current insurance policies that include water and wastewater assets to ensure continuation of cover after assets were transferred on 1 July 2026. Insurance premiums prepaid by WDC for 1 July to 31 October 2026 will be reimbursed by WWL as part of the apportionment statement.

4.22 Based on 2025/26 insurance declared values and premiums, the amounts for wastewater and water supply assets and other assets are summarised in the following table.

Insurances for 2025/26 ($000s)	**Wastewater & Water Supply assets**	**Other assets**	**Total**
Declared Values			
Material Damage Business Interruption Policy	56,840	116,554	173,394
Infrastructure Policy	69,053	62,774	131,827
Motor Vehicle Policy	486	1,462	1,948
	126,379	**180,790**	**307,169**
Premiums (Excluding GST)			
Material Damage Business Interruption Policy	103	193	296
Infrastructure Policy	22	20	42
Motor Vehicle Policy	5	15	20
	130	**228**	**358**

4.23 The total declared values under the three policies was $307 million, of which $126 million related to water and wastewater assets. The portion of the premium for the 2025/26 insurance year relating to water and wastewater assets was $130,000 excl GST.

4.24 At this stage it is unclear what impact, if any, there will be on WDC's Public Liability and Professional Indemnity premium.

Document No: 986760

Report To: Council

Meeting Date:	28 July 2026
Subject:	**Residents' Survey 2026**
Type:	Decision Required
Author(s):	Rajeshwari Mahadevappa Policy Advisor Charmaine Ellery Manager Strategy and Policy

1. Purpose of Report

1.1 The purpose of this business paper is to present the results of the Residents' Survey for 2026.

2. Suggested Resolutions

2.1 The following are suggested resolutions only and do not represent Council policy until such time as they are adopted by formal resolution.

1 The business paper on the Residents' Survey 2026 be received.

2 Council authorise the release of the Residents' Survey Report 2026 for public information.

3. Background

3.1 Council carries out a survey each year seeking to understand how residents feel about our performance and the way we deliver our services and activities. One of the ways we do this is to undertake an annual Residents' Survey – to look at what we do well, and where we need to make improvements.

3.2 The results identify where there is scope for improvement, which can be factored into planning for budgets and service levels in the future.

3.3 Further, Section 78 of the Local Government Act 2002 requires Council to give consideration to community views and preferences in relation to its decision making and the survey is an appropriate way of measuring these views and preferences.

3.4 The Residents' Survey is used to measure seven of Council's Key Performance Indicators (KPIs) and inform our Annual Report each year.

3.5 Waitomo District Council's (WDC) Residents' Survey 2026 has been undertaken by Key Research. This is the same provider that we used last year.

3.6 The benchmarking report will be available in September 2026.

3.7 The survey was undertaken between 1 May and 31 May 2026. We received a total of 432 responses[1], comprising 173 postal responses and 259 email responses (2025: 471 responses, 2024:404 responses). The target sample size required statistically is 400.

3.8 The survey responses remain anonymous to protect the privacy of the respondents.

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[1] Last year we had 6% return to sender (RTS) letters with only 2% this year. Following the first year, surveys usually become easier to target, as the provider kept the records for RTS's to exclude them from future mail outs. In 2025, a total of 3486 invites has been sent with 6% RTS while this year 2700 invites has been sent with 2% RTS, indicating a high response rate with good engagement from the community.

3.9 A copy of the Residents' Survey Report 2026 is enclosed as **Attachment 1**.

4. Commentary

4.1 **SURVEY METHODOLOGY**

4.2 Data collection used a mixed methodology approach consisting of invites sent via email and post. Emails were sent to a sample of n=1000 from the ratepayers' records. In addition, a sample of n=2000 residents randomly selected from the Electoral Roll were sent an invite through the post to participate via an online survey. The analytical sample for this report is n=405.

4.3 Data collection was managed to quota targets by age, ward and ethnicity. Post data collection, the sample has been weighted so it is aligned with known population distributions as per the 2023 Census.

4.4 At an aggregate level, the sample has an expected 95% confidence interval (margin of error) of +/-4.57%.

4.5 To ensure anonymity, paper surveys were returned directly to Key Research who entered and analysed the data and produced the report.

4.6 **KEY FINDINGS**

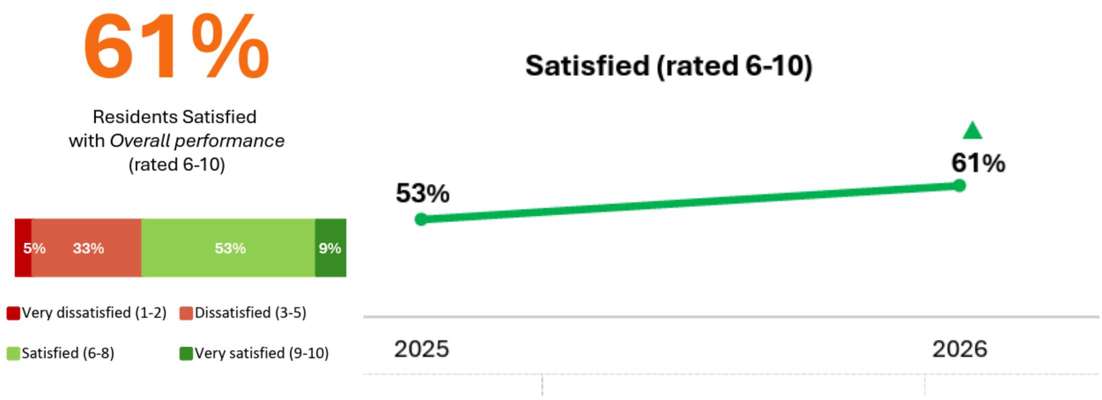
4.7 **OVERALL PERFORMANCE**

4.8 The 2026 Residents' Survey results show a generally positive year-on-year movement.

4.9 Over half (61%) of residents are satisfied with the *Council's overall performance,* 8% increase from last year (53%), and Council's *Reputation* has increased from 62% to 70%. These are noted as statistically significant improvements.

4.10 Most residents (78%) rate their *Quality of life* positively (2025:76%), and 68% agree the district is *heading in the right direction* (2025:65%).

4.11 There is a strong sense of community identity, with 73% expressing *Pride* in living in the Waitomo District, 7% increase from last year (66%).



4.12 **HIGH LEVELS OF SATISFACTION**

4.13 Satisfaction with services and infrastructure has mostly improved or have remained high.

- Open spaces remain the highest rated service at 93% (2025:94%).
- Public facilities recorded high levels of satisfaction at 86% (2025:87%).
- Satisfaction with Regulatory services have increased from 82% to 84%.

4.14 Satisfaction with Water management and Waste management have increased from 66% to 72% and 73% to 77% respectively.

4.15 Residents who have recently contacted the Council report mostly positive experiences, with 83% satisfied with *How their enquiry was handled*.

4.16 Satisfaction with overall engagement and consultation has increased slightly from 82% to 83%. Improved satisfaction with *being kept informed about what Council is doing* increased from 75% to 83%.

4.17 **AREAS FOR IMPROVEMENT**

4.18 Perceptions of satisfaction with Stormwater and Roading remain an improvement opportunity.

4.19 Roading infrastructure has been highlighted as areas for improvement with overall satisfaction decreasing slightly from 55% to 53%. Satisfaction with *Roading network maintenance* remains low at 51%, and *keeping roads and footpaths free from flooding* remains relatively low at 55%.

4.20 Although, *Value for money* remains one of the lowest rated aspects, it has improved from 40% to 44%.

4.21 **SATISFACTION WITH SERVICES AND INFRASTRUCTURE**

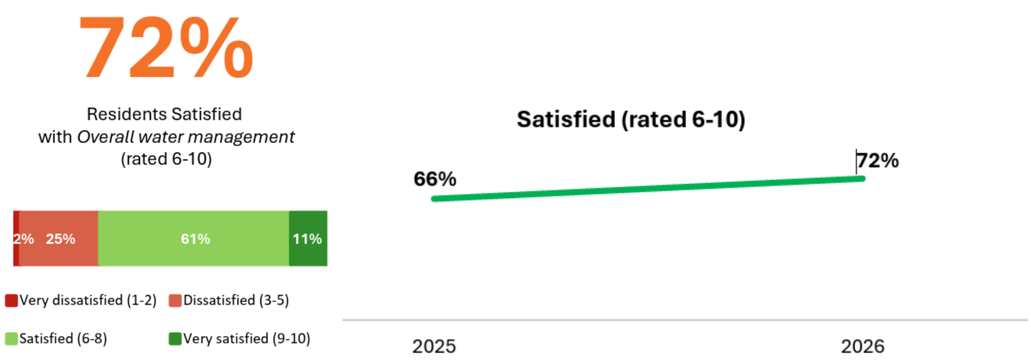
4.22 WATER MANAGEMENT

4.23 Satisfaction with Overall water management has increased from 66% in 2025 to 72% in 2026.

4.24 Satisfaction is higher among residents aged 65 and over (77%) and those aged 18 to 39 (75%), compared to those aged 40 to 64 (68%).

4.25 By length of stay, satisfaction is highest among residents who have lived in the district for five years or less (85%), compared to those who have lived for over 10 years (70%) or six to 10 years (62%).

4.26 Te Kūiti Ward residents record higher satisfaction than Rural Ward residents (79% compared to 65%) and those who identify as Māori show only 63% satisfaction compared to non-Māori at 79%.



4.27 WATER SUPPLY

4.28 Overall water supply satisfaction has increased from 76% in 2025 to 79% in 2026, with high satisfaction for the *Reliability* of the system at 92%, and increased satisfaction with *Water quality* improving from 58% to 65%.

4.29 WASTEWATER SYSTEM

4.30 Overall wastewater system satisfaction has increased from 84% in 2025 to 88% in 2026, with higher satisfaction for the *Reliability* of the system at 91% (2025:90%), and increased satisfaction with how *Wastewater is treated and disposed of* from 84% to 89%.

4.31 STORMWATER SYSTEM

4.32 Although, satisfaction with the overall stormwater system is unchanged from last year at 57%, stormwater remains the lowest performing aspect of water management.

4.33 Satisfaction is highest among residents aged 65 years and over (68%) and non-Māori residents (68%).

4.34 In contrast, satisfaction is lower among younger residents aged 18–39 (52%), and those who identify as Māori (42%).

4.35 KEY POINTS FROM OPEN-ENDED FEEDBACK

- Most commonly mentioned concern areas - flooding issues, frequent clearing of gutters/drains/culverts, stormwater improvements, investment or maintenance.
- Water supply quality is also identified by 18% of dissatisfied residents, particularly in relation to taste, colour, odour, chlorine or fluoride.

4.36 <u>SOLID WASTE MANAGEMENT</u>

4.37 Satisfaction with overall waste management has increased from 73% in 2025 to 77% in 2026. High levels of satisfaction were experienced for Transfer stations (88% for Te Kūiti transfer station and 80% for Rural transfer stations), and Rubbish and recycling collection (77%).

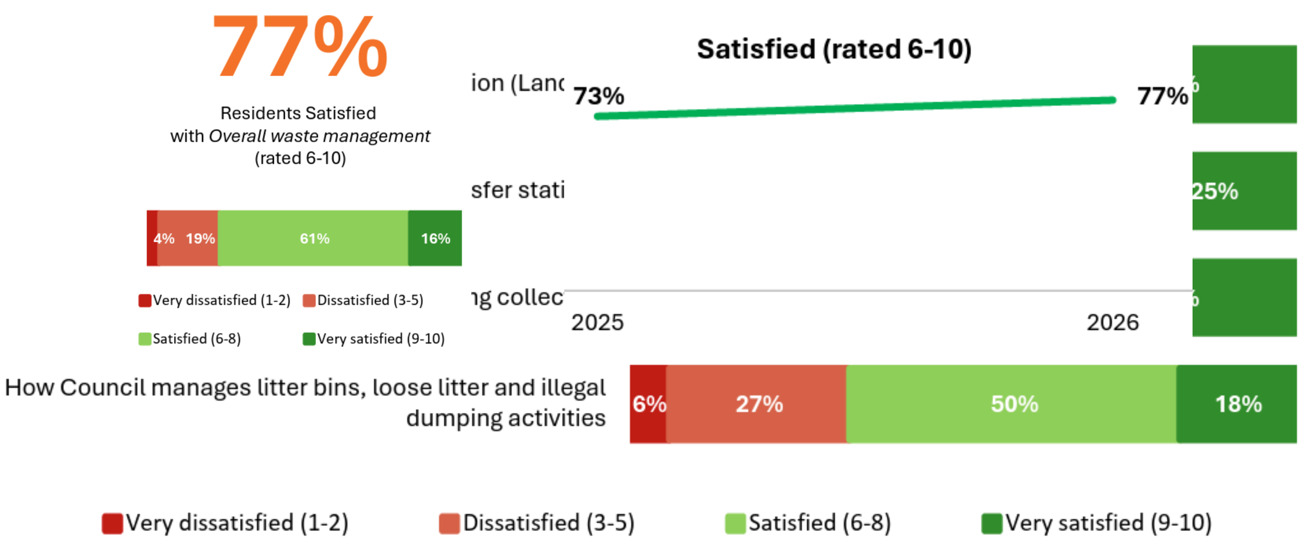
4.38 Management of litter bins, loose litter and illegal dumping (67%) remains the lowest performing aspect of waste management.

4.39 Satisfaction is particularly high among residents aged 65 years and over (87%), compared to those aged 18 to 39 (76%) and 40 to 64 (72%).

4.40 Satisfaction is similar among Māori and non-Māori residents (both at 77%).

4.41 Te Kūiti Ward residents are more satisfied than Rural Ward residents (80% compared to 73%).

4.42 By length of stay, satisfaction is highest among residents who have lived in the district for over 10 years (79%), compared to those who have lived for five years or less (76%) and six to 10 years (68%).



4.43 KEY POINTS FROM OPEN-ENDED FEEDBACK

- Most commonly mentioned concern areas - high cost of rubbish bags, high dump fees, and transfer stations are not open enough.
- 26% of comments reflect frustration with paying rates for waste services they don’t receive, or poor value for money, especially in rural areas.

4.44 ROADS AND FOOTPATHS

4.45 Satisfaction with overall roading infrastructure has decreased slightly, from 55% in 2025 to 53% in 2026.

4.46 Satisfaction is highest among those aged 65 years and over (63%) and those aged 18 to 39 (56%), compared to residents aged 40 to 64 (45%).

4.47 Non-Māori residents are more likely to be satisfied than Māori residents (59% compared to 44%).

4.48 Te Kūiti Ward residents are more satisfied than Rural Ward residents (64% compared to 43%), indicating that roading perceptions are notably lower in rural parts of the district.

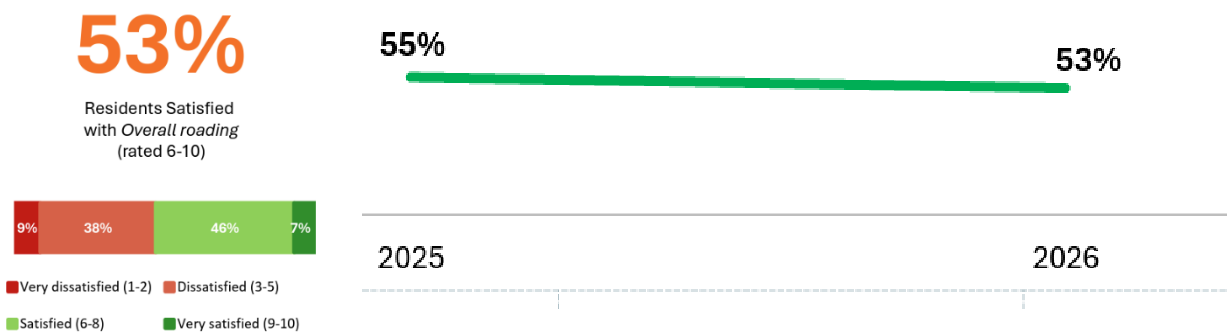
4.49 Satisfaction with *How well the roading network is maintained* has remained on par with the previous reporting period, 51% in 2026 (2025:50%).

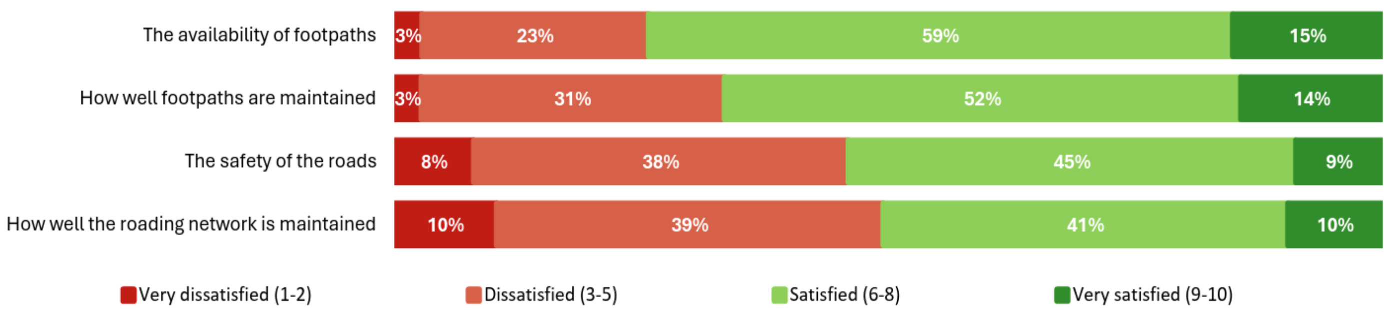
4.50 Satisfaction with the Availability of footpaths has slightly increased from 72% in 2025 to 74% in 2026.

4.51 KEY POINTS FROM OPEN-ENDED FEEDBACK

- Most commonly mentioned concern areas - roads are uneven, poor quality, or require upgrading and maintenance (43%), repairs take too long or are of poor quality or that there are too many roadworks (40%).

- Potholes are a prominent issue, mentioned by 33% of dissatisfied residents. Comments relate to Rural roads not being maintained enough, the need for sealing or greater investment in rural roads (9%), concerns with trucks and heavy traffic (5%), roadside maintenance such as edges and lighting (5%), and concerns regarding speed bumps or road signage (4%).





4.52 OPEN SPACES

4.53 Satisfaction with *Open spaces* is one of Council's highest performing service areas with 93% of residents satisfied.

4.54 Visitation to open spaces has decreased slightly across most measures -

- Parks, reserves or open spaces remain the most visited with 68% of residents visiting in 2026 (2025:69%)
- Visitation to sports-grounds has decreased from 55% to 48%
- Visitation to playground has decreased from 46% to 42%
- Visitation to cemetery has decreased from 36% to 32%
- The proportion who had not visited any of the listed open spaces has increased from 14% to 17%.

4.55 Satisfaction with *Parks, reserves and open spaces* is 91% (2025:92%). Satisfaction is highest among residents aged 65 and over (93%). 92% of residents aged 18 to 39 are satisfied, followed by 90% of those aged 40 to 64.

4.56 Satisfaction with *Sports-grounds* is high at 92% (2025:93%). Residents aged 40 to 64 and those aged 65 and over both record 97% satisfaction, compared to 84% among residents aged 18 to 39.

4.57 Satisfaction with *Playgrounds* is unchanged year-on-year at 87%. 89% of residents aged 40 to 64, and those aged 65 and over are satisfied, and a similar satisfaction level is reported for those aged 18 to 39 (85%).

4.58 *Cemeteries* report the highest satisfaction result within open spaces, increasing from 92% in 2025 to 98% in 2026. Satisfaction is high across all demographic groups.

4.59 Satisfaction is highest among non-Māori residents and Te Kūiti Ward residents for all of the above measures, except for the Playgrounds where Rural Ward residents report higher satisfaction levels at 88% compared to Te Kūiti Ward residents at 86%.

4.60 <u>PUBLIC FACILITIES</u>

4.61 Overall satisfaction with *Public facilities* is high at 86%.

4.62 Satisfaction is highest among residents aged 65 and over (90%), compared to those aged 40 to 64 (86%) and 18 to 39 (84%). Non-Māori residents record higher satisfaction than Māori residents (90% compared to 81%). Satisfaction is similar across Te Kūiti Ward and Rural Ward residents (87% and 85%, respectively). By length of stay, satisfaction is highest among residents who have lived in the district for five years or less (88%) and over 10 years (87%), compared to those who have lived for six to 10 years (79%).

4.63 Visitation to Public Facilities has decreased slightly across most measures –

- Public toilets are the most used public facility at 64% (2025:66%)
- Visitation to the Les Munro Centre has decreased from 41% to 37%
- Visitation to the Waitomo District Library has decreased slightly from 34% to 32%.
- Visitation to Pool has decreased slightly from 25% to 23%.

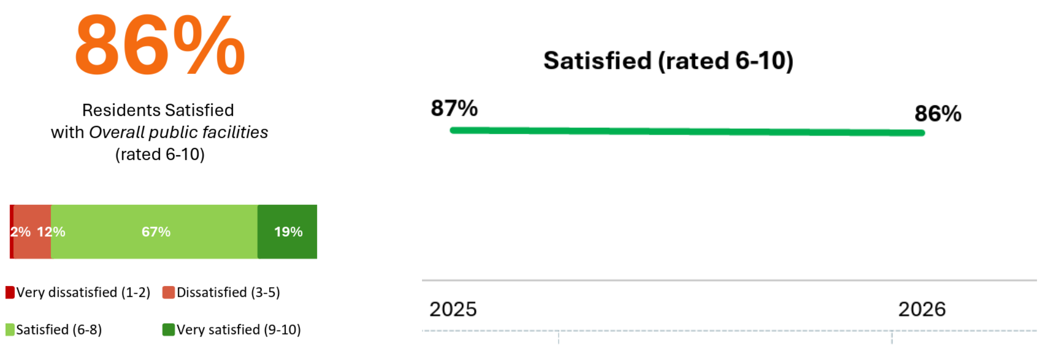
4.64 Waitomo District Library and the Les Munro Centre report high levels of satisfaction at 99% (2025:94%) and 97% (2025:96%) respectively. Satisfaction with both facilities is high across all demographic groupings.

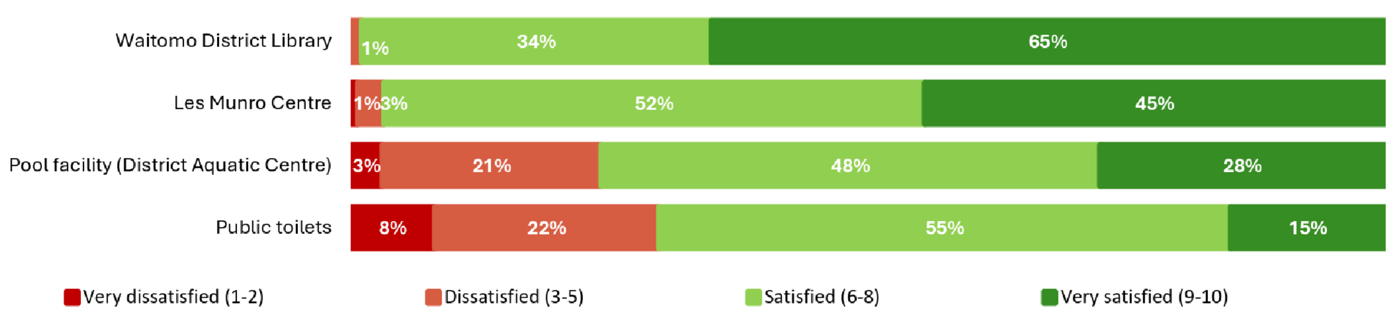
4.65 Satisfaction with *Pool facilities* has decreased from 80% to 76%. Satisfaction is highest among residents aged 65 and over (91%) and those aged 40 to 64 (85%), compared to 64% among residents aged 18 to 39. Te Kūiti Ward residents also report higher satisfaction than Rural Ward residents (79% compared to 67%).

4.66 *Public toilets* have the lowest levels of satisfaction among public facilities, decreasing from 74% in 2025 to 70% in 2026.

4.67 Cleanliness results are very positive for the *Les Munro Centre* and *Waitomo District Library* at 100% (2025:96%) and 98% (2025:96%) respectively.

4.68 *Pool facilities* cleanliness has decreased from 86% to 77%, and *Public toilet* cleanliness remains the lowest rated cleanliness measure at 61%, compared to 63% in 2025.





4.69 KEY POINTS FROM OPEN-ENDED FEEDBACK

- Most commonly mentioned concern areas relate to public toilets with 79% stating that toilets need to be kept clean, maintained or open.

- Other feedback relates to upgrading and regularly cleaning the pool facility (17%), providing more public facilities or greater investment and upgrades (14%), and improving general maintenance.

4.70 <u>REGULATORY SERVICES</u>

4.71 Satisfaction with Overall r*egulatory services has increased* from 82% in 2025 to 84% in 2026. This suggests strong community confidence in services such as consenting, licensing, and inspections.

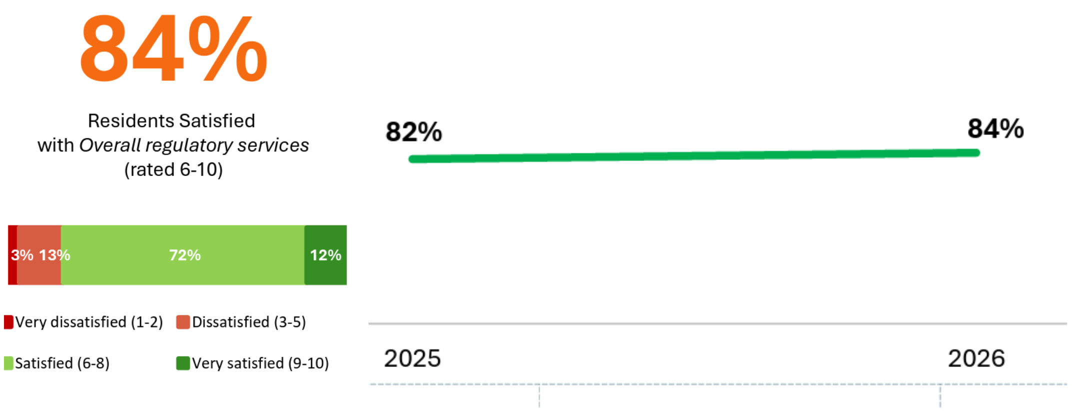
4.72 Satisfaction is highest among residents aged 18 to 39 (89%), compared to those aged 65 and over (82%) and 40 to 64 (81%). Māori residents record slightly higher satisfaction than non-Māori residents (85% compared to 83%), and Rural Ward residents have slightly higher satisfaction than Te Kūiti Ward residents (85% compared to 82%). By length of stay, satisfaction is highest among residents who have lived in the district for five years or less (86%) and over 10 years (85%), compared to those who have lived for six to 10 years (73%).

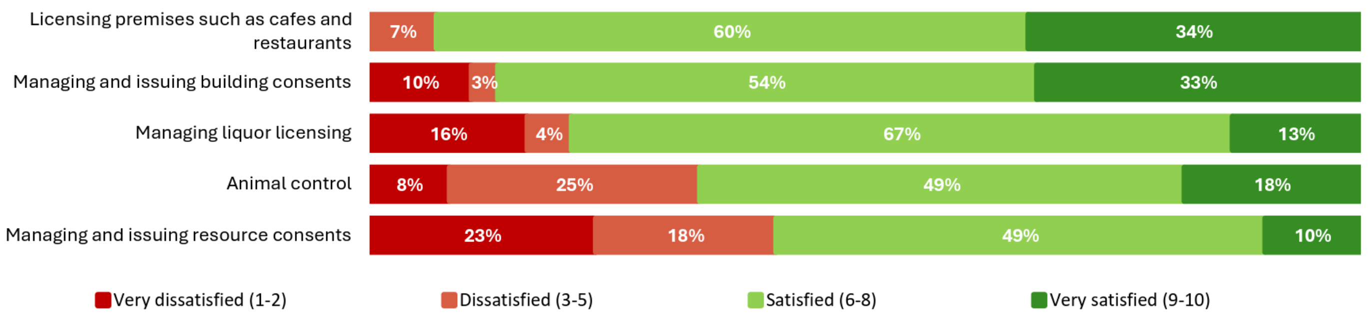
4.73 Most residents have not had direct involvement with regulatory services in the last year, with 65% reporting no involvement (2025:67%).

4.74 Among residents who have used these services, satisfaction has improved for most regulatory service measures except for licensing premises (such as cafes and restaurants) reporting 93% satisfaction, compared to 100% in 2025 –

- Animal control has increased from 63% to 67%
- Managing and issuing building consents has increased from 75% to 87%

- Managing and issuing resource consents has increased from 43% to 59%
- Managing liquor licensing has increased from 49% to 80%





4.75 KEY POINTS FROM OPEN-ENDED FEEDBACK

- Most commonly mentioned concern areas relate to animal control.

- Other feedback relates to *Rigid rules or high costs (23%), Slow consent processes, site visits or too much bureaucracy (17%), and the Need for improved communication and information (16%).* A further 15% mention the *Need for quicker processes or response times*.

4.76 <u>COMMUNICATION AND ENGAGEMENT</u>

4.77 Satisfaction with *Overall enquiry handling* remains high at 83% (2025:84%).

4.78 Residents who contacted Council generally rate the handling of their enquiry positively.

4.79 Satisfaction is highest among residents aged 18-39 (90%) and those aged 65 years and over (89%) compared to residents aged 40 to 64 (76%). Non-Māori residents record higher satisfaction than Māori residents (85% compared to 79%). Satisfaction is similar across Te Kūiti Ward and Rural Ward residents (82% and 84%, respectively). By length of stay, satisfaction is highest among residents who have lived in the District for five years or less (88%) and over 10 years (84%), while it is lower among those who have lived for six to 10 years (66%).

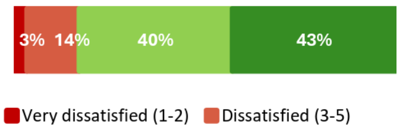
4.80 *Telephone and Visiting Council office in person are* the most prevalent mode that respondents contacted the Council with their enquiry (both 41%), followed by email (17%) and online through the website (1%).

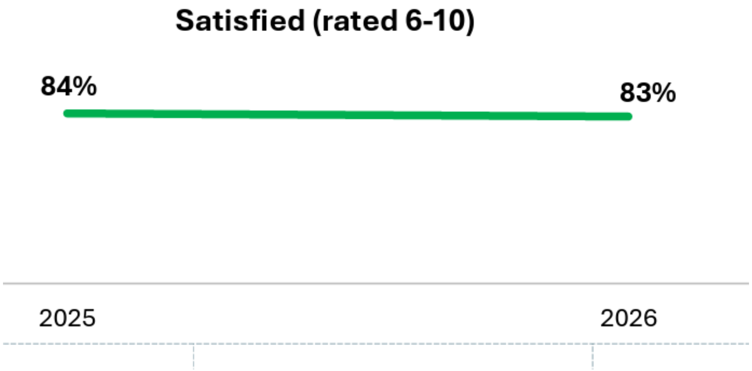
4.81 Satisfaction with the *Ease of making an enquiry or request* has increased from 87% in 2025 to 90% in 2026.

4.82 Satisfaction with the *Helpfulness and friendliness of staff* is unchanged year-on-year at 88%. This measure is rated particularly highly by residents aged 65 and over (99%), compared to those aged 18 to 39 (89%) and 40 to 64 (81%).

83%

Residents Satisfied
with *Overall enquiry handling*
(rated 6-10)





Satisfied (rated 6-10)

Year, age, ethnicity, ward	2026	2025
Ease of making an enquiry or request	90%	87%
Helpfulness and friendliness of staff	88%	88%

4.83 KEY POINTS FROM OPEN-ENDED FEEDBACK

- Most commonly mentioned concern areas - staff knowledge and communication (52%), slow response times (22%), requests not being completed (21%), and no follow-up or update being provided (13%).

4.84 <u>ENAGEMENT AND CONSULTATION WITH THE COMMUNITY</u>

4.85 Satisfaction with Council's *overall engagement and consultation* with the community remains high at 83% (2025:82%).

4.86 Satisfaction is highest among residents aged 65 and over (88%), compared to those aged 40 to 64 (83%) and 18 to 39 (82%). Non-Māori residents are more likely to be satisfied than Māori residents (87% compared to 78%). Rural Ward residents record slightly higher satisfaction than Te Kūiti Ward residents (85% compared to 82%). By length of stay, satisfaction is highest among residents who have lived in the district for five years or less (86%) and over 10 years (84%), compared to those who have lived for six to 10 years (77%).

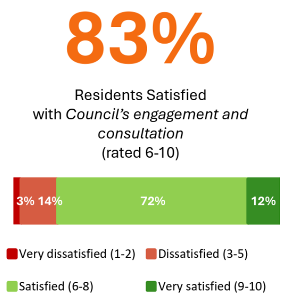
4.87 Social media is the channel residents most rely on for Council information (41%), followed by Council's website (20%), letters to households (17%) and newspapers (16%). Radio is used by a much smaller proportion of residents (1%).

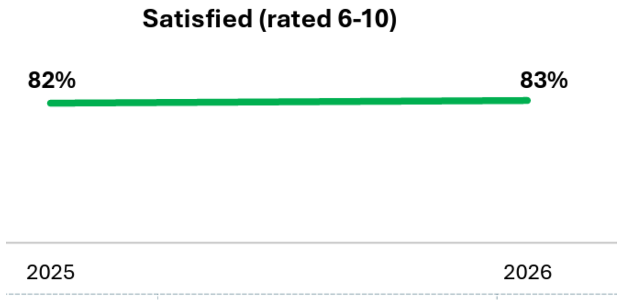
4.88 Social media is the most preferred method of communication (33%), followed by letters to households (31%). This indicates that while digital channels are important, direct household communication remains highly valued. Council's website is the preferred channel for 14% of residents, while newspapers are preferred by 12%.

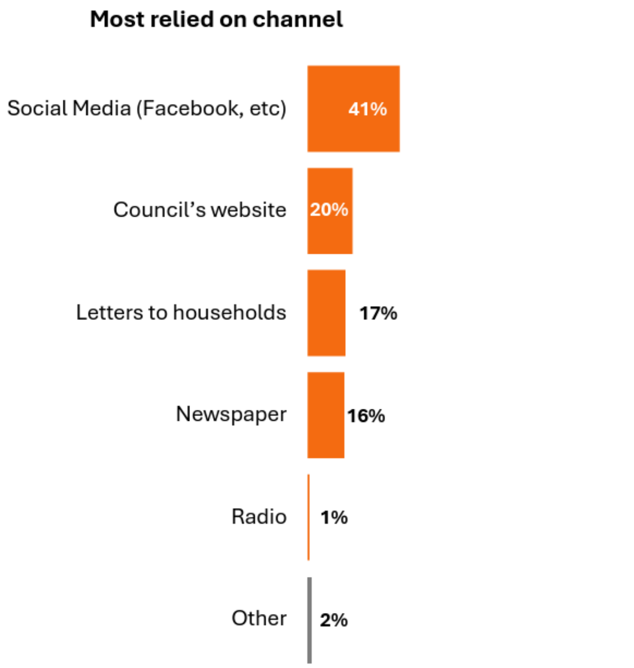
4.89 Satisfaction that *Residents received or could find Council information when they needed it* is the highest rated measure within engagement and consultation at 89% (2025:87%).

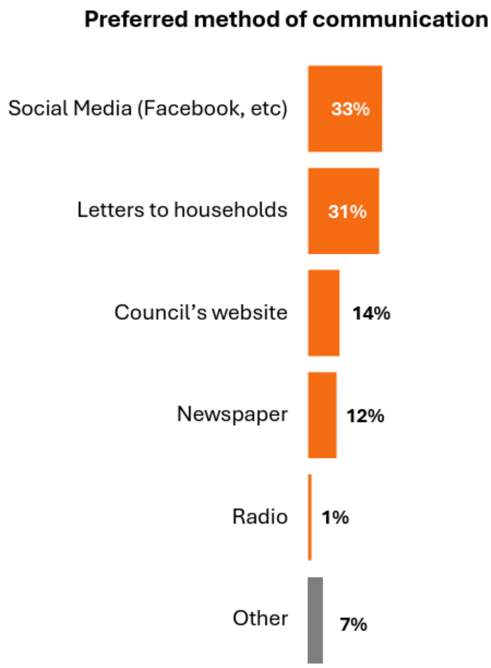
4.90 The largest year-on-year improvement is reported for *Council keeping people informed about what it is doing*, increasing from 75% in 2025 to 83% in 2026.

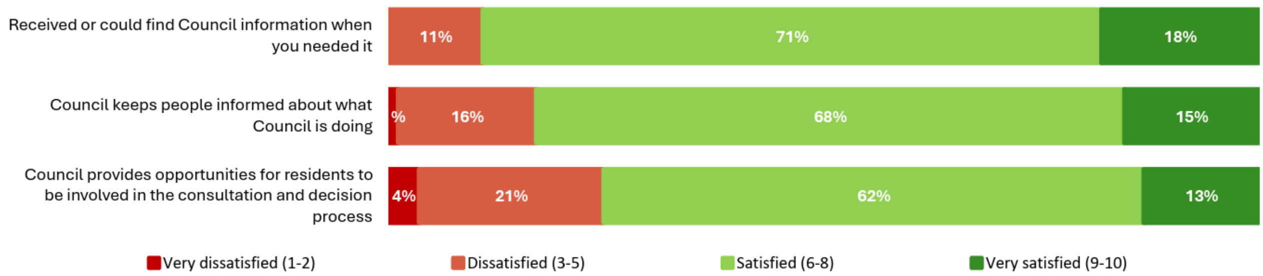
4.91 Satisfaction with *Council providing opportunities for residents to be involved in consultation and decision-making* has slightly increased from 72% to 75%.











4.92 KEY POINTS FROM OPEN-ENDED FEEDBACK

- Most commonly mentioned concern areas is for Council to listen to, and work with, the entire community (36%).

- Other feedback relates to improving communication and increasing engagement (30%), providing more transparency and addressing perceptions that Council has its own agenda (22%), and using more communication channels or different communication methods (20%). A further 6% mention the need to increase awareness of consultations or allow longer consultation timeframes.

4.93 <u>VALUE FOR MONEY</u>

4.94 Satisfaction with *Value for money* has increased from 40% in 2025 to 44% in 2026.

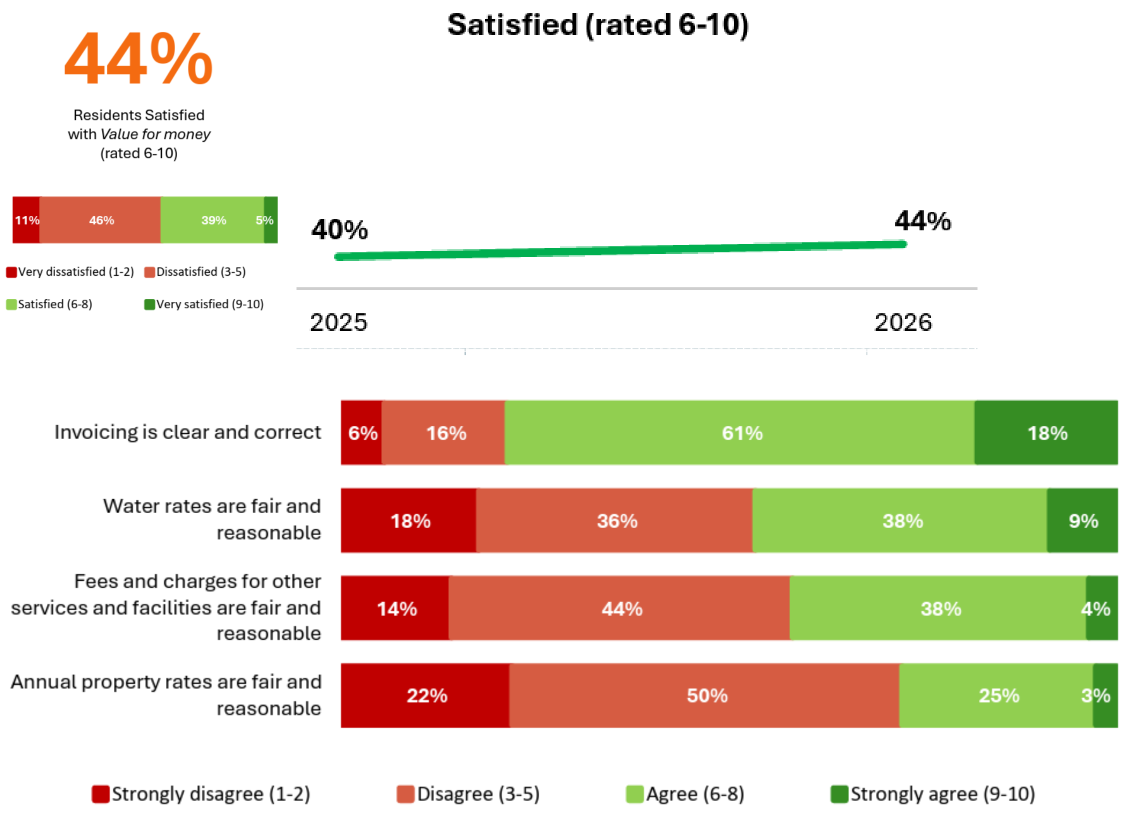
4.95 Satisfaction with *Value for money* is highest among residents aged 65 and over (60%), compared to those aged 40 to 64 (43%) and 18 to 39 (32%). Non-Māori residents are more likely to be satisfied than Māori residents (49% compared to 36%). Satisfaction is almost the same across Te Kūiti Ward and Rural Ward residents (both 44%). By length of stay, satisfaction is highest among residents who have lived in the district for over 10 years (47%), compared to those who have lived for five years or less (39%) and six to 10 years (37%).

4.96 Invoicing is the highest rated value for money measure, with 79% agreeing that invoicing is clear and correct, a slight increase from 76% in 2025.

4.97 Agreement that Water rates are fair and reasonable has slightly increased from 43% in 2025 to 47% in 2026.

4.98 Agreement that Fees and charges for other services and facilities are fair and reasonable has increased from 38% to 42%.

4.99 Annual property rates remain the lowest rated value for money measure, despite increasing from 24% in 2025 to 28% in 2026.



4.100 KEY POINTS FROM OPEN-ENDED FEEDBACK

- Most commonly mentioned concern areas - rates are too high, no value for money, a desire for user pays systems (29%), unfair rates for rural ratepayers or a lack of services provided for rural residents (6%).

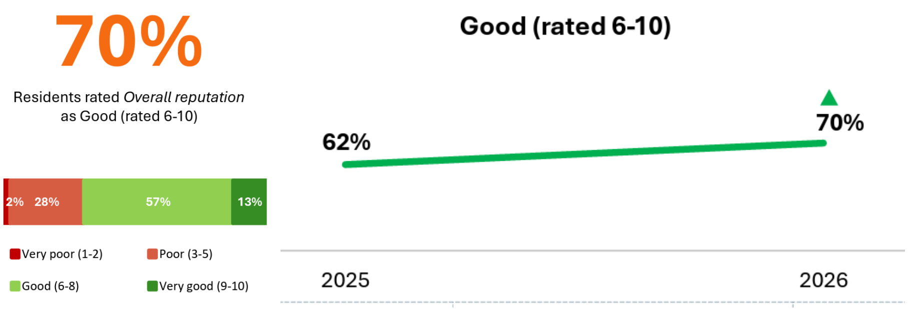
4.101 <u>REPUTATION</u>

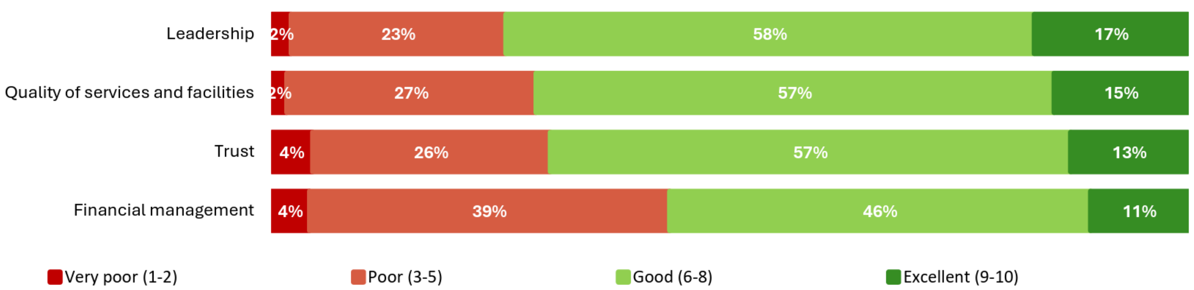
4.102 Overall reputation has improved from 62% in 2025 to 70% in 2026. This is a positive year-on-year movement and indicates that residents are rating Council more favourably when considering *Leadership, Trust, Financial management, and the Quality of services and facilities* provided.

4.103 Satisfaction is highest among residents aged 65 years and over (78%) and compared to those aged 18 to 39 and 40 to 64 (both 67%). Satisfaction is similar across Rural Ward and Te Kūiti Ward residents (70% and 69% respectively). By length of stay, overall reputation is highest among residents who have lived in the district for five years or less (78%), compared to those who have lived there for over 10 years (68%) and six to 10 years (62%).

4.104 Satisfaction has increased slightly with –

- *Leadership* has increased from 70% to 74%
- Quality of services and facilities is at 71% (2025:72%)
- *Trust* has the largest improvement increasing from 59% in 2025 to 70% in 2026. This indicates an improvement in how residents perceive Council's openness, fairness, honesty and ability to act in the best interests of the District.
- *Financial management* remains the lowest rated reputation measure, despite increasing from 52% in 2025 to 57% in 2026.





4.105 KEY POINTS FROM OPEN-ENDED FEEDBACK

- Most mentioned areas of concern are related to rates, transparency, financial decision making, accountability, trust, and whether Council listens to the community.
- Some comments also refer to service levels and investment across the district, particularly where residents feel they do not receive value for the rates they pay.

4.106 **KPI RESULTS FROM THE SURVEY**

4.107 Out of seven KPIs from the Residents' Survey results, two measures are achieved, two nearly achieved and three not achieved.

4.108 It should be noted that targets were set in 2023/24 during the LTP development, surveys conducted at this time asked all respondents to rate satisfaction. In this survey and last year's survey we only ask those who have used the service to rate satisfaction – this does tend to result in a lower rating however it is more informative.

KPIs	Target	Previous Result 2025	Result 2026
Percentage of residents satisfied that they received or could find Council information when they needed it.	Between 70-100%	Achieved 87%	Achieved 89%
The percentage of residents satisfied in their initial interaction with Council Customer Services was friendly and helpful.	Increasing trend	Achieved 88%	Nearly Achieved 88%
Percentage of residents satisfied with our parks and open spaces.	≥ 85%	Achieved 92%	Achieved 91%
Percentage of residents satisfied with the cleanliness of public toilets.	≥ 85%	Not Achieved 63%	Not Achieved 61%
Percentage of residents satisfied with the provision of the Animal Control service.	≥ 75%	Not Achieved 63%	Not Achieved 67%
Percentage of users that are satisfied with the rural transfer service stations.	≥ 90%	Not Achieved 77%	Not Achieved 80%
Percentage of users that are satisfied with Te Kūiti Transfer Station (Landfill).	≥ 90%	Nearly Achieved 87%	Nearly Achieved 87%

5. Analysis of Options

5.1 The Council has the following options:

1. Council may authorise the release of the Residents' Survey Report 2026 for public information.
2. Council may determine not to release the Residents' Survey Report 2026.

6. Considerations

6.1 **RISK**

6.2 Not releasing the Report may create a perception that Council is not being transparent with the findings.

6.3 **CONSISTENCY WITH EXISTING PLANS AND POLICIES**

6.4 Releasing the Report is consistent with other plans and policies.

6.5 **SIGNIFICANCE AND COMMUNITY VIEWS**

6.6 The Residents Survey is one of the most significant gauges the communities views on Council's performance and levels of service, it also informs some key performance measures in the Annual Report. Not releasing verbatim responses protects the public's privacy and confidentiality.

7. Attachments/Separate Enclosures

Separate Enclosure:

1 Residents' Survey Report 2026 (Doc # 993929)

Document ID: 987356

Report To: **Council**

Meeting Date:	28 July 2026
Subject:	**Motion to Exclude the Public**
Type:	Decision Required
Author(s):	Michelle Higgie Manager – Governance Support

1. Purpose of Report

1.1. The purpose of this business paper is to enable Council to consider whether or not the public should be excluded from the consideration of Council business.

Note: It is Council's choice whether to consider any of the business listed below in the public or public excluded portion of the meeting.

2. Suggested Resolutions

2.1 The following are suggested resolutions only and do not represent Council policy until such time as they are adopted by formal resolution.

1 The public be excluded from the following part of the proceedings of this meeting.

2 The general subject of each matter to be considered while the public is excluded and the reason for passing this resolution in relation to each matter, as specified by Section 48(1) of the Local Government Official Information and Meetings Act 1987 are as follows:

General Subject	Reason for passing this resolution	Section 48(1) grounds for the passing of this resolution
1. Chief Executive – Section 35 Review	Section 7(2) (a) To protect the privacy of natural persons, including that of deceased natural persons	Section 48(1) (d) The exclusion of the public from the whole or the relevant part of the proceedings of the meeting is necessary to enable the local authority to deliberate in private on its decision or recommendation in any proceedings to which this paragraph applies.

3 Council agree that no staff will be present for this item of business.

4 This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole, or relevant part, of the proceedings of the meeting in the public.

3. Commentary

3.1 Section 48 of the Local Government Official Information and Meetings Act 1987 gives Council the right, by resolution, to exclude the public from the whole or any part of the proceedings of any meeting, only on one or more of the grounds contained within that Section.