Ruapehu and Whanganui District Council's Joint

Water Services Delivery Plan

October 2025

Contents

Note: The WSDP financial statements may be subject to changes resulting from:

• Closing balance of 2024/25 FY impact on opening balances of 2025/26FY and debt levels – confirmed following close of FY and subject to audit of Annual Report 2024/25

• Inclusion of agreed Transitional Services costs (modelling includes earlier assumptions) – subject to finalisation of the Transitional Services Agreement between WDC, RDC and WS-CCO

• Asset base and value for transfer (subject to timing of intended transfer and currency of asset information – require additional post 30 June 2025 valuation to inform asset transfer.

Note: This final version incorporates formatting and other minor changes and clarifications as requested by the Department of Internal Affairs during their assessment process.

The changes have been re-certified by both Chief Executives under the resolution of their respective councils to make required minor changes and submit to the DIA.

Introduction

Ruapehu and Whanganui District Councils' have both resolved to form a two-council Water Services Council Controlled Organisation (WS-CCO) that will take a local pricing approach. This model is considered to provide the best balance of meeting the legislative requirements for financial sustainability with the desire to preserve local voice and influence, due to the long-standing relationships between the two districts that are bound by Te Awa Tupua from the mountains to the sea.

Retaining decision making within the catchment of the Whanganui awa is an opportunity to embed a Te Awa Tupua approach – where we place the wellbeing of the river and its communities at the centre – into the establishment of the WS-CCO from the beginning.

This delivery model will allow both councils to invest in water services and infrastructure in a more affordable way for communities, achieve more resilience and capacity (both staffing and financial) to respond to future challenges, and improve community and environmental outcomes. The challenges our communities face are not small – affordability a key one – and the WS-CCO will be expected to keep this front and centre in its considerations.

This decision was reached after an extensive appraisal process that considered both financial and non-financial aspects. Since late 2023 Officers from both councils have been involved in the consideration of delivery model options with our neighbour territorial authorities within the wider Horizons region. Through that involvement, it was agreed that a three council owned WS-CCO with Rangitīkei District Council would be consulted on as our preferred option early in 2025. The eventual delivery model has responded to the priorities expressed by our communities and the decisions of potential partners, balanced with consideration of what will secure the best outcome for our communities now and into the future.

This Water Services Delivery Plan meets the legislative requirements and is a blueprint for how we will transition to a new delivery model that has its foundations and priorities rooted in the relationships and communities of Ruapehu and Whanganui.

Long-term plans

The ten-year budgets outlined in our Long-Term Plans, along with the 30-year infrastructure strategies they contain, have served as the underlying basis for this water services delivery plan.

Both Councils adopted their audited 2024-2034 Long-Term Plans in the normal legislative timeframe, i.e., before 30 June 2024.

District plans and growth strategies

Both councils have operative district plans and have taken steps to address where growth (especially for housing) should occur and the implications for three waters infrastructure.

The councils are both committed to developing comprehensive spatial plans for their districts and townships, to provide a strategic framework for land use, infrastructure development, and environmental management.

Most of the growth in the Ruapehu District is within Ohakune. The Ohakune Spatial Plan proposes a blue-green network to address stormwater quality issues and flood protection risks. The Taumarunui-Manunui Spatial Plan notes the need for improved water infrastructure.

The majority of growth in Whanganui is anticipated to be within the Whanganui urban area through a combination of infill and greenfield development. The Council's Housing Strategy recognises the importance of having supporting infrastructure. Modelling has been undertaken to identify infrastructure requirements for the anticipated increase in new residential sections.

Navigating the WSDP

This table provides a checklist of requirements of the Local Government (Water Services Preliminary Arrangements) Act 2024 (Preliminary Arrangements Act), linking to the relevant sections of the WSDP.

Section 13 Contents of water service delivery plan	WSDP Location	
1} A territorial authority's water services delivery plan must contain the following information in relation to the water services delivered in the authority's district:		
(a) a description of the current state of the water services network:	Part B	**Page 64 to 67;** Assessment of the current condition and lifespan of water services
(b) a description of the current levels of service relating to water services provided:		Levels of Service **Page 32** = Ruapehu **Page 52** = Whanganui
(c) a description of-		
(i) the areas in the district that receive water services (including a description of any areas in the district that do not receive water services); and	Part B	Serviced areas; Pg 29 = Ruapehu Pg 53 = Whanganui
(ii) the water services infrastructure associated with providing for population growth and development capacity:	Part A, page 13 Part B; Part D	Page 13 – summary description Investment to meet levels of service, regulatory standards and growth needs **Pg 54 and 55** **Pg 73 – for all points above** **Pg 77 = Ruapehu WWTPs** Projected water services investment is sufficient to meet levels of service, regulatory requirements and provide for growth **Pg 125 131: Financial Statements**
(d) whether and to what extent water services-		
(i) comply with current regulatory requirements:	Part B	**Pg 58-59: compliance with regulatory standards.** **Pg 60, 62: RMA compliance.** **Pg 73:** Statement of Regulatory compliance
(ii) will comply with any anticipated future regulatory requirements:		**Pg 77, and Pg 87 to** Responding to Increased Levels of Regulation
(e) if any water services do not comply with current regulatory requirements or will not comply with any anticipated future regulatory requirements:		

Section 13 Contents of water service delivery plan		WSDP Location	
(i)	a description of the non-compliance; and	Part B	**Pg 73:** Statement of Regulatory compliance
(ii)	a description of how the anticipated or proposed model or arrangements provided under paragraph (k) will assist to ensure water services will comply:	Part B	**Pg 77-87: future activities to ensure compliance**
(f) details of the capital and operational expenditure required-			
(i)	to deliver the water services; and	Part C Part E; Additional Information	Projected financial statements for water services; Significant capital projects
(ii)	to ensure that water services comply with regulatory requirements:	Part B; Capital Expenditure required to delivery water services and ensure that water services comply with regulatory requirements Part E; Additional Information	**Pg 87 to 92: Description of planning capital projects** **Pg 131:** Projected financial statements for water services; **Pg 164:** Significant capital projects
(g) financial projections for delivering water services over the period covered by the plan, including-			
(i)	the operating costs and revenue required to deliver water services; and	Part C Part D Part E; Additional Information	**Pg 131:** Projected financial statements for water services; **Pg 164:** Significant capital projects
(ii)	projected capital expenditure on water services infrastructure; and		
(iii)	projected borrowing to deliver water services:		
(h) an assessment of the current condition, lifespan, and value of the water services networks:		Part B	**Pg 64 to 67:** Assessment of the current condition and lifespan of the water services network
(i) a description of the asset management approach being used, including capital, maintenance, and operational programs for delivering water services:		Part B	**Pg 67 to 73:** Asset management approach
(j) a description of any issues, constraints, and risks that impact on delivering water services:		Additional Information	**Pg 173 to 185:** Key issues, constraints, risks and assumptions

Section 13 Contents of water service delivery plan	WSDP Location	
(k) the anticipated or proposed model or arrangements for delivering water services (including whether the territorial authority is likely to enter into a joint arrangement under section 10 or will continue to deliver water services in its district alone):	Part A	**Pg 14 to 16:** Proposed delivery model
(I) an explanation of how the revenue from, and delivery of, water services will be separated from the territorial authority's other functions and activities:	Part A	**Pg 14:** Proposed delivery model **Pg 18 to 20:** Ringfencing water services revenue
(m) a summary of any consultation undertaken as part of developing the information required to be included in the plan under paragraph **(k):**	Part A	**Pg 24 to 27:** Consultation and engagement
(n) an explanation of what the territorial authority proposes to do to ensure that the delivery of water services will be financially sustainable by 30 June 2028:	Part D	**Pg 123:** Financial sustainability assessment
(o) an implementation plan-		
(i) for delivering the proposed model or arrangements described under paragraph (k); and	Part A	**Pg 20 to 23:** Implementation plan
(ii) if a territorial authority is proposing to deliver water services itself and not as part of a joint arrangement for delivering water services, that sets out the action that the territorial authority will take to ensure its delivery of water services will be financially sustainable by 30 June 2028:	N/A	
any other information prescribed in rules made by the Secretary under section 16	N/A	
2) For the purposes of subsection (I)(o), an implementation plan must include the following:		
(a) a process for delivering the proposed model or arrangements:	Part A	**Pg 16, 20:** Implementation plan
(b) a commitment to give effect to the proposed model or arrangements once the plan is accepted:		
(c) the name of each territorial authority that commits to delivering the proposed model or arrangements:	Part A	**Pg 14 to 16:** Proposed Delivery Model
(d) the time frames and milestones for delivering the proposed model or arrangements.	Part A	**Pg 20:** Implementation plan
3) A water services delivery plan must also comply with any requirements prescribed in rules made by the Secretary under section 16.	N/A	N/a

Section 14 Contents of joint water services delivery plan	WSDP Location	
1) A joint water services delivery plan must contain the following:		
(a) information that clearly identifies each territorial authority that is proposed to be a party to the joint arrangement:	Part A	

(b) information as to whether the joint arrangement will deliver— (i) all water services for all of the territorial authorities that are parties to the joint arrangement; or (ii) all water services except for some or all services in relation to all of the territorial authorities' stormwater networks; or (iii) all water services for some of the territorial authorities, and all water services except for some or all services in relation to stormwater networks for the other territorial authorities:	Part A	**Pg 14 to 16 ; Pg 17**
(c) all of the information listed in section 13: And, the information in section 14(3)	See above table.	
(d) information on the likely form of the joint arrangement, including whether it is anticipated it will involve water services being delivered by— (i) a joint WSCCO; or (ii) an arrangement described in section 137 of the LGA2002; or (iii) another organisation or arrangement that the territorial authorities are considering.	See above, Part A.	

Section 15 Period covered by water services delivery plan	**WSDP Location**	
1) A water services delivery plan -		
(a) must cover a period of not less than 10 consecutive financial years, starting with the 2024-25 financial year; and	Part A; Part D; Part E	Pg 123: Financial sustainability assessment; Pg 131: Projected financial services for water services
(b) may include information that covers an additional 20 consecutive years, if the information identifies investment requirements- (i) for water services infrastructure; or (ii) to support future housing growth and urban development.	Not applicable	
2) A water services delivery plan must provide the required information-		
(a) in detail in relation to each of the first 3 financial years covered by the plan; and	Part C	Pg 131 Projected financial statements for water services
(b) in outline in relation to each of the subsequent financial years covered by the plan	Part E	

Assurance and adoption of the Plan

Chief Executive's commentary

The below is our current estimate of our levels of confidence in the underlying information included in the Plan.

Regulatory Compliance: There is a high level of confidence in compliance supported by internal documentation and existing compliance frameworks, including reports from Horizons Regional Council and from the auditors for each Council.

Asset Management: There is a high level of confidence that the asset information and approach outlined in the plan are consistent with the respective council's asset management information and practices.

Investment Requirements and Asset Condition: There is a high level of confidence that the investments and asset information within the plan is consistent with the respective councils' asset management plans, condition assessment methodologies and current understanding of optimised investment. There are limitations with quality and quantum of condition assessment information.

Financial Projections: There is a high level of confidence that baseline financial projections are consistent with each council's baseline planning documents, particularly their long-term plans.

In addition to internal quality assurance processes, the following independent assurance has been undertaken:

- Review by the Department of Internal Affairs of the initial draft WSDP (service delivery aspects) for Rangitīkei-Ruapehu-Whanganui; this document then formed the basis of the revised two-council WSDP. The comments provided by the DIA were all responded to in preparing the final version.

- A legal compliance review by Simpson Grierson.

Council Resolutions to adopt the Plan

Ruapehu District Council resolution to adopt the Plan

The Ruapehu and Whanganui Joint Water Services Delivery Plan was adopted by the Ruapehu District Council at its meeting of 13 August 2025. Councils' resolution was that Council:

1. Receives the Report Water Services Delivery Plan Adoption;
2. Note that the WSDP has been prepared in line with the previous decision on a preferred water services delivery model.
3. Adopts the attached Water Services Delivery Plan and authorises the Chief Executive to make any necessary updates to reflect the decision of Council regarding the proposed approach to stormwater as resolved under the previous item.
4. Authorises the Chief Executive Officer to make minor changes (if required) to the Water Services
5. Delivery Plan to allow for certification or any minor editorial changes beyond adoption.
6. Authorises the Chief Executive to submit the WSDP to the DIA in line with legislative requirements.
7. Note the DIA's next steps in relation to review and acceptance, and the next steps for Council following submission.
8. Direct the Chief Executive to enter any necessary Agreement to guide the work to develop a WSDP and eventual WS-CCO
9. Instructs the Chief Executive to prepare a letter, to be signed by the Mayor, to the Minister for Local Government and the Secretary for Internal Affairs drawing attention to the affordability concerns for water services in Ruapehu communities.

Whanganui District Council resolution to adopt the Plan

The Ruapehu and Whanganui Joint Water Services Delivery Plan was adopted by the Whanganui District Council at its meeting of 12 August 2025. Councils' resolution was that Council:

a) Receives the report

b) Notes that the WSDP attached as Ref. 1 to this report has been prepared in line with the previous decision on a preferred delivery model.

c) Notes that Ruapehu District Council will not be making its decision on the WSDP until 13 August, and acknowledges that its decision (relative to stormwater services) will not affect the viability of the two council WS-CCO, or impact on the content of the WSDP relating to the Council.

d) Adopt the Water Services Delivery Plan attached as Ref. 1 to this report for the Council, and authorise the Chief Executive Officer to make any necessary updates to reflect Ruapehu District Council's decisions on 13 August in relation to stormwater (which will not affect the Council).

e) Authorises the Chief Executive Officer to make minor changes (if required) to the Water Services Delivery Plan to allow for certification, or any minor editorial changes.

f) Authorises the Chief Executive to submit the Water Services Delivery Plan to the Secretary for Local Government in line with legislative requirements.

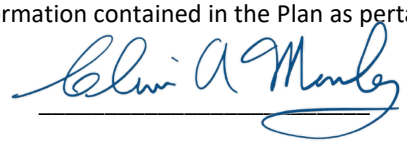
g) Notes the Secretary for Local Government's next steps in relation to review and acceptance, and the next steps for Council following submission.

Certifications

Certification of the Chief Executive of Ruapehu District Council

I certify that the information relating to the Ruapehu District Council in this Joint Water Services Delivery Plan:

- complies with the Local Government (Water Services Preliminary Arrangements) Act 2024, and
- the information contained in the Plan as pertaining to Ruapehu District Council is true and accurate.

Signed: 

Name: Clive Manley

Designation: Chief Executive

Council: Ruapehu District Council

Date: 28 October 2025

Certification of the Chief Executive of Whanganui District Council

I certify that the information relating to the Whanganui District Council in this Joint Water Services Delivery Plan:

- complies with the Local Government (Water Services Preliminary Arrangements) Act 2024, and
- the information contained in the Plan as pertaining to Whanganui District Council is true and accurate.

Signed: 

Name: Barbera McKerrow

Designation: Chief Executive

Council: Whanganui District Council

Date: 29 October 2025

Part A: Statement of financial sustainability, delivery model, implementation plan and consultation

Statement that water services delivery is financially sustainable

This joint plan encompasses all Council-owned water services, including stormwater, along with the related costs and revenues for the three waters. The plan sets out how the joint delivery model provides sufficient revenue, sufficient investment and sufficient debt to respond growth and renewal needs of the combined areas, manage water quality in line with legislative requirements and ensure resilient and compliant services for its communities.

Financial modelling for the plan was undertaken by the participating councils, led by Whanganui District Council (initially for the three-council WS-CCO including Rangitīkei). While the specific numbers in the model varied between the two-council and three-council WS-CCO options, the trends were identical. The output charts confirmed compliance with the three financial sustainability tests from 1 July 2028. For details, refer to Part D.

The underlying modelling has been predicated on:

- investment requirements for ten consecutive years, as set out in the Council's adopted (and audited) long-term plans for 2024-2034, but with regard to the following twenty years,
- maintaining current levels of service intentions as set out in the Council's adopted (and audited) long-term plans for 2024-2034,
- agreement on the likely cost of transition to a water services WS-CCO and the efficiencies which could reasonably be anticipated from it,
- agreement that the current approach of 'district wide' pricing will continue (ie. price harmonisation *within each council area* but not across the whole area covered by the WS-CCO): therefore the financial projections for the WS-CCO have been finalised on the basis of 'local pricing' where users pay a share of the cost to deliver services within their district only,
- understanding that the WS-CCO will transition any customers charged based on capital value to a combination of volumetric and/or fixed charges within a five-year transition period commencing 1 July 2027 as required by legislation. (This is only like to affect the charging for stormwater.)

Additionally, the modelling has brought forward an extra $66 million (originally planned for between years 11 to 30 of the 30-Year Infrastructure Strategy) investment in wastewater treatment plants for the Ruapehu district to meet the proposed wastewater standards. This investment is projected to be spread over years 4-10, starting with $1million to develop resource consents.

Strategic issues affecting investment

As set out in the Long-Term Plans and Infrastructure Strategies of both councils, the combined WS-CCO area faces compliance, renewal and resilience and growth challenges that require major investment in three waters infrastructure over the next ten years and beyond. The strategic issues which have been responded to include:

- Achieving and maintaining compliance: some wastewater treatment plants, especially in Ruapehu, face compliance challenges, operating on continuance rights under section 124 of the Resource Management Act. In addition, there are other resource consents held by both Councils that are due to expire in the next decade, which will require renewal. This work will be done in the context of new wastewater environmental standards which has the potential to provide a faster consenting process and less costly solutions through the use of new modular design standards. It is expected that the Water Services Authority-Taumata Arowai will be rigorous in enforcing compliance, meaning that the WS-CCO will need to prioritise obtaining new consents for those facilities which are currently operating under section 124 or which have expired. This requires the work associated with the Ruapehu wastewater treatment plant upgrades to be brought forward into the first ten years of the LTP, making use of the WS-CCO's debt headroom to absorb this work. This would not be possible for the Ruapehu District Council under a stand-alone option.

- Achieving a consistent level of service which reflects (if not exceeds) the highest current standard achieved by a particular Council: currently there is variation in the levels of service, partly reflecting the differences in servicing remote, dispersed communities and more dense urban environments. Investment decisions by the WS-CCO will be a key factor in addressing this.
- Ensuring a balance between the smaller, more remote rural communities and the larger urban communities: there is considerable variation in scale between the three waters infrastructure of the two Councils. While priorities will ultimately be determined by the WS-CCO Board, this plan deliberately retains the timing of investment projected by the Councils in their long-term plans, with some further refinement.
- Looking after what we have: timely renewal of aging infrastructure is critical to avoid failure with consequent loss of water supply, unwanted discharge of wastewater and/or excesses of stormwater. The councils have varying infrastructure age and condition profiles and variable asset condition data. Asset renewals funded from existing budgets will be prioritised based on criticality, risk and age of assets.
- Resilience of service: the area to be serviced by the WS-CCO has variation in treatment and reticulation operations which has been and is expected to be disrupted through weather events on a periodic basis. Climate change is intensifying the effect of these events. The joint WS-CCO has the capacity to absorb additional debt and/or fund additional work if needed to anticipate or respond to such emergencies, as well as increased capacity through the "pooling" of resources and the potential to increase staffing capacity by bringing some services currently provided by consultants in-house.
- Response to growth: Both Councils expect some growth, particularly in Whanganui. The Government's Going for Housing Growth programme means that Councils will be required to enable more development, across greenfield areas and through increased intensification. This will have implications regarding how and where the WS-CCO invests, particularly in and around Whanganui. Infrastructure investment will need to anticipate development in key growth areas. While Councils have growth/spatial plans and district plans, it is likely that central Government policy changes to national directions will have impact on these plans and their intended effect.

Sufficient investment

Planned capital investments are sufficient to address these strategic issues, including new and renewed infrastructure to meet levels of service, compliance, demand management, resource consenting, and to service growth. These investment needs are outlined in further detail in **Part B. Network Performance**.

The financial projections are based on *current* regulatory standards. The timing of the planned upgrades to four wastewater treatment plants in Ruapehu have been brought forward from after Year 11 of the LTP, to meet the new regulatory requirements. The current cost estimate assumes that the disposal method is similar to what it is now, noting that the unique consenting regime created by the Te Awa Tupua (Whanganui River Claims Settlement) Act 2017 and the Ngāti Rangi Claims Settlement Act 2019 creates a unique situation in the area and the disposal method may have to be reviewed once there is more certainty on the new standards, future costs, affordability and community expectations. It has been assumed that the new wastewater environmental standards will not mean additional cost, and more likely lower costs – but that is likely to be offset by the need to address consents operating under the continuance provisions of the Resource Management Act 1991.

Analysis of **Investment Sufficiency** is further detailed in **Section D, Financial Sustainability Assessment - Investment Sufficiency.**

Sufficient revenue

Water, wastewater and stormwater revenues are projected to increase significantly over the first ten years and be sufficient to achieve financial sustainability by 30 June 2028.

A conservative approach has been taken in estimating revenue from development contributions, reflecting the different approaches currently taken by each council. It is intended that the development contributions model will be replaced by a development levy framework during this term of government, which may assist with increasing revenue for capital infrastructure.

The potential impact of the Commerce Commission as economic regulator is not yet clear. The initial information disclosure requirements may not be much more onerous than the measures currently required under the Local Government Act 2002. However, longer-term the WS-CCO will be subject to scrutiny in terms of its revenue alongside its investment.
Analysis of **Revenue Sufficiency** is further detailed in This section demonstrates that the Plan achieves financially sustainable delivery of water services by 30 June 2028, and confirms that the three test of financial sustainability can be met, namely that there is:

- Revenue sufficiency - sufficient revenue to cover the costs (including servicing debt) of water services delivery;
- Investment sufficiency – projected investment is sufficient to meet levels of service, regulatory requirements and provide for growth; and
- Financing sufficiency - funding and financing arrangements are sufficient to meet investment requirements.

Assessment of revenue sufficiency – Ruapehu, Whanganui Combined.

Sufficient financing

Financing of water and wastewater investments can be maintained within the proposed LGFA FFO Debt Covenants for a WS-CCO of this size, from 1 July 2027, assuming the WS-CCO will have access to financing through the LGFA. The Councils understand and will comply with the financial covenants set by the LGFA. Up until the time of the transfer of assets to the WS-CCO, the financing must be within the limits set by the LGFA for each Council.

The debt headroom available to the WS-CCO, when considered on an aggregated basis (for all three waters), is projected to be $5.9M in 2033-34.

Analysis of Financing Sufficiency is further detailed in **Sections C, Revenue and Financing Arrangements** and **Section D, Financial Sustainability Assessment - Financing Sufficiency**

Proposed delivery model

The proposed model for delivering water services: a joint water services council-controlled organisation (WS-CCO)

Following analysis of the strategic benefits of various models, financial modelling and community consultation, Ruapehu District Council and Whanganui District Council each resolved to establish a multi-council WS-CCO together as their proposed model for the future delivery of water services. This model was felt to strike a balance between accessing the improved financing tools and efficiencies that can come with scale and consolidation, with the ability to maintain local voice and retain decision-making within the Te Awa Tupua catchment.

Responsibility for delivering three water services for the Ruapehu District and Whanganui District combined service area will be transferred to a jointly owned water services council-controlled organisation (WS-CCO). The WS-CCO will generally own water supply, wastewater, and stormwater infrastructure assets.

The WS-CCO will:

- be established with the principles of Te Awa Tupua at the heart of its governance, management and operational structures, ensuring that the well-being of the river and its connected communities are placed at the centre of decision-making.
- be dedicated to delivering water services for both Councils and ensure financially viable and environmentally sustainable operations.

- provide communities with confidence that requirements set by the Water Services Authority-Taumata Arowai and the Commerce Commission (as economic regulator) will be met in a timely and affordable way.

Both councils will be prepared to consider aggregating with other councils in future, as provided for in the new legislation.

The following table shows the various delivery models for each of the Councils.

Council	Ruapehu	Whanganui
Water	Assets, associate debt and service delivery to transfer	Assets, associate debt and service delivery to transfer
Wastewater	Assets, associate debt and service delivery to transfer	Assets, associate debt and service delivery to transfer
Stormwater*	Exclusively Stormwater assets, associated debt and service delivery to transfer	Exclusively Stormwater assets, associated debt and service delivery to transfer
Other	The final detail of which assets transfer will be determined during the preparation of the transfer agreement by each Council.	

(*) Some stormwater assets and services will remain with each of the councils. This reflects the provisions of clause 10 of the Local Government (Water Services) Bill, which prohibits the transfer of stormwater assets in the transport corridor to the WS-CCO. Stormwater assets within the transport corridor that are prohibited from being transferred to the WS-CCO will remain with the councils.

WS-CCO ownership structure

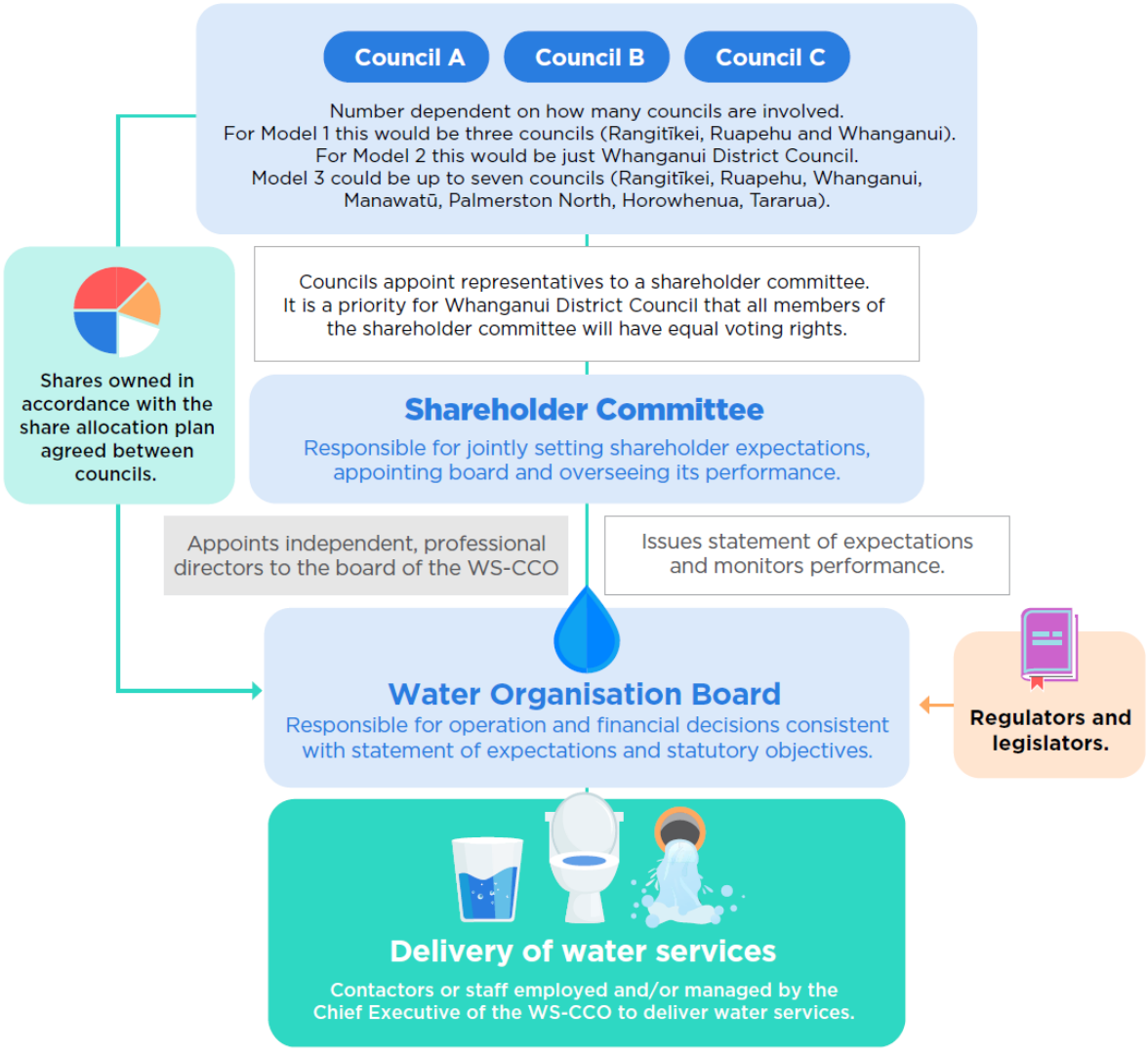
Ruapehu District Council and Whanganui District Council will be the joint shareholders of the WS-CCO.

The WS-CCO will own and manage water, wastewater and stormwater infrastructure assets transferred to it by the shareholding Councils.

The apportionment of shares will be set by the constitution and shareholders' agreement. This apportionment does not affect voting rights of the individual Councils in the Shareholders' Committee: each Council is expected to have the same voting rights.

During consultation both councils set out that they believed there is a role for Iwi representation that brings a Te Ao Māori perspective to shareholder decisions. Through the consultation process this was further refined to a commitment to embed the principles of Te Awa Tupua in the project structures and for those to follow onto the establishment of the WS-CCO itself. The detail of this is the first important step in the Implementation Plan and the involvement of Iwi and Hapu at all levels of the WS-CCO's governance and operation will be formalised with them through this next phase of establishing the WS-CCO.

The overall structure of the WS-CCO is expected to be similar to that included in each council's Consultation Document, as follows:



• This is an example only

The structure of the organisation itself will be developed as part of the Establishment and Transition planning phases as set out in the Implementation Plan. It is expected to include but not be limited to the following capabilities: consenting, compliance, design, engineering, operations, community and customer relations, and corporate services including finance, human resources, information systems and others.

The WS-CCO's future engagement with Mana Whenua

The WS-CCO's foundational documents will recognise the unique context of Whanganui and Ruapehu which gives statutory recognition to Te Awa Tupua (Whangnaui river) and Te Waiū o te ika (Whangaehu River). Furthermore the shareholders, in the foundational documents, will require the WS-CCO to honour the responsibilities that arise from the current and future Treaty Settlements within its area of operation.

The commitments made by individual Councils to iwi and hapū arising from Treaty settlements include protection of specific water resources.

The proposed governance and oversight arrangements for the WS-CCO are intended to promote participation by mana whenua, through membership on the Shareholders' Committee.

Scope of services

The WS-CCO will own, manage, and operate all transferred water supply, wastewater and stormwater infrastructure and assets, as well as the services currently provided by each council. This includes the abstraction, treatment, supply, and distribution of drinking water, as well as the collection, treatment, and disposal of wastewater and stormwater. The WS-CCO will provide relevant services, including strategy, planning, consenting, project design, delivery, maintenance, engineering, and related services. These will be included in the WS-CCO's Water Services Strategy.

The WS-CCO may maintain or enter agreements with others to provide components of these services where required.

The WS-CCO will not undertake any services which are not related to three waters services.

The WS-CCO may additionally:

- provide non-urban stormwater services to each council by agreement.
- support water-related infrastructure in parks, transport corridors and other public assets, where aligned with council strategics and agreed service arrangements.
- support water-related services to marae,
- provide water services to non-shareholding local authorities or other water services WS-CCOs, and
- (with the agreement of the shareholders) extend water-related infrastructure to communities not currently serviced.

Anticipated benefits

Three waters services are critical to the health and wellbeing of our communities. The anticipated benefits for all three waters by transitioning to the WS-CCO service delivery model include:

Benefit	Description
A holistic approach to water	Offers a coordinated approach to support and improve the quality and health of the water resources within the WS-CCO area, recognising the statutory protections over the Whanganui River and obligations from Treaty settlements.
Better for water users / Improved customer experience	Puts customers at the centre through a sole focus on water service delivery across the joint service area, delivers (in time) consistent levels of service for all customers.
Improved financial capacity	Greater borrowing capacity will support planned capital investment and provides increased debt headroom for anticipating or responding to emergencies.
Improved environment for staff	The WS-CCO will require locally based operational staff to service and maintain (or improve) the current levels of service. It will also allow provide new opportunities for specialisation, including in-depth knowledge of the requirements of the Water Services Authority-Taumata Arowai and the Commerce Commission. It will also provide the opportunity for greater capacity and capability within the organisation, rather than utilising external consultants.
Improved compliance	The WS-CCO is expected to give priority to addressing consents operating under continuance provisions or that are fully expired, and to ensuring issues raised by the Water Services Authority-Taumata Arowai and the Commerce Commission are dealt with efficiently and effectively.

	The modelling which shows revenue sufficiency has assumed the additional costs of compliance. The WS-CCO will also have additional financial headroom and sufficiency of revenue to meet the required levels of service and regulatory requirements, and has the ability to bring forward investment and improve compliance with drinking and wastewater standards in a way that is more affordable for communities by spreading the costs over a longer period of time.
Operational effectiveness and efficiencies	Reduction in duplication – parts, chemicals, process over time. A more stable operating environment (less subject to changes in local political situation). Will enable (in time) increased standardisation of processes and systems, energy efficiencies and improved data quality and reliability.
Opportunities of scale	A bigger programme of work promotes optimised resource allocation, provides greater purchasing power to negotiate better contracts and secure more favourable pricing, improved regulatory engagement and consolidation/coordination of consenting activities, speeds up compliance response where required.
Supports coordinated and boundaryless planning and investment	As the boundaries of the participating Councils are contiguous, the arrangement could enable infrastructure to support community growth and other development across Council boundaries.
Potentially coordinated emergency management and responses	Adopting standard response protocols and actions for water services across the entire WS-CCO area will provide for improved coordination and effectiveness in emergencies.
Regional contribution	Open for working with other WS-CCO's to deliver services effectively where there is shared interest, and also open to aggregation with other water service providers when the time is right, with the potential to further increase the above benefits.
Opportunities for other activities	Once the WS-CCO is established, Councils will be able to give greater focus for their other activities over which they exercise a greater level of local discretion.

Ringfencing of water services revenue

One of the key benefits of establishing a WS-CCO is that it naturally ring-fences revenue for water services from the rest of the council's business. The Implementation Plan sets out a phased approach to establishing the WS-CCO, so by default, a phased approach will be taken to this ring-fencing.

1. Ring-fencing during Establishment and Transition Phases (Prior to 1 July 2027)

During this phase, each council will:

- maintain balance sheet and rates separation ensuring that three waters revenues and expenditures are attributed specifically to water, wastewater and stormwater activities. This will be consistent with councils

current policies and processes, where the rates requirement for each activity is calculated and that portion of rates is applied to that activity only. Three Water activities each have separate rates, as outlined in Section C – Revenue and Charging Arrangements.
- retain operational responsibility for three waters services prior to the transition.
- continue collecting water charges through rates and continue to be responsible for all water services. The intention is this will be passed over once the WS-CCO is established and operating - in effect Council will collect the revenue on behalf of the WS-CCO until the WS-CCO is capable of doing so independently.

2. Ring-fencing once WS-CCO is Operational (From 1 July 2027)

- Water, wastewater and stormwater assets and service delivery will be transitioned to the WS-CCO, which will operate as a standalone legal entity with its own balance sheet and financial reporting structure.
- The WS-CCO will manage all revenues, operating expenditure, capital investments and debt servicing for the water, wastewater and stormwater assets transferred.
- The WS-CCO revenue will be ringfenced for water, wastewater and stormwater purposes.
- Where either Council continues to provide overhead services to the WS-CCO, this will be set out in a clearly defined Service Level Agreement.

Proposed revenue collection methods and setting of charges

The councils currently operate a mix of usage-based charges and rates based on capital value. Details of this is outlined in Part C – Revenue and Charging Arrangements. The WS-CCO is expected, where water, wastewater or stormwater is charged based on capital value, to transition to charging based on a combination of volumetric and/or fixed charges over a five-year period for connected properties as prescribed in legislation. This transition aims to create a fairer, more transparent and financially sustainable pricing structure for water services while ensuring cost recovery and investment. It will be subject to oversight from the Commerce Commission.

The revenue pathway and charging transition will ultimately be set out in the WS-CCO's Water Services Strategy and Development Contributions Policy. Until this is developed, the modelling assumes a phased approach and the provision of overhead services – including billing and revenue collection by the shareholding councils – in the early operational phase of the WS-CCO. With agreement from the WS-CCO, each Council may continue to set and collect rates for the provision of stormwater services.

During the establishment and Transition Phases (up until 1st July 2027) councils will collect revenue as per their current arrangements, albeit ring-fenced.

Once the WS-CCO assumes responsibility for service delivery (from 1st July 2027) it is expected that:

- The WS-CCO will set water, wastewater and stormwater charges and the pricing structure will be determined by the WS-CCO Board (in accordance with the Water Services Strategy)
- Councils will collect charges on behalf of the WS-CCO using existing billing systems under a service level agreement for fixed period of 1-3years.
- Existing volumetric or load based charging continues.
- The proportion of any charges based on capital value will reduce in each year of the transition as required by the legislation.
- the current approach of 'district wide' pricing will continue (ie Price harmonisation will continue *within each Council area* but not across the whole WS-CCO area), unless otherwise directed by the Commerce Commission.
- The WS-CCO executive team will plan the transition from council billing to direct billing in conjunction with the councils. The timing of the WS-CCO assuming responsibility for direct billing may vary between the councils.

No later than 30 June 2030,

- Complete transition to WS-CCO direct billing for all Whanganui's and Ruapehu's three-water services.

Implementation plan

This implementation plan outlines the process, milestones and timeframes for establishment of the agreed WS-CCO as a fully effective entity that meets all statutory requirements and achieves the strategic objectives that underpinned this as the preferred choice of the two councils. Through the Adoption of this Water Services Delivery Plan, Ruapehu District Council and Whanganui District Council have committed to implement the implementation process set out in this plan following its acceptance.

Process and Principles for delivering the two council WS-CCO

The first step in establishing the Ruapehu and Whanganui WS-CCO will be to ensure that the principles of Te Awa Tupua, which underpinned the strategic case for change, are embedded in the Implementation Project's structures and from there flow into the WS-CCO's foundational documents and eventual establishment and service delivery. This approach will centre the well-being of the Awa and its connected communities in the eventual decision-making and operations of the WS-CCO.

Both councils' also have obligations under other Treaty settlements and relationships with iwi and hapu across and connected to their rohe; this includes the Ngāti Rangi Claims Settlement Act 2019 which has similar values and expectations in relation to Te Waiu-o-te-Ika, (the catchment of the Whangaehu awa) which is within the boundaries of Rangitīkei, Ruapehu and Whanganui district councils'. Taking a Te Awa Tupua approach to the establishment project structures and eventual WS-CCO and being led by the values of the awa is not considered to undermine either councils' ability to meet these obligations, and the eventual WS-CCO is expected to honour all of the commitments that both councils' have made in respect of water.

The implementation plan front loads this work and makes a reasonable assumption that it will take approximately 4-6 months. However the importance of this first step being done well cannot be understated and if more time is needed then the rest of the programme will be reviewed in light of this.

Once this step is completed successfully, a three phased approach will be taken:

1. **January – July 2026 (approx.); Establishment Phase:** Lay solid foundations for a successful WS-CCO which incorporates the principles of Te Awa Tupua and ensure it is **legally** established.
2. **August 2026 (approx.) – June 2027 Transition Phase:** WS-CCO plans and leads planning for a successful Day One of the Operational Phase.
3. **1st July 2027 onwards Operational Phase:** staff, assets and contracts transfered to WS-CCO and it becomes responsible for Water Services Delivery.

A core objective of the three phases will be to maintain uninterrupted water services delivery and no reduction in levels of service. Fundamental to this will be giving staff as much confidence and certainty as possible. During the three phases:

- Staff affected by the transition kept fully informed and involved
- Staff will transfer into the new entity on the current terms and conditions, with full recognition of service.
- The transfer of water services staff to the WS-CCO will occur as soon as practicable, but no later than 1 July 2027.

The phased approach from late 2025 to 30 June 2027 has a dual focus – ensuring operational readiness of the WS-CCO while maintaining service continuity. Two key assumptions are that overhead services will be provided by the councils to the WS-CCO under Service Level Agreements for overhead services to support the establishment of the WS-CCO. Then the WS-CCO will progressively develop its own systems and processes, gradually unwinding arrangements related to overhead services during the first three years of the next Long-Term Plan (July 2027 – Jun 2030) and ideally within the first two years following establishment.

The table below sets out the three phases, noting the key matters to be addressed in each phase. This aligns with, and is informed by, the high-level Gant chart that is provided as an appendix. The Gant Chart sets out the key aspects and milestones of the Plan and further detailed planning will be undertaken for each workstream as part of the next phase.

Key notes and assumptions

In developing the Implementation Plan the following assumptions have been made:

- WSDP accepted by Secretary Local Government with little or no modification (especially in relation to participating councils and proposed delivery model),
- That the first step to embed a Te Awa Tupua approach is successfully completed by the end of December 2025.
- That all necessary Council decisions and approvals to establish the WS-CCO and approve its constitutional arrangements and legal establishments are secured. (NB. These are not all set out in the Implementation Plan but it is assumed there will be a series of council decisions during the process to set up the WS-CCO as a legal entity.)
- CEs and/or Establishment Director have delegated authority to make key operational decisions
- Key strategic decisions relating to eventual WS-CCO strategy and operations are made after the Board of Directors and Chief Executive are appointed.
- Eventual Joint Shareholder Committee is similar to the governance group of the Project Structure agreed in first stage.
- There are no significant changes to current legislation
- Contract novation for existing and term maintenance and service and supply contracts through to 2028 (i.e. no major tenders or procurement by Councils for 3 waters services 2025-27). In particular, the 10-year, Water Supply, Wastewater and Stormwater Services – Facility Management Contract No 1039 for three waters operations, maintenance and capital works, between Ruapehu District Council and Veolia Water Services (ANZ) Pty Ltd expires on 31 October 2031 and will be novated to the WS-CCO.
- Detailed planning for each workstream to be done by Establishment Team and then Transition Team and eventual Executive Team (makeup TBC)
- Establishment team to be seconded (or otherwise) to CE of new WS-CCO while recruitment of permanent Executive Team takes place; Establishment Team will do high level, early planning of some Transition Activities
- Starting assumption that most operational staff (particularly WDC, as RDC employs three waters related staff) to be transferred with same position descriptions and structure on terms no worse than current ones, subject to final review of legislative requirements and discussions with Unions.
- By agreement of shareholders, WS-CCO operates under interim arrangements in relation to the water services strategy, as per clause 191 (4)-(5) of the Local Government (Water Services) Bill until the development of the Water Services Strategy
- First financial year to which the first Water Services Strategy will apply will be 1st July 2027
- Debt-funded establishment costs, transferred to the WS-CCO.

Timeframes and Milestones of the Three Phases

Phase	Establishment phase	Transition Phase	Operational Phase
Approx timing	**Sept 2025 – July/August 2026 (approx.)**	**August 2026 - June 2027**	**1st July 2027 onwards**
Objective	Lay solid foundations for a successful WS-CCO which incorporates the principles of Te Awa Tupua and ensure it is legally established	WS-CCO plans and leads planning for a successful Day One of the Operational Phase	WS-CCO takes responsibility for assets and water services delivery
Role of shareholding Councils	• Design Project structures with stakeholders to embed Te Awa Tupua principles • Employ Establishment Team • Water services delivery under current arrangements	• Water services delivery under current arrangements • Support Transition Team in planning for transition and operational Day One • Negotiate Transfer Agreements and SLA's with WS-CCO • Deliver first Statement of Expectations by no later than December 2026 • Input into first Water Services Strategy	Oversee performance as per Accountability Framework
Role of WS-CCO Board and CE	n/a	• Employ Transition Team • Detailed design and build of WS-CCO Organisation structure and systems • Negotiate Transfer Agreements and SLA's with shareholding councils • Comments on first draft Statement of Expectations • Agree transfer arrangements and document • Develop and adopt Water Services Strategy	• Water services delivery as set out in transfer agreements and service agreements with Councils • All statutory requirements related to water services delivery and accountability framework including half-yearly and year end reporting, • Responsible for regulatory compliance (and paying levies imposed by those agencies).
Led by	Establishment Director and Establishment Team (Current arrangements until those are defined and appointed.)	WS-CCO Chief Executive and Transition Team (accountable to Board of Directors)	WS-CCO Chief Executive Transition Team, handing over to Enduring Executive Team

Phase	Establishment phase	Transition Phase	Operational Phase
Approx timing	**Sept 2025 – July/August 2026 (approx.)**	**August 2026 - June 2027**	**1st July 2027 onwards**
Activity / Responsible for	• Project governance agreed with EM's and Iwi • Commitment Agreement signed by Council Chief Executives • Establishment Project Team in place • Name (and Brand?) agreed • Foundational documents completed: • Constitution • Shareholders' Agreement (SA) • Develop Interim Statement of Expectations (no later than 31 Dec 26) • Joint/Shareholding Committee Established • WS-CCO registered as a company • Appointment of directors • Appointment of interim WS-CCO Chief Executive • Loan and credit facility established • Location of WS-CCO headquarters and satellite locations agreed • Communications: Staff, Contractor and Public • Elected Member reporting • Early planning for Transition Phase	• Org Design to transfer staff finalised • JD's finalised and key staff appointed • Employment of water services staff of Council confirmed and transferred • Service Level Agreements finalised and executed to enable Day One operation • Transfer agreements (as prescribed in legislation) adopted by resolution of the Councils to take effect 30 June 2027 . • Councils confirm holders of current contracts required on Day 1 and arrange novation. • Assets Transferred • Transfer of debt agreed with the Councils (including that related to transition costs incurred by them) • Borrowing covenant for the WS-CCO agreed with LGFA (to take effect from 1 July 2027) • Day one IT and other systems established / transferred • Prepare first Water Services Strategy and associated charging regime in line with Statement of Expectations • Communications: Staff, Contractor and Public • Elected Member reporting • Planning for Lifeline Utility role; CDEM, emergency response • Any other actions required to ensure successful transition on Day 1.	• Executes borrowing covenant with the LGFA • Preparation of business systems to allow withdrawal of Shared Services from the Councils (with anticipated completion in 1-2 years and by 30 June 2030) • Begin Planning for Drinking Water Catchment Plan, Trade Waste Plan and Stormwater Risk Management Plan, as delegated; review Development Contributions Policy(s) and Bylaws, as necessary

Consultation and engagement

In December 2024 Whanganui and Rangitīkei District Councils resolved to consult on a three council WS-CCO with each other and Ruapehu District Council as their preferred model for future water services delivery. In February 2025 Ruapehu District Council resolved the same and the three councils worked together in the first half of 2025 to co-ordinate their independent consultations and engagement processes and ensure that their messaging and approach was aligned.

Subsequent to this consultation period Rangitīkei District Council resolved to form a WS-CCO with Palmerston North City Council and Horowhenua District Council. While the opportunity existed for Ruapehu and Whanganui to also resolve to join this grouping, this was not the decision of the councils, and so this section focuses solely on the consultation carried out by the two councils that are party to the joint WSDP.

Engagement with Māori

Both Councils are deeply committed to upholding their Te Tiriti o Waitangi commitments. Section 81 of the Local Government Act 2002 requires the Council's to facilitate participation by Māori in its decision-making processes, to consider ways in which it may foster the development of Māori capacity to participate, and to provide relevant information. That obligation remains irrespective of what water services delivery model is adopted.

Both councils undertook their own engagement with Iwi/hapū in their respective districts, using existing structures and contacts, to explain the intended approach and to understand views from Mana Whenua about future involvement and participation in the proposed WS-CCO.

Both councils have responsibilities that arise from a variety of different Treaty settlements. In particular, both Ruapehu and Rangitīkei District Councils must acknowledge Te Awa Tupua and Te Waiū-o-Te-Ika in their decision making.

The Te Awa Tupua Act 2017 places requirements on both Whanganui and Ruapehu councils. These obligations are both specific in relation to the health and well-being of the awa, but more general in how the council approaches decision-making and considering the well-being of the whole catchment and its communities. The Act established Te Kōpuka as the group to consider issues of strategic importance to the whole catchment, and its membership includes the Mayors of both Whanganui and Ruapehu District Councils. During discussions of Local Water Done Well, Te Kōpuka consistently emphasized that the councils' obligations under the Act remain regardless of the water services delivery model and the importance of maintaining the integrity of the catchment of Te Awa Tupua. Additionally, they expressed concerns that expanding the focus to include further catchments and awa could undermine the council's capacity to fully address the needs of their own awa.

This feedback has been integrated into both the assessment of the options before each council and led to the intent to put council's responsibilities under Te Awa Tupua and the kawa (values) of the river at the heart of the decision-making process for both the establishment project and the eventual WS-CCO constitution, structures and operations. This approach is expected to enable the eventual WS-CCO to uphold its responsibilities under all Treaty settlements more effectively.

Council also has responsibilities that arise from the Ngāti Apa Claims Settlement 2010, Ngaa Rauru Claims Settlement Act 2005, and - with Ruapehu and Rangitīkei District Councils - must acknowledge Te Waiū o Te Ika, developed through the statutory settlement of the Ngāti Rangi Treaty (2019).

Consultation and engagement – Ruapehu District

The Ruapehu District Council undertook consultation on the LWDW proposal in accordance with the Local Government (Water Services Preliminary Arrangements Act) 2024. Public consultation was conducted between Monday, 10 March 2025 and Friday, 11 April 2025.

The consultation document included information about the proposal, the rationale behind it, and the potential implications for ratepayers and service delivery. Public meetings were held throughout the district, providing opportunities for community members to ask questions and provide feedback.

Council received 31 submissions to the consultation. Six submitters requested to speak at the public hearing, which was held on 29 April 2025.

Online support for the proposed model was evenly split, with 12 supporting and 12 opposing the proposed approach, with one skipping the question. One submitter did not answer the question but suggested they would support the option if it meant improved water services delivery. One written submission supported the proposal, while three opposed it, and two did not express a preferred option, as they felt they lacked the information to make an informed decision.

Key themes from submissions:

- Those who supported the three-council WS-CCO model typically mentioned the need to improve water services, with a particular focus on stormwater and potable water.

- There was a broader range of themes from those who did not support the proposed three council WS-CCO model, indicating less galvanised reasons for opposition.

- Local voice was raised as a concern for several submitters who did not want to "sell out" and pointed out that similar regional organisations have eroded local voice.

Further consultation by the Ruapehu District Council

During the Ruapehu District Council deliberation process and before confirming its preferred water services delivery model, Horowhenua District Council and Palmerston North City Council approached the councils involved in the three-council WS-CCO model, namely Rangitīkei District Council, Whanganui District Council, and Ruapehu District Council. They invited all three councils to join a multi-council WS-CCO with Horowhenua District Council and Palmerston North City Council, either collectively or individually. The motivation behind this invitation appeared to be achieving greater efficiencies through a larger multi-council WS-CCO. Even if only one council joined, Horowhenua District Council and Palmerston North City Council, the multi-council WS-CCO would include at least 50,000 water connections, providing a higher level of debt headroom needed to support their planned capital investments.

The Rangitīkei District Council, which was also in its deliberations, decided to exit the three-council arrangement with Whanganui and Ruapehu district councils, choosing instead to join the multi-council WS-CCO with Horowhenua District Council and Palmerston North City Council. This decision, when confirmed by a Rangitīkei Council resolution, meant that the three-council WS-CCO with Ruapehu, Rangitīkei, and Whanganui district councils was no longer an option for the Ruapehu District Council.

Therefore, the Ruapehu District Council conducted a second round of consultation to gather community feedback on either a multi-council WS-CCO involving Horowhenua District, Palmerston North City, and Rangitīkei District councils, potentially including Whanganui District Council, depending on a final decision by Whanganui District Council, or a two-council WS-CCO arrangement with Whanganui District Council.

The second round of consultation conducted by the Ruapehu District Council took place from 28 May 2025 to 11 June 2025. The key question being gauged in this round was whether the Ruapehu communities supported a WS-CCO with four or five councils, as this had not been consulted on in March 2025. Online submissions received were strongly in favour of joining a larger entity, with 35 supporting it if it keeps costs down, 10 opposed, and 11 undecided or not responding. Written submissions, however, were strongly against the proposal, with 1 in favour, 6 opposed, and 6 not responding.

The Ruapehu District Council considered the submissions on 9 July 2025 and, at this meeting, resolved that its preferred option was a two-council WS-CCO comprising Ruapehu District Council and Whanganui District Council. However, the decision on stormwater was deferred until the Council Meeting on 13 August 2025.

Consultation and engagement – Whanganui District

Initial engagement with the community was carried out in September/October 2024. This involved an educational campaign, an overview of possible options and a chance to provide early feedback on what matters most to our communities about water services.

On 13 March 2025, the Strategy and Policy Committee of the Whanganui District Council adopted the Water Services Delivery in Whanganui consultation document and approved public consultation from 17 March until 14 April 2025 inclusive.

Section 61(2) of the Local Government (Water Services Preliminary Arrangements) Act (the Act) sets out alternative consultation processes for councils to follow (as opposed to the equivalent processes under the Local Government Act 2002), which the Council followed in carrying out consultation. Council's consultation document complied with these requirements, setting out the advantages and disadvantages of four options, including a preferred option (a three council WS-CCO with Ruapehu and Rangitīkei District Councils), continuing with the status quo of continuing to deliver services in-house, a WS-CCO with Whanganui as the sole shareholder, and a WS-CCO with as many councils from within the wider Manawatu-Whanganui area as possible.

A media release was shared prior to the beginning of consultation, with news articles featuring in local papers – the Whanganui Chronicle and River City Press. This release was also shared extensively online, reaching over 8,000 individuals.

Whanganui District Council ran a multi-channel communications campaign to engage our community on future water service delivery models. A blend of in-person events, media outreach, advertising, and digital communications was used to inform and invite public participation.

Each tactic delivered varying levels of engagement. Public events had particularly low turn-out, while social media posts reached nearly 70,000 individuals and a series of Q & A videos with elected members and our Local Water Done Well transition manager received over 31,000 views in total.

While the have your say webpage was viewed 1,780 times throughout the consultation period, by 1,038 individual users, the eventual submissions totalled 223, including one late submission. 213 were received online via email or survey, and 10 via hardcopy paper submission.

Of the submitters who responded to demographic questions;

- 56% identified as female, and 44% as male.
- 22 identified as Māori, 3 as Pacific Islander, 148 as NZ European/ New Zealander/ Pakeha, 10 as European and 1 as Latin American and Asian respectively.
- 214 submitters stated they lived in Whanganui,
- 32 stated they Whakapapa to or are from Whanganui,
- 96 work in Whanganui, 168 said they pay rates here and two said they pay rates in either the Ruapehu or Rangitīkei District.

Submitters were asked to rate their support for each model out of out of ten. The status quo (in-house business unit) had the highest average score of 8.2, while the preferred option had an average score of 3.3. The responses to consultation tended to comment more generally on the model (WS-CCO compared to in-house), than on the proposed partners and the level of support for an option tended to be inversely related to the number of partners proposed.

When considering if further consultation was required after the decision of Rangitīkei District Council, the requirements of the Act were considered. The Act only requires a council to consult once on its proposed model, but it also sets out the criteria a council should consider when deciding whether to undertake further consultation. The criteria broadly align with relevant matters to consider under the Local Government Act 2002. Ultimately, that requires an assessment of whether new views are likely to be provided and / or whether the council(s) feel that they already understand the views and preferences of the community on the proposed decision. If it is considered that consultation is unlikely to elicit new views, then it does not need to be undertaken.

While the consultation did not explicitly include the option of a two council WS-CCO with Ruapehu, its advantages and disadvantages are broadly aligned with that of the three council WS-CCO that was the preferred option. It can be considered a variation of that option, rather than materially different.

The public feedback was broadly in line with that provided during a period of engagement in September/October 2024 where the community was also asked to provide their feedback. It is therefore unlikely that substantially different views, or new information, would be elicited from re-consulting. Officers' advice is that there is no need to reconsult when considering the two council WS- CCO.

Council considered the submissions in full at the 20 May 2025 council meeting and made its decision on the preferred delivery model and approach to stormwater at the meeting on 15 July 2025.

Part B: Network performance

Investment to meet levels of service, regulatory standards and growth needs

Serviced population

Ruapehu District

The Ruapehu District's resident population has remained fairly stable at about 13,000 people. It is expected to rise to 13,800 by 2048 (based on the 2018 census) under the high growth scenario and decrease under the medium and low scenarios. The Council's growth planning analysis for the 2024 LTP assumed all communities in the district will see an increase in their usual resident population over the next 10 years, with a mix of low, medium, and high growth levels. The district's total usual resident population is projected to grow by up to 3.5% from 2024 to 2034. It was noted that Ohakune is experiencing some population growth, based on new building consents.

Projected serviced population	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Serviced population	13,115	13,166	13,217	13,268	13,319	13,370	13,421	13,472	13,523	13,574
Total residential connections	4,211	4,227	4,243	4,259	4,275	4,291	4,307	4,323	4,339	4,355
Total non-residential connections	1,404	1,409	1,414	1,419	1,424	1,429	1,434	1,439	1,444	1,449

Whanganui District

Whanganui District Council has used their rating database to get the number of residential SUIP's for water service connections (18,771). Council's LTP assumes that the number of households is expected to grow by 100 – 130 per year over the next decade. We have estimated an increase of 100 residential and 30 non-residential household connections per year. One hundred and thirty extra households have been added to each year as an estimate. We then assumed an average population of 2.4 per household to get a serviced population for residential and non-residential households. We estimate that 3,550 members of the district do not receive water services (population as of June 2024 = 48,600 – 45,050 = 3,550).

Non-residential include industrial, commercial and rural household connections equated to an estimated 1,400 connections in 2024. There are an estimated 1,500 non-serviced properties.

Projected serviced population	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Serviced population	45,050	45,290	45,530	45,770	46,010	46,250	46,490	46,730	46,970	47,210
Total residential connections	18,771	18,871	18,971	19,071	19,171	19,271	19,371	19,471	19,571	19,671
Total non-residential connections	1,400	1,430	1,460	1,490	1,520	1,550	1,580	1,610	1,640	1,670

Total Projected Serviced Populations

Projected serviced population	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Serviced population	58,165	58,456	58,747	59,038	59,329	59,620	59,911	60,202	60,493	60,784
Total residential connections	22,982	23,098	23,214	23,330	23,446	23,562	23,678	23,794	23,910	24,026
Total non-residential connections	2,804	2,839	2,874	2,909	2,944	2,979	3,014	3,049	3,084	3,119

Serviced areas

Ruapehu District – Serviced Areas

Serviced areas (by reticulated network)	**Water supply # schemes**	**Wastewater #schemes**	**Stormwater # catchments**
Residential areas			
	Waimarino National Park Scheme 316 connections	Waimarino National Park Scheme 315 connections	Waimarino National Park Scheme 313 connections
	Ohakune Scheme 1,742 connections	Ohakune Scheme 1,615 connections	Ohakune Scheme 1,700 connections

Serviced areas (by reticulated network)	Water supply # schemes	Wastewater #schemes	Stormwater # catchments
	Ohura Scheme 176 connections	N/A	N/A
	Ōwhango Scheme 214 connections	N/A	N/A
	N/A	Pipiriki Scheme 22 connections	N/A
	Raetihi Scheme 647 connections	Raetihi Scheme 514 connections	Raetihi Scheme 565 connections
	N/A	Rangataua Scheme 205 connections	Rangataua Scheme 214 connections
	Taumarunui Scheme 2,428 connections	Taumarunui Scheme 2,096connections	Taumarunui Scheme 2,315 connections
	Waiōuru Scheme 92 connections. Council purchases potable drinking water for the Waiōuru township from the New Zealand Defence Force. The New Zealand Defence Force supplies the bulk water to Waiōuru, and the Council distributes it to the end customers.	Waiōuru Scheme 80 connections	Waiōuru Scheme 85 connections
Total	5,615	4,847	5,244
Non-residential areas	Non-residential areas such as industry and commercial are included within the townships detailed above	Non-residential areas such as industry and commercial are included within the townships detailed above	Non-residential areas such as industry and commercial are included within the townships detailed above
Mixed-Use rural drinking water schemes (where these schemes are not part of the council's water services network)	None	N/A	N/A
Areas that do not receive water services	A public water supply system does not service several small Ruapehu District rural communities and individual properties, as detailed below:	A public wastewater system does not service several small rural communities in the Ruapehu District and individual properties within the district. As detailed below, these communities are serviced by on-site wastewater treatment facilities (private septic tanks and effluent beds).	No formal stormwater systems outside the residential areas described above.
	Horopito community-owned and operated, self-sufficient private rainwater supply scheme.	Horopito - Ongoing development of Horopito occurring on larger sections. Onsite disposal is seen as sustainable.	
	Kakahi community-owned and operated private spring-fed water supply scheme.	Kakahi - Ground is largely pumice with large sections. On-site disposal is considered sustainable, with no significant growth forecasted.	

Serviced areas (by reticulated network)	Water supply # schemes	Wastewater #schemes	Stormwater # catchments
		Mahoe - May be reticulated in the future to Taumarunui (potentially through the old meat works effluent line).	
		Ohura - No significant growth is forecasted. Onsite disposal is seen as sustainable.	
	Ongarue community-owned and operated private spring-fed water supply scheme.	Ongarue - No significant growth is forecasted. Onsite disposal is seen as sustainable.	
		Ōwhango - Development is currently underway, which may trigger the need for a public wastewater collection and treatment system; however, this is currently unaffordable.	
	Pipiriki community (DOC/Māori Trust) owned. No reticulated water supply. The community is reliant on rainwater tanks.	Pipiriki wastewater treatment plant is a Council asset. Each property has its own septic tank, which treats the wastewater. Treated wastewater flows to a sand filter and then onto a dripper field adjacent to the river. The septic tanks are regularly emptied under a Council contract. An investigation is underway to provide an improved public wastewater system. At this stage, no preferred solution is being proposed.	
	Piriaka community-owned and operated private water supply scheme (spring-fed)	Piriaka - No significant growth is forecasted.	
	Raurimu community-owned and operated private water supply scheme (rainwater)	Raurimu - Development is currently underway, which may necessitate the establishment of a public wastewater collection and treatment system.	
	Whakapapa Department of Conservation water supply scheme operated and maintained by Contractors under instruction from Ruapehu District Council		

Serviced areas (by reticulated network)	Water supply # schemes	Wastewater #schemes	Stormwater # catchments
Proposed growth areas Planned (as identified in district plan) Infrastructure enabled (as identified and funded in LTP)	There is no capital expenditure forecast for growth in the Long-Term Plan (10 years) as it is predicted to occur in pockets and existing areas	There is a limited capital expenditure forecast for growth in the Long-Term Plan (10 years), equivalent to $800,000 over 10 years or 3.6% of the 10-year capital expenditure, allocated for existing areas such as Ohakune, Hikumutu, and Raetihi.	No stormwater upgrades are planned in the Long-Term Plan (10 years).

Ruapehu Levels of Service - Water Supply 2023/2024 Achievement

Level of Service (Water Supply)	Key Performance Indicators	2022/23 Actual	2023/24 Target	2023/24 Actual	Commentary
Quality of Drinking Water - continuity of potable water supply to applicable community areas.	Extent to which Council's drinking water supplies comply with Part 4 (bacteria compliance criteria) of the Drinking Water Standards. (Future increases reflect changing statutory requirements)	**Jul-Dec 2022** **DWSNZ 2018** Ōhura = Y Taumarunui = Y Ōwhango = Y National Park = Y Raetihi = Y Ohakune = Y **Jan-Jun 2023** **DWQAR 2023** Ōhura = N Taumarunui = Zone Y* WTP N* (note 10a) Ōwhango = N National Park = N	Ōhura =Y Taumarunui =Y Ōwhango =Y National Park =Y Raetihi =Y Ohakune =Y	Ohura = N Taumarunui = N Owhango = N National Park = N Raetihi = Y Ohakune = N	**Not achieved Ōhura, Taumarunui, Ōwhango, National Park and Ohakune** National Park, Ōhura and Ōwhango were assessed under the T2 Rule Module. **Achieved Raetihi**

Level of Service (Water Supply)	Key Performance Indicators	2022/23 Actual	2023/24 Target	2023/24 Actual	Commentary
		Raetihi = Zone Y* WTP N* (note 10b) Ohakune = N			
	Extent to which Council's drinking water supplies comply with Part 5 (protozoal compliance criteria) of the Drinking Water Standards.	**Jul-Dec 2022** **DWSNZ 2018** Ōhura = N Taumarunui = Y Ōwhango = N National Park = N Raetihi = Y Ohakune = N **Jan-Jun 2023** **DWQAR 2023** Ōhura = N **Jan-Jun 2023** **DWQAR 2023** Ōhura = N Taumarunui = N Ōwhango = N National Park = N Raetihi = Y Ohakune = N	Ōhura =N Taumarunui =Y Ōwhango =N National Park =N Raetihi =Y Ohakune =Y	Ōhura = N Taumarunui =N Ōwhango = N National Park = N Raetihi = Y Ohakune = N	**Not Achieved in Ōhura, Taumarunui Ōwhango, National Park and Ohakune** National Park, Ohura and Owhango were assessed under the T2 Rule Module **Achieved in Raetihi**

Level of Service (Water Supply)	Key Performance Indicators	2022/23 Actual	2023/24 Target	2023/24 Actual	Commentary
Responsiveness.	Percentage of real water loss from the networked reticulation system, using minimum night flow (MNF) analysis (Note 8).	Taumarunui (note 9) 40%) National Park 25% Ohakune 59% Ōhura 15% Ōwhango 56% Raetihi 64%	≤40% all supplies.	30% avg. loss across all supplies	**Achieved** Council employed the services of an independent as opposed to Veolia for the water loss report 23-24. Their methodology for calculations is explained in their report for 23-24. This year the average loss across all supplies was reported. The previous year was broken down into townships and Taumarunui loss of 40% chosen to represent the loss across the district (and narrative of such is in the notes section of annual report)
	Where the Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times are measured: Attendance for urgent callouts: from the time that the Council receives notification to the time that service personnel reach the site (i.e., loss of water supply) (Notes 2, 5 and 6).	38.5 Minutes	Median response times ≤2 hours.	23 Minutes	**Achieved** Council Contractors responded to calls faster than the previous year. This is a reflection of Contractors commitment to improvement and ensure target response time to attend site are met.

Level of Service (Water Supply)	Key Performance Indicators	2022/23 Actual	2023/24 Target	2023/24 Actual	Commentary
	Where the Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times are measured: Resolution of urgent call outs from the time the Council receives notification to the time that service personnel confirm resolution of the fault or interruption site (i.e., loss of water supply) (Notes 2 and 6).	159 minutes	Medium response times ≤6 hours.	209 minutes	**Achieved** In 2023-24 Council Contractors took longer to resolve urgent callouts than previous year. Of the 11 Urgent callout records in the median 4 were significantly over the target time of 360 mins (6 hours) which has resulted in an increase in overall median for urgent calls for 23-24. The resolution time for urgent calls is still within the target time.
	Where the Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times are measured: Attendance to non-urgent callouts from the time that the Council receives notification to the time that service personnel reach the site (i.e., no loss of water supply) (Notes 2, 5 and 7).	101 minutes	Medium response times ≤36 hours.	126 minutes	**Achieved** It took Council contractor longer to attend Non-urgent calls then the previous year. This may be a reflection of staff changes - Contractor (Veolia) undertook restructuring of their departments within the year. (Staff changes/moves & new recruits) Covid has also been a factor with contractor schedules – (sick staff at home for 1 week)

Level of Service (Water Supply)	Key Performance Indicators	2022/23 Actual	2023/24 Target	2023/24 Actual	Commentary
	Where the Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times are measured: Resolution of non-urgent callouts from the time that the Council receives notification to the time that service personnel confirm resolution of the fault or interruption (i.e., no loss of water supply) (Notes 2 and 7).	318 minutes	Median response times ≤72 hours.	550.5 minutes	**Achieved** It took contractor longer to resolve a non-urgent issue than the previous year. Of the 276 non-urgent records in the median 20 were over target times which contributed to the variance in resolution times. Traffic Management coordination and awaiting parts have contributed to the longer resolution times with extension requests filed when TMP and parts have delayed the resolution of call out. Contractor Restructuring with staff changes/moves and new recruits also occurred within the 23-24 year. Covid could also be a factor with contractor schedules and coordination of works with sub-contractors. – (sick staff at home for 1 week).
Public safety pressures and flow.	Total number of complaints (Note 4) received by Council about any of the following (expressed per 1,000 connections (Note 3) to the network reticulation systems. Drinking water clarity. Taste. Odour.	(a)3.2 (b) 1.0 (c) 0.5 (d) 7.1 (e) 3.5	(a)< 15 (b) <10 (c)<5 (d)<25 (e) <5	(a) 3.4 (b) 0.7 (c) 0.5 (d) 1.63 (e) 5.39	**Continuity of Supply Not Achieved** **All other measures achieved.** No variance for odour. Taste variance – There were 4 complaints for taste in FY23-24 and 6 complaints in the previous year. Multiple calls received for the same incident – burst mains which contributed to the non achieved for Continuity of Supply.

Level of Service (Water Supply)	Key Performance Indicators	2022/23 Actual	2023/24 Target	2023/24 Actual	Commentary
	Pressure and flow. Continuity of supply and Council response times	(f) 15	(f) <25	(f) 14	There were less calls during FY23-24 to the previous year. This could be indicative of watermain upgrades within the district. (e.g. Hakiaha Street, and Golf Road both having been upgraded, these were historically problematic lines prone to bursts. There have been no calls for bursts along these lines since the mains were upgraded with newly installed pipework. No complaints for Council response times.
	The average consumption of drinking water per day, per resident within the territorial authority district (litres per person per day). Peak demand using peak population (litres per person per day).	448 254	≤500 ≤300	444 286	**Achieved** **Achieved** Historically the waters component of annual report does not include a comparative narrative, rather a CY-PY disclosure of results and whether the target is achieved or not achieved. The increase could be indicative of more visitor activity in the region during 23-24 peak season.

Level of Service (Water Supply)	Key Performance Indicators	2022/23 Actual	2023/24 Target	2023/24 Actual	Commentary
					A higher projected peak population (23-24) was used to make the calculation.

Notes:

1. Mandatory Non-Financial Performance Measures, against which all water infrastructure in New Zealand is measured, were introduced by the Department of Internal Affairs in 2014.

2. The times shown for “attendance” and “resolution” are reported by the service provider, Veolia as part of their contracted responsibilities. This includes travel time. The accuracy of these have been verified by Council, and audits and GPS conduct check upon job completion.

3. The number of connections is calculated from the number of customers charged in their rates for use of Council water services calculated at 6,123 as of 30 June 2024. (6,137 as of 30 June 2023).

4. There are occasions where there is more than one complaint per event. In such a situation, each complaint is counted separately, not each event or occurrence. However, for after-hours complaints received from the Palmerton North Call Centre, only the first complaint about an incident was recorded.

4a. In August 2023 a single event is counted rather than multiple calls for continuity of supply and response times.

5. The median time presented is based on calls that have been raised directly with Council and not Council’s contractor Veolia.

6. An urgent call-out is one that leads to a complete loss of supply of drinking water due to a fault or unplanned interruption.

7. A non-urgent call-out is one where there is still a supply of drinking water.

8. Real water loss refers to volumes lost through leaks, bursts or overflows on mains, service reservoirs and services connections, up to the point of the customer meter. We aim to provide an efficient and effective water supply. We achieve this by undertaking activities such as water leakage detection and maintaining our network of water pipes. This measure estimates how much water is lost from the system between the water treatment plant and the household or customer. High levels of water loss can indicate that the network is in poor condition or operating inefficiently. 31% of the network have water meters installed on their properties.

9. Water loss percentage for 2023-24 is the percentage of water loss across all network supplies.

10. Bacterial criteria reporting was changed 1st January 2023 when the new DWQAR (Drinking Water Quality Assurance Rules) came into effect superseding the previous DWSNZ (Drinking Water Standards New Zealand). The perimeters of reporting are now analysed at both Water Treatment Plant and Zone level. Except for Raetihi, the criteria was not met under the new DWQAR for the period ending June 2024.

Ruapehu Levels of Service – Wastewater 2023/24 Achievement

Level of Service (Wastewater)	Key Performance Indicators	2022/23 Actual	2023/24 Target	2023/24 Actual	Commentary
Environmental sustainability	Number of dry weather wastewater overflows from Council's system, (expressed per 1,000 connections (Note 3) to that system).	0.9	≤7	0.5	**Achieved** There were ½ the amount of dry weather overflows compared with the previous year. 3 whole DRY overflows recorded in 23/24 and 6 whole DRY overflows in 22/23. The variance reflects Council investment in wastewater mains upgrades.
	Compliance with Council's resource consents for discharges from the wastewater system as measured by number of:				
	Abatement Notices.	1	≤2	4	**Not Achieved** Due to new rules under Taumata Arowai, Horizons have increased inspections to show accountability. Abatements were issued following inspections.
	Infringement Notices received.	-	≤2	1	**Achieved**
	Enforcement Orders received.	-	≤1	-	**Achieved**
	Convictions received by Council in relation to those resource consents.	-	-	-	**Achieved**

Level of Service (Wastewater)	Key Performance Indicators	2022/23 Actual	2023/24 Target	2023/24 Actual	Commentary
Responsiveness to infrastructure issues.	Where Council attends to wastewater (sewerage) overflows resulting from a blockage or other fault in the Council wastewater system, the following median response times measured: Attendance time: From the time that Council receives notification to the time that service personnel reach the site; (Note 2 and 5).	1.09	Median response times ≤2 hours for a blockage or fault.	0.23	**Achieved** Council contractors responded to calls faster than previous year. This is a reflection of Contractor's commitment to improvement and ensure target response time to attend site are met. There were also only 3 whole records to average out for 23-24 year compared with 6 whole records for 22-23.
	Where Council attends to wastewater (sewerage) overflows resulting from a blockage or other fault in the Council wastewater system, the following median response times measured: Resolution time: From the time that the Council receives notification to the time that service personnel confirm resolution of the blockage or other fault (Note 2 and 5).	3.72	Median response times ≤6 hours for a blockage or fault.	2.70	**Achieved** Council contractors resolution times were faster than previous year, with attendance to site also faster this is reflected in the resolution times as well. This is a reflection of Contractor's commitment to improvement and ensure target resolution times are met. There were also only 3 whole records to average out for 23-24 year compared with 6 whole records for 22-23.
Public safety continuity of wastewater collection system.	Where Council attends to wastewater (sewerage) overflows resulting from a blockage or other fault in the Council wastewater system, the following median response times measured: Total number of complaints (Note 4) received by Council about any of the following (expressed as per 1,000 connections (Note 3) to the territorial authority's wastewater system.				

Level of Service (Wastewater)	Key Performance Indicators	2022/23 Actual	2023/24 Target	2023/24 Actual	Commentary
	(a) Wastewater odour.	(a) 0.30	(a) ≤15	(a) 0.76	**Achieved** Odour – There were 5 whole odour complaints 23-24 compared with 2 odour complaints in 22-23. Both years are well below the target set.
	(b) Wastewater system faults.	(b) 0.0	(b) ≤5	(b) 0.00	**Achieved**
	(c) Wastewater system blockages.	(c) 6.94	(c) ≤25	(c) 6.05	**Achieved** Wastewater system blocks – There were 40 whole block complaints 23-24 compared with 46 whole block complaints in 22-23. This is still well below the target set for block complaints and may also be reflective of Council investment in wastewater mains upgrades.
	(d) The Council's response to issues with its wastewater system.	(d) 0.00	(d) ≤25	(d) 0.00	**Achieved**

Notes:

1. There are now mandatory Non-Financial Performance Measures against which all wastewater infrastructure in New Zealand is measured.
2. The times shown for "attendance" and "resolution" are reported by the service provider, Veolia as part of their contracted responsibilities. This includes travel time.
3. The number of connections is calculated from the number of customers charged in their rates for use of Council wastewater services calculated at 6,613 as of 30 June 2024 (6,624 as of 30 June 2023).
4. There are occasions where there is more than one complaint per event. In such a situation, each complaint is counted separately, not each event or occurrence.
5. The median time presented is based on calls that have been raised directly with Council and not Council's contractor Veolia.

Ruapehu Levels of Service – Stormwater 2023/24 Achievement

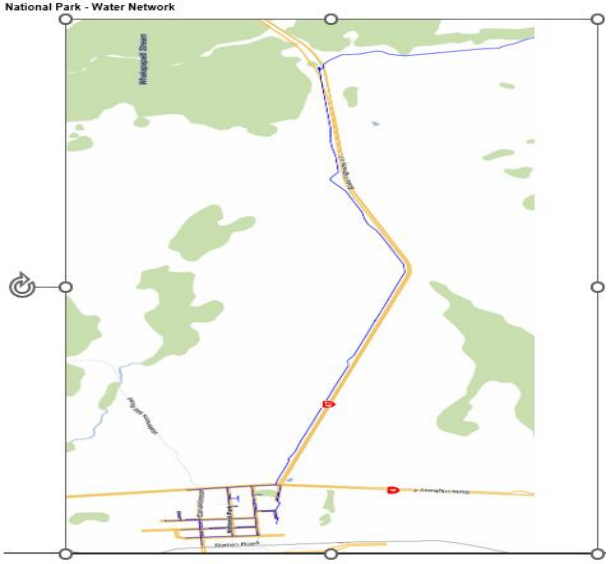
Level of Service (Stormwater)	Key Performance Indicators	2022/23 Actual	2023/24 Target	2023/24 Actual	Commentary
Capacity/degree of protection.	The number of flooding events that occur in a territorial authority district (Note 2). For each event, the number of habitable floors affected (Note 3) (per 1,000 properties connected (Note 1) to the system).	-	≤3	0.5	**Achieved**
Environmental impacts are managed, and resource consents are complied with.	Compliance with the Council's resource consents for discharges from the stormwater system as measured by the number of Abatement Notices.	-	≤2	-	**Achieved**
	Compliance with resource consents for discharges from the stormwater system as measured by the number of Infringement Notices received.	1	≤1	-	**Achieved** Council did not receive any infringement notices in the 23-24 year.
	Compliance with resource consents for discharges from the stormwater system as measured by the number of Enforcement Orders.	-	≤1	-	**Achieved**
	Compliance with resource consents for discharges from the stormwater system as measured by the number of successful prosecutions received by Council in relation to those resource consents.	-	-	-	**Achieved**

Level of Service (Stormwater)	Key Performance Indicators	2022/23 Actual	2023/24 Target	2023/24 Actual	Commentary
Responsiveness of service.	The median response time to attend a flooding event (note 3), measured from the time that Council receives notification to the time that service personnel reach the site.	-	≤2 hours	1.76	**Achieved**
	The number of complaints (Note 4) received by Council about the performance of its stormwater system, (expressed as per 1,000 properties connected to Council's stormwater system).	7	≤15	5	**Achieved** There were 3 habitable floor encroachments that occurred on the same day, same weather event in the 23-24 year. There were 0 events in the previous year. There were 29 total complaints in 23-24 and 43 total complaints in 22-23. The decrease in complaints is reflective of Council investments in wastewater main upgrades.

Notes:

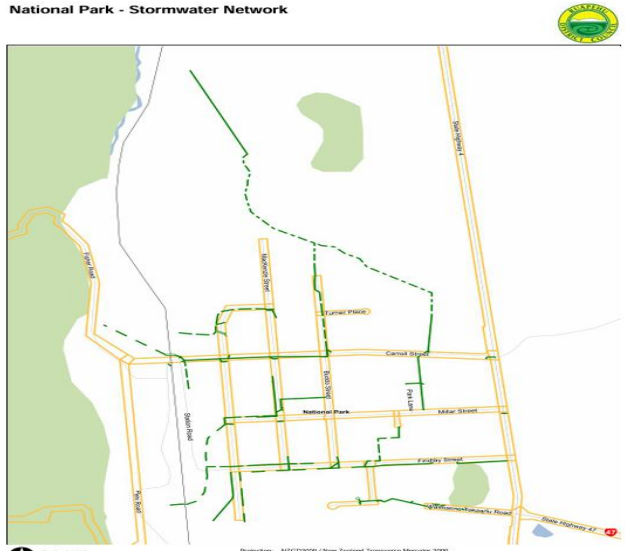
1. The number of connections is calculated from the number of customers charged in their rates for use of Council stormwater services calculated at 5,841 as of 30 June 2024 (5,847 as of June 2023).
2. A flooding event means an overflow of stormwater from a Council stormwater system that enters a habitable floor.
3. A habitable floor refers to a floor of a building (including a basement) but does not include ancillary structures such as stand-alone garden sheds or garages.
4. There are occasions where there is more than one complaint per event. In such a situation, each complaint is counted separately, not each event or occurrence.

National Park - Water Network

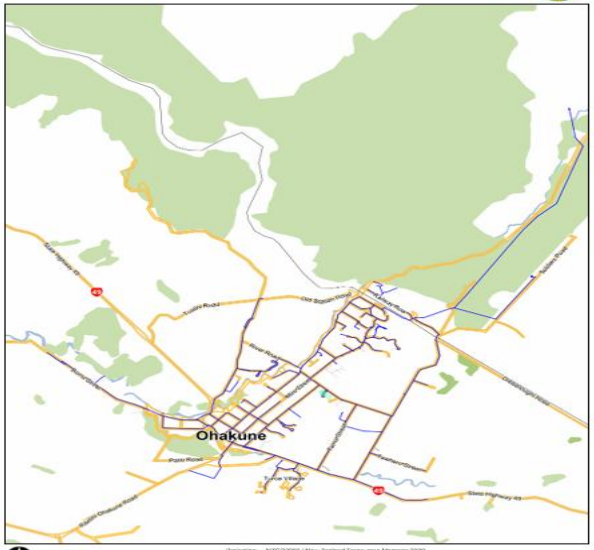


National Park - Wastewater Network

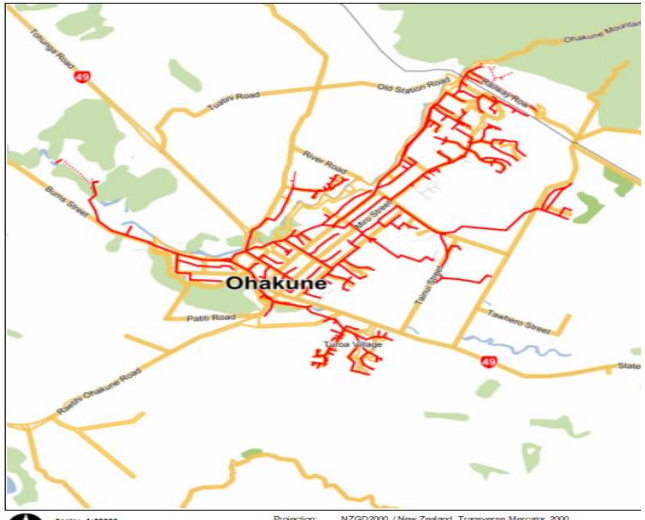
National Park - Stormwater Network



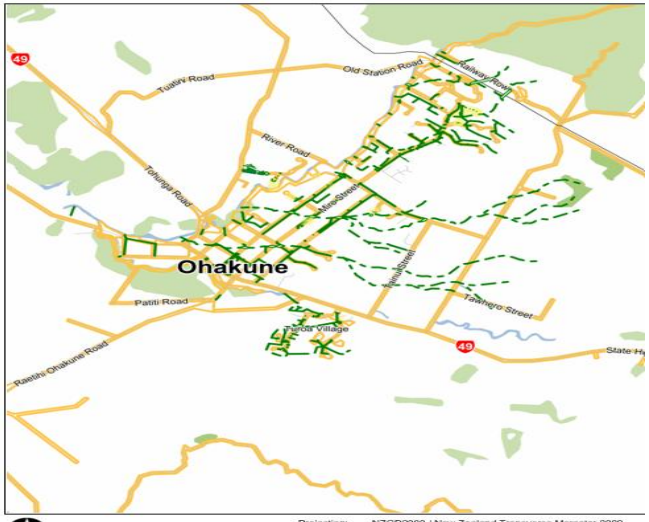
Ōhakune - Water Network



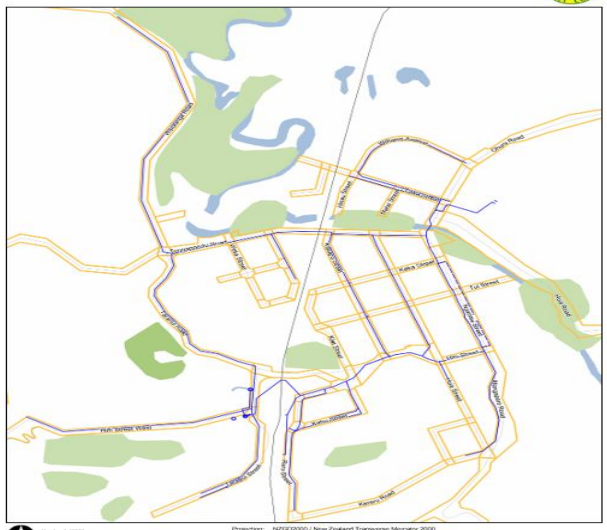
Ōhakune - Wastewater Network



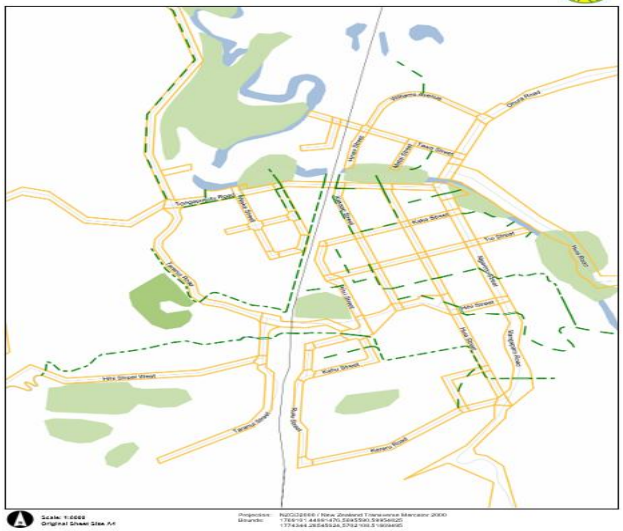
Ōhakune - Stormwater Network



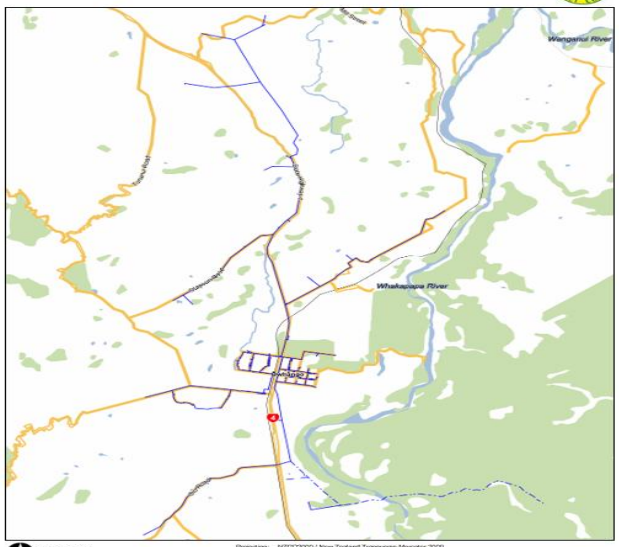
Ohura - Water Network



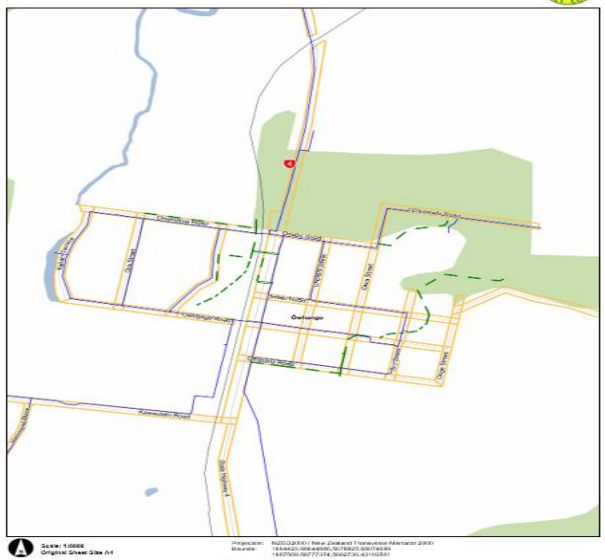
Ōhura – Stormwater Network



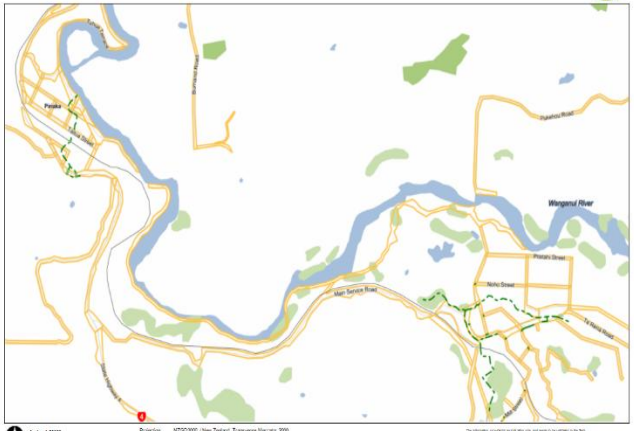
Ōwhango - Water Network



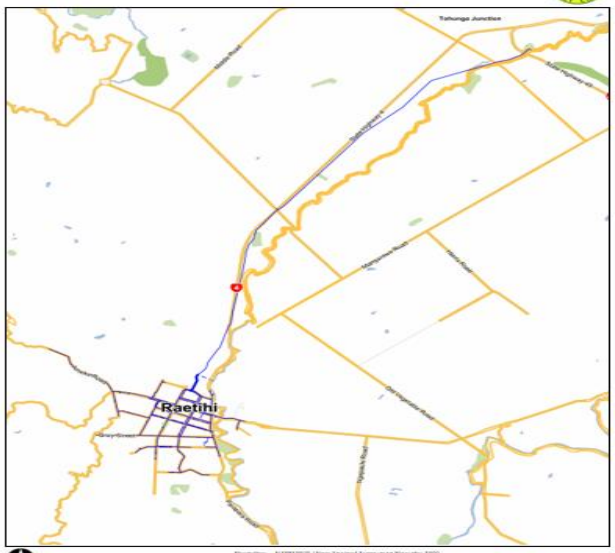
Ōwhango - Water and Stormwater Networks



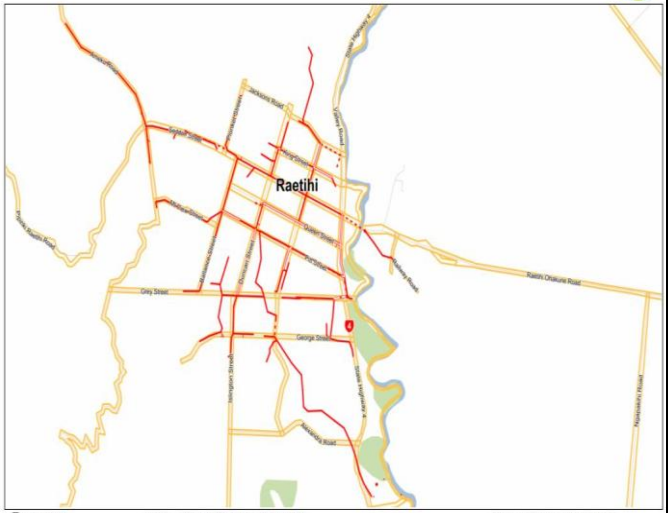
Piriaka and Kakahi - Stormwater Network



Raetihi - Water Network

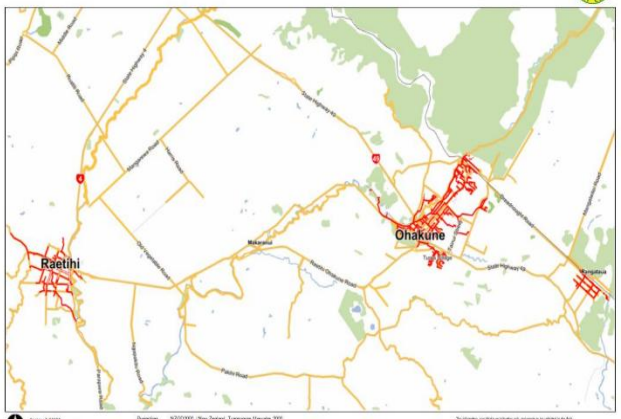


Raetihi - Wastewater Network

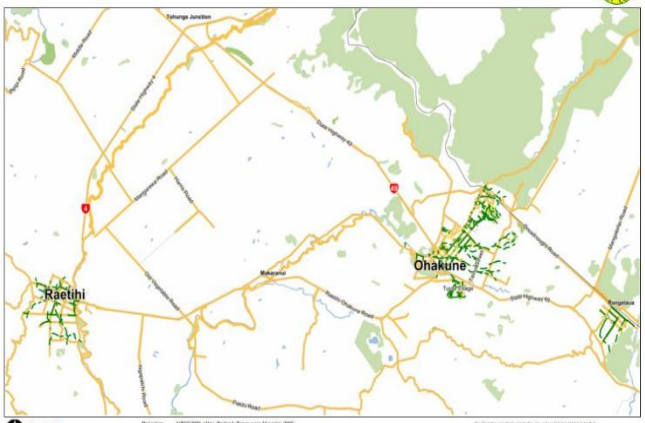


Raetihi - Stormwater Network

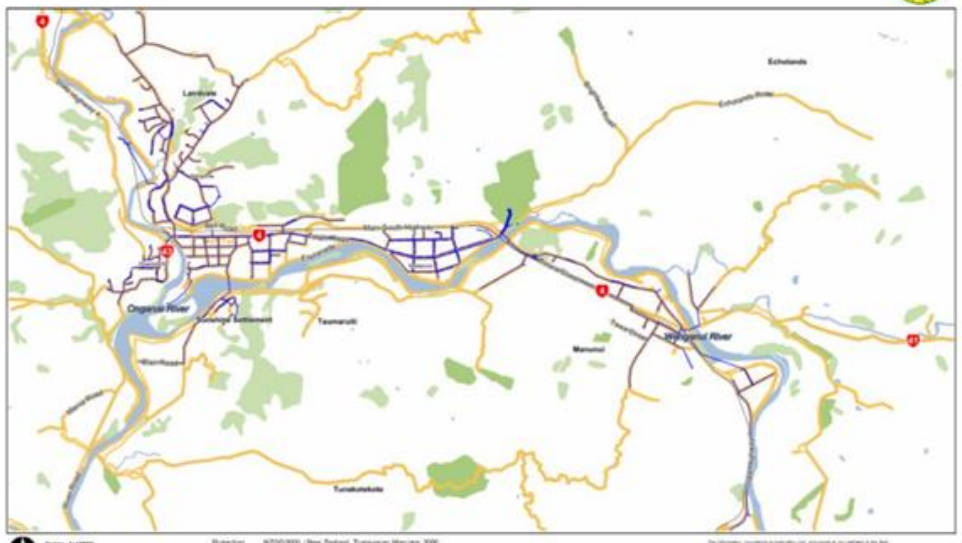
Raetihi, Ōhakune and Rangataua - Wastewater Networks



Raetihi, Ōhakune and Rangataua - Stormwater Networks

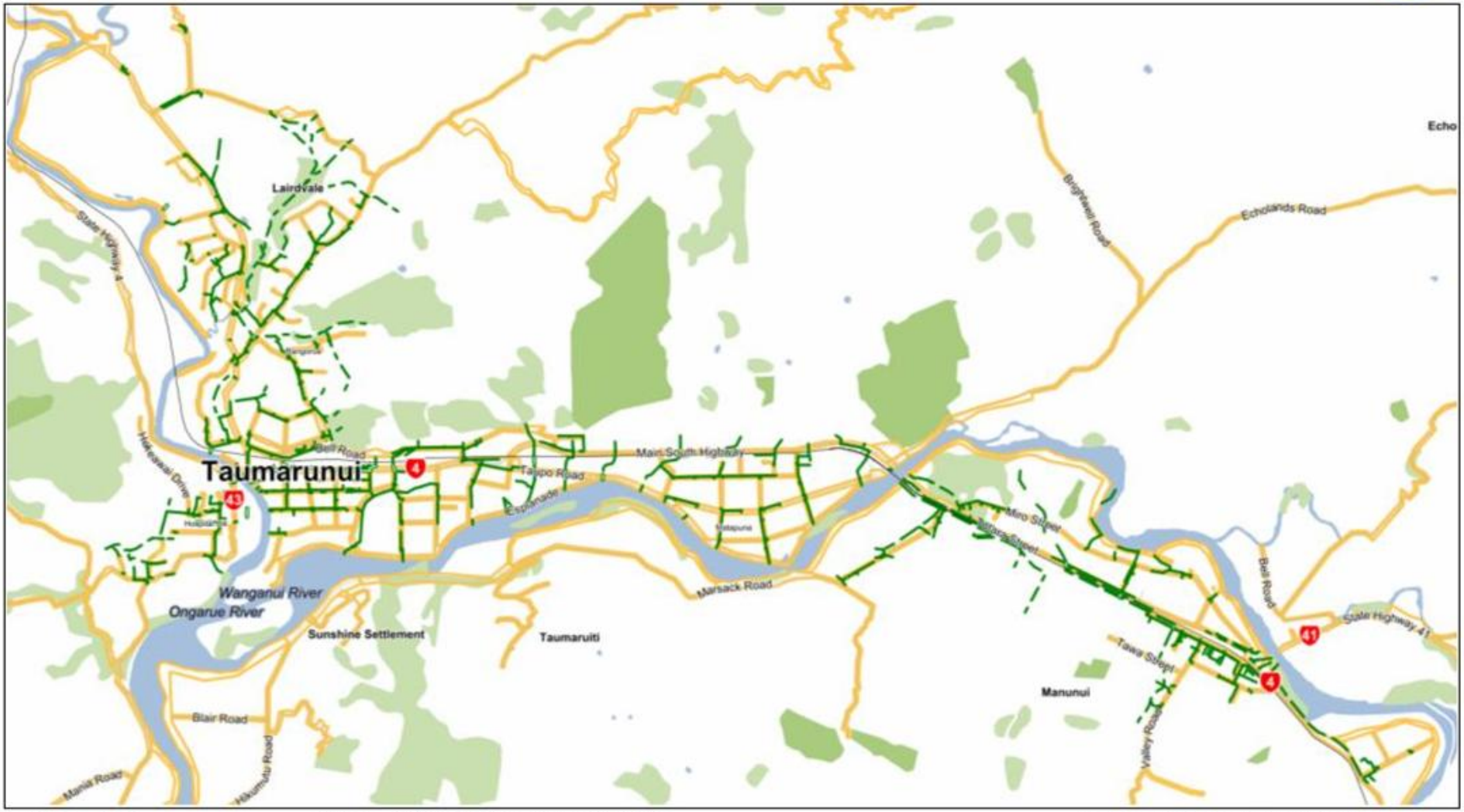


Taumarunui - Water Network



Taumarunui - Wastewater Network

Taumarunui - Stormwater Network



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Original Sheet Size A4

Projection: NZGD2000 / New Zealand Transverse Mercator 2000
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	 Waiouru - Water, Wastewater and Stormwater Networks Scale: 1:6000 Original Sheet Size A4 Projection: NZGD2000 / New Zealand Transverse Mercator 2000 Bounds: 1825870.04881154,5622319.03617365 1833078.94968106,5631281.17225035	

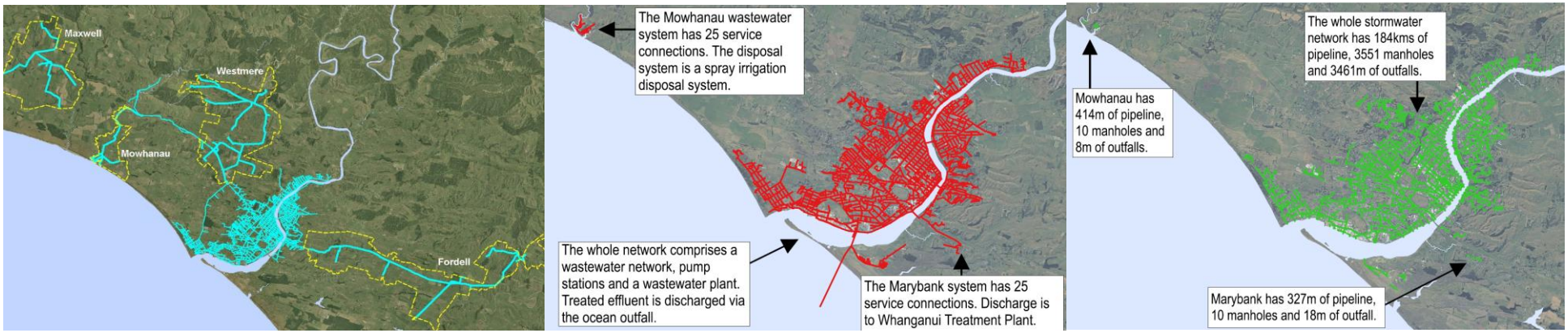
Whanganui District Serviced Areas

Serviced areas (by reticulated network)	Water supply # schemes	Wastewater #schemes	Stormwater# catchments
Residential areas	Based on SUIPS Whanganui Supply - 18,771 connections	Based on SUIPS but manual split for Mowhanau Whanganui - 16,082 Mowhanau - 92	Based on rateable SUIPS Whanganui – 16,847
Total	18,771	16,174	16,847
Non-residential areas	Based on SUIPS Whanganui Supply – 1,137 connections Fordell Supply 201 connections (rural) Pākaraka Supply - 62 connections (rural)	Based on SUIPS (non-residential multipan – commercial, industrial property) Whanganui – 831 Mowhanau -2	Assuming non-residential wastewater also are non-residential stormwater (except Mowhanau) Whanganui - 831
Total	1,400	833	831
Mixed-Use rural drinking water schemes (where these schemes are not part of the council's water services network)	N/A	N/A	N/A
Areas that do not receive water services	Maybank approximately 70 properties Some rural areas such as Whanganui Prison, Okoia and Upokongaro	Rural areas including Fordell, Pākaraka, Westmere, Okoia and Upokongaro	Level of stormwater services is dependent on the level of development and geographical features. Rural areas are serviced by overland flow paths only and WDC have little involvement. Urban areas have some stormwater infrastructure; the amount of stormwater infrastructure may vary significantly.
Proposed growth areas and capacity	Set out below is where the district has capacity for growth based on "developable land parcels"; these figures reflect the peak level of intensification provided for under the Operative District Plan and are therefore a factor in planning for renewals and infrastructure to support growth. Of that total we expect approximately 1160 to come forward over the next ten years to support the projected population growth in five key zones[1] as set out in our Development Contributions Pol and these are where we are driving infrastructure and investment.		

[1] Springvale Urban Expansion Area - 395 Residential Units; Northwest Growth Area - 150 Residential units; Whanganui Urban Infill Area - 517 Residential Units; Whanganui Rural - 100 Residential Units; and Mill Road Industrial Area - 72 hectares of industrial development.

Serviced areas (by reticulated network)	Water supply # schemes	Wastewater #schemes	Stormwater# catchments
	Greenfield Otamatea (approximately 180 lots) Springvale (866 lots) Mill Road (Non-residential) Fordell (45 lots) Infill Castlecliff and Gonville (2,352 lots) Springvale, St Johns Hill, Parkdale and Central (3,336 lots) Aramoho (1,141 lots) Whanganui East 891 Bastia Hill, Durie Hill and Putiki (427 lots) A number of projects to address growth have capital funding in the plan.	Greenfield Otamatea (approximately 180 lots) Springvale (866 lots) Mill Road (Non-residential) Infill Castlecliff and Gonville (2,352 lots) Springvale, St Johns Hill, Parkdale and Central (3,336 lots) Aramoho (1,141 lots) Whanganui East 891 Bastia Hill, Durie Hill and Putiki (427 lots)	Greenfield Otamatea (approximately 180 lots) Springvale (866 lots) Mill Road (Non-residential) Infill Castlecliff and Gonville (2,352 lots) Springvale, St Johns Hill, Parkdale and Central (3,336 lots) Aramoho (1,141 lots) Whanganui East 891 Bastia Hill, Durie Hill and Putiki (427 lots)
Total			

Whanganui District Levels of Service



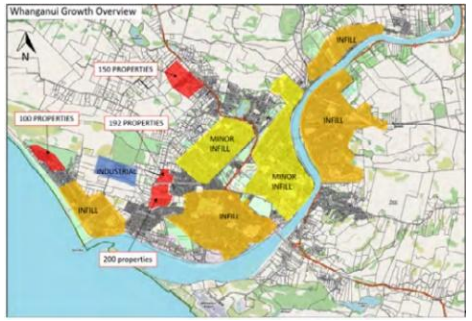
Whanganui manages five water supply (WS) schemes throughout the Whanganui District, the largest of which is the Whanganui urban water supply. The other water schemes are Fordell, Pākaraka, Mowhanau and Westmere rural water supplies. Key areas that do not receive three waters services include most of the rural areas of the district.

Wastewater reticulation systems are provided in the areas of Whanganui, Mowhanau and Maybank. These systems include service lines, pipe networks, pump stations, treatment plants and outfalls. These wastewater systems currently treat, on average, 25 million litres of wastewater per day. Most of the treated wastewater is discharged to the sea through an ocean outfall approximately 1.7 kilometres off South Beach. The rural areas of Fordell, Pākaraka, and Westmere do not receive a reticulated wastewater service.

Stormwater reticulation infrastructure is provided in the urban township of Whanganui via a network of pipes, retention ponds and basins to safely direct stormwater to the river. Rural stormwater is managed mainly through land drainage and overland flow paths with some minor infrastructure provided at Maybank and Mowhanau to safely dispose of stormwater run-off.

Infrastructure planning is required to address new development including service area extensions and increased demand within an existing service area, aligning with the Whanganui District Plan zoning and plan changes, in recognition of intended land use activities and necessary infrastructure provision, and responding to government directed development (e.g., multi-unit residential development (MRZ) and fast track consenting). New assets and increased capacity within systems is required as the district and communities continue to grow. In particular, the asset portfolio increases as private development occurs and infrastructure assets are vested, transferring the responsibility for the maintenance, operations and eventual renewal of an increasing asset portfolio. As these vested assets have generally long lives; it is not anticipated to impact budgets in the short to medium term. Infrastructure planning to address new development including service area extensions and increased demand within an existing service area, aligns with District Plan zoning, in recognition of intended land use activities and necessary infrastructure provision. Where intensification occurs within pockets, this may challenge the efficiencies and capacity within some services. Council and the WS-CCO will continue to monitor where this intensification occurs and ensure that infrastructure modelling and master plan work is continuously updated to monitor capacity constraints and implement capital work programmes to address any deficiencies identified.

The Council's LTP assumes that the number of households is expected to grow by 100 – 130 per year over the next decade and council plans to invest in new infrastructure to support this growth. Council has budgeted $30.9 million for specific growth projects over the 10-year period of this plan. We are planning to extend our water supply network to cater for marae located on the edges of the city. The water supply activity has funding for network resilience and adaption from 2027/28 to cater for addressing climate change, level of service and growth pressures on the network. Notable level of service projects that are planned and budgeted for include a new wastewater pump station to service the Mannington Road area, growth projects include an upgrade of the Tregenna Street pump station to provide capacity for attenuation and growth in years 2030 – 2032, and extensions to the Wastewater and Stormwater network for the Fox Road / Fitzherbert Ave and Mill Road areas to support planned growth developments. These growth projects will be partially funded by funds recovered through the council's Development Contributions Policy.



Responding to Increased Levels of Regulation

Councils Long Term Plan 2024 - 2034 was developed to recognise the changing landscape around water and environmental regulation ramping up into the future.

To this end, it is anticipated that all potable water supplies will require UV treatment at source, and budgets have been included to that effect in the early years. Critical water supply assets (reservoirs, treatment plants, bores etc.) are deemed to have or have planned, capacity for planned growth in the district.

Wastewater discharge considerations have recognised that the Mowhanau Wastewater Treatment Plant is no longer fit for purpose, and that a new plant would require a large capital investment to get up to a standard that would be suitable for consent. It was decided to explore the option of installing a new pump station and rising main to discharge to the main Urban Network, and subsequently the Whanganui Wastewater Treatment Plant. Sufficient budget has been included in the early years to deliver this project. The Whanganui Wastewater Treatment Plan has capacity to accommodate flows from Mowhanau as well as future planned growth.

The main discharge consent for Wastewater for Whanganui is due for renewal in 2026. Some key considerations are the likely changes in treatment standards. It was recognised that the main by-products from our wastewater streams are bio-solids, heavy metals and some sediment. To this end, the existing consent (operative since 2016) has ample allowances in its conditions to address these by-products. It was also noted that any heavy metals are predominantly bound in the bio-solids and is not discharged to the environment through the liquid waste stream. The bio-solids are contained, and can either be disposed to landfill, or potentially used as a feedstock for producing biogas which then leaves a much smaller quantity of by-product to be disposed of. New opportunities for using the by-product will be investigated through the LTP, as there are other drivers at play such as re-using of waste and reducing dependency on natural gas for the drying process.

The ocean discharge is considered by technicians to still be fit for purpose as a primary discharge, and it is not expected that the new wastewater standards set by government would compel a change to this if it was to be viewed in isolation.

Most importantly however, it is recognised that the local Hāpu/Iwi may have specific views on the future methods of discharge, which may compel a change in disposal under the Te Awa Tupua Act. Deliberate engagement and consultation is currently underway with Hāpu/Iwi through the LTP to collaborate on what future discharge options may look like, however this is highly uncertain, and it is envisaged that if due process is being followed under the Te Awa Tupua Act of 2017, the best practicable option will be identified within the next 2-3 years to enable a longer term discharge consent to be obtained. This may become some permutation of the current status quo configuration, but if not, a future plan change may have to be implemented as a result of the engagement outcomes.

One of Whanganui's key issues remains high levels of Inflow and Infiltration (I&I). This causes a temporary loss of the containment standard of the wastewater network during wet weather events. It is recognised that the containment standard is to be raised, as an obligation under the Te Awa Tupua Act, and the RMA. A number of projects are budgeted for in the LTP to address the issue, which includes network upgrades and a possible bypass of the Whanganui East catchment directly to the Wastewater Treatment Plant to reduce flows on the city interceptor.

Measure – Water Supply	Data Source	Baseline / Actual Results 2023/24	Year 1 Targets 2024/25	Year 2 Targets 2025/26	Year 3 Targets 2026/27	Years 4-10 Targets 2027-34
Level of service: A continuous supply of water is provided at the right quantity, quality and pressure so that residents and industry can do what they need to do (for example, irrigation, showering and recreation)						
The total number of complaints received by Council about: • Drinking water clarity • Drinking water taste • Drinking water odour • Pressure or flow • Continuity of supply • Council's response to any of these issues • per 1000 connections to the networked reticulation system.	Council CRM system	83.9 per 1000 connections	≤ 90 complaints per 1000 connections	≤ 90 complaints per 1000 connections	≤ 90 complaints per 1000 connections	≤ 90 complaints per 1000 connections

Median response time for attending urgent callouts (measured from the time that notification is received to the time that the service personnel reach the site)	Council CRM system	1.786 hrs	≤ 2 hours	≤ 2 hours	≤ 2 hours	≤ 2 hours
Median response time for resolution of urgent call outs (measured from the time that notification is received to the time that the service personnel confirm resolution of the fault or interruption)	Council CRM system	21.676 hrs	≤ 23 hours	≤ 23 hours	≤ 23 hours	≤ 23 hours
Median response time for attending non-urgent callouts (measured from the time that notification is received to the time that the service personnel reach the site)	Council CRM system	6 DAYS	≤ 5 days	≤ 5 days	≤ 5 days	≤ 5 days

Median response time for resolution of non-urgent call outs (measured from the time that notification is received to the time that the service personnel confirm resolution of the fault or interruption)	Council CRM system	8 days	≤ 10 days	≤ 10 days	≤ 10 days	≤ 10 days
The percentage of real water loss from the network reticulation system	Internal data	25%	≤ 35%	≤ 35%	≤ 35%	≤ 35%
The average amount of water consumed per resident per day	Internal data	286 litres	≤ 350 litres	≤ 350 litres	≤ 350 litres	≤ 350 litres
Measure – Water Supply	Data Source	Baseline / Actual Results 2023/24	Year 1 Targets 2024/25	Year 2 Targets 2025/26	Year 3 Targets 2026/27	Years 4-10 Targets 2027-34
Level of service: Water is safe to drink						
Compliance with the water Services (Drinking Water standards for New Zealand) Regulations 2022 and Drinking water Quality Assurance Rules (DWQAR) 2022 – bacterial water quality	Self-assessment (DWS), Annual independent survey conducted by Wai Comply (DWQAR)	Met (DWS) Not met (DWQAR)	Met (DWS) Not met (DWQAR)	Met (DWS) Not met (DWQAR)	Met (DWS) Met (DWQAR)	Met (DWS) Met (DWQAR)

The extent to which the local authority's drinking water supply complies with the Drinking water Standards for New Zealand 2022 and DWQAR						
Compliance with the water Services (Drinking Water standards for New Zealand) Regulations 2022 and Drinking water Quality Assurance Rules (DWQAR) 2022 – protozoal water quality The extent to which the local authority's drinking water supply complies with the Drinking water Standards for New Zealand 2022 and DWQAR	Self-assessment (DWS), Annual independent survey conducted by Wai Comply (DWQAR)	Met (DWS) Not met (DWQAR)	Met (DWS) Not met (DWQAR)	Met (DWS) Not met (DWQAR)	Met (DWS) Met (DWQAR)	Met (DWS) Met (DWQAR)
Measure - Wastewater	Data Source	Baseline / Actual Results 2023/24	Year 1 Targets 2024/25	Year 2 Targets 2025/26	Year 3 Targets 2026/27	Years 4-10 Targets 2027-34
Level of service: The sewerage system is convenient, safe and reliable						

The number of dry weather sewerage overflows from the system (expressed per 1000 sewerage connections)	Council CRM system	0.99	≤ 2.5 per 1000 connections	≤ 2.5 per 1000 connections	≤ 2.5 per 1000 connections	≤ 2.5 per 1000 connections
Median response time for attending sewerage overflows resulting from blockages or other faults (measured from the time that notification is received to the time that the service personnel reach the site)	Council CRM system	4.2 hrs	≤ 3 hours	≤ 3 hours	≤ 3 hours	≤ 3 hours
Median response time for resolution of blockages or other faults (measured from the time that notification is received to the time that the service personnel confirm resolution of the blockage or fault).	Council CRM system	2.73 days	≤ 1 day	≤ 1 day	≤ 1 day	≤ 1 day
Measure - Wastewater	Data Source	Baseline / Actual Results 2023/24	Year 1 Targets 2024/25	Year 2 Targets 2025/26	Year 3 Targets 2026/27	Years 4-10 Targets 2027-34
Level of service: The environment (including waterways and beaches) is protected from the adverse effects of wastewater						
Compliance with all resource consents for discharge from the wastewater system, measured by the number of:	Internal data	0	0 notices, orders or convictions received	0 notices, orders or convictions received	0 notices, orders or convictions received	0 notices, orders or convictions received

• abatement notices • infringement notices • enforcement orders • convictions • received in relation to those resource consents.						
The total number of complaints received (expressed per 1000 connections to Council's sewerage system) about any of the following: • sewage odour • sewerage system faults • sewerage system blockages • Council's response to any of these issues.	Council CRM system	11 per 1000 connections	≤ 15 complaints per 1000 connections	≤ 15 complaints per 1000 connections	≤ 15 complaints per 1000 connections	≤ 10 complaints per 1000 connections
Measure - Stormwater	Data Source	Baseline/ Actual Results 2023/24	Year 1 Targets 2024/25	Year 2 Targets 2025/26	Year 3 Targets 2026/27	Years 4-10 Targets 2027-34
Level of service: Monitor flood warnings and respond promptly during emergency management flooding events						
The median response time to attend a flooding event (measured from the time notification is received to the time that the service personnel reach the site)	Emergency Management Team records	0 hrs	≤ 4 hours	≤ 4 hours	≤ 4 hours	≤ 4 hours

Measure - Stormwater	Data Source	Baseline/ Actual Results 2023/24	Year 1 Targets 2024/25	Year 2 Targets 2025/26	Year 3 Targets 2026/27	Years 4-10 Targets 2027-34
Level of service: Ensure a safe and operational stormwater drainage network for design events						
Number of flooding events	Emergency Management Team records	0	≤ 5 flooding events	≤ 5 flooding events	≤ 5 flooding events	≤ 5 flooding events
For each flooding event, the number of habitable floors affected (expressed per 1000 properties connected to storm water system)	Emergency Management Team records	0 per 1000 properties	≤ 0.5 per 1000 properties	≤ 0.5 per 1000 properties	≤ 0.5 per 1000 properties	≤ 0.5 per 1000 properties
The number of complaints received about the performance of the stormwater system (expressed per 1000 properties connected to the stormwater system)	Council CRM system	3.3 per 1000 properties	≤ 5.5 per 1000 properties	≤ 5.5 per 1000 properties	≤ 5.5 per 1000 properties	≤ 5.5 per 1000 properties
Compliance with all resource consents for discharge from the stormwater system, measured by the number of: • abatement notices • infringement notices • enforcement orders • convictions • received in relation to those resource consents	Internal data	0	0 notices, orders or convictions received	0 notices, orders or convictions received	0 notices, orders or convictions received	0 notices, orders or convictions received

Measure - Stormwater	Data Source	Baseline/ Actual Results 2023/24	Year 1 Targets 2024/25	Year 2 Targets 2025/26	Year 3 Targets 2026/27	Years 4-10 Targets 2027-34
Level of service: Network System Performance						
Number of urban floor-levels at risk, during the flood design-event	Stormwater Activity Manager	1675	Fewer than the previous year	Fewer than the previous year	Fewer than the previous year	Fewer than the previous year

Total of Serviced Areas Connections

Serviced areas (by reticulated network)	Water supply # schemes		Wastewater #schemes	Stormwater # catchments
	Ruapehu District connections	5,615	4,847	5,244
	Whanganui District connections	20,171	17,007	17,678
Total		**25,786**	**21,847**	**22,922**

Assessment of the current condition and lifespan of the water services network

This section provides a high-level assessment of the current condition and lifespan of the current water services networks for Ruapehu and Whanganui District Councils. Critical assets are “those which have a high consequence of failure, but not necessarily a high probability of failure". These assets are typically the most important to the organisation and its customers, irrespective of the likelihood of a failure of the asset.

Ruapehu District

Parameters	Drinking supply	Wastewater	Stormwater
Average age of Network Assets	33yrs	47yrs	45yrs
Critical Assets	**District wide** Treated water storage for all water takes other than Ōwhango Distribution in townships for larger pipe sizes (i.e., larger than 200mm in diameter) **Waimarino National Park** Waimarino National Park water take and treatment plant **Ohakune** Ohakune water take and treatment plant **Ohura** Ohura water take and treatment plant **Ōwhango** Ōwhango water take and treatment plant **Raetihi** Raetihi water take and treatment plant **Taumarunui** Taumarunui water take and treatment plant Main supply to the Taumarunui hospital	**Taumarunui** Victory Bridge rising main to the WWTP Huia WWPS switchboard, Matai Street WWPS Tubby Woods WWPS **District wide** All WWTPs are considered critical. The Council has 21 wastewater pump stations, almost all of which are considered critical assets (except Matai #2, which serves only a few houses).	**District wide** Stormwater pipe Culverts Watercourses Manholes Sumps Flood Management Scheme **Ohakune** Miro Street channel Most channels passing through urban Ohakune, excluding Mangawhero and Mangateitei Rivers. **Taumarunui** Internal drainage release through the stop banks during storm events, which do not coincide with the Whanganui River in flood, pipework and open channels **Raetihi** Drainage network River scheme (managed by HRC)

Parameters	Drinking supply	Wastewater	Stormwater
Above-ground **assets** Treatment plant/s Percentage or number of above-ground assets with a condition rating Percentage of above–ground assets in poor or very poor condition	 6 100% 0%	 6 100% 0%	 N/A N/A N/A
Below-ground **assets** Total Km of reticulation Percentage of network with condition grading Percentage of network in poor or very poor condition	 210.3 Km 97% 1%	 110.0 Km 99% 0%	 51km pipes, 33km of watercourses 98% 2%

Water supply network conditions are rated as 46% excellent, 16% good, and 34% average. Wastewater network conditions are rated as 39% excellent, 12% good, and 48% average. Stormwater conditions are rated as 26% excellent, 72% good, and 0% average.

Whanganui District

Parameters	Drinking supply	Wastewater	Stormwater
Average age of Network Assets	37 yrs.	53 yrs.	31 yrs.
Critical Assets	Kai Iwi No 1, 2, 3, 4 and Heloise Bores Pākaraka and Fordell rural Bores Westmere Reservoirs No 1, 2, 3 Bastia Hill Water Tower Kai Iwi Supply Main pipeline Castlecliff Main pipeline Trunk Main pipelines Gilligan's and major trunk main bridge crossings Main pipelines servicing critical users	Interceptor Pipeline Beach Road Pump Station Treatment Plants Whanganui River crossing pipeline Ocean outfall pipeline Diversion structure Trunk Mains	Flood valves Large outfalls Trunk mains
Above ground assets • Treatment plant/s • Percentage or number of above ground assets with a condition rating • Percentage of above –ground assets in poor or very poor condition	5 100% (low confidence) 1%	2 100% (low confidence) 1%	0 100% (low confidence) 0%

Parameters	Drinking supply	Wastewater	Stormwater
Below ground assets			
• Total Km of reticulation	540Km	287Km	174Km
• Percentage of network with condition grading	100% (low confidence)	100% (low confidence)	100% (low confidence)
• Percentage of network in poor or very poor condition	2%	14%	5%

Network asset condition is usually assessed at quite a granular level and is considered a core requirement for mature essential network management. For water service networks, most assets are underground and not easily inspected. Prior to implementing a specialised asset management system, Whanganui's three waters data was held in Excel spreadsheets. These spreadsheets automatically assigned condition grades to all assets based on lifecycle, and condition and performance where known. This resulted in all assets having condition grades, although with a low confidence rating given that most assets have not been inspected. A project to capture above ground asset condition is currently commencing.

To ensure best value in its infrastructure spend and maintain agreed levels of service, Whanganui council takes a strategic approach to the assessment of asset condition, criticality and performance, and adopts a risk-based approach. This approach ensures that assets are adequately funded, risks are minimised, planned preventative maintenance occurs, and capital investment can be optimised. It is critical that we have a clear understanding of the condition of our assets and how they are performing to support a data-driven, evidence-based business case for investment. Condition data provides the basis for understanding the future spending patterns and helps us with management decisions regarding maintenance, replacements and renewals. The development and continued use of condition assessment data will provide verifiable data to allow us to predict how particular asset classes decay and allow us to predict remaining asset life.

The current condition of Water Supply assets is classified as being good to excellent, with over 80% of the underground and critical assets within this rating. (This has a low level of confidence as condition rating water pipes is problematic). The remainder of the assets are rated as average.

The current condition of Wastewater assets is classified as being good to excellent, with over 70% of the underground and critical assets within this rating. (This has a low level of confidence as 65% of pipes have not been CCTVed to ascertain a reliable condition rating). The remainder of the assets are rated as average.

A separation project has mostly separated out our combined systems with a new stormwater pipe being laid. This has resulted in a high condition rating (Excellent or Good) for the underground assets as they are of a relativity young age. Given the continued high Inflow and Infiltration (I&I) in our wastewater network, it is foreseen that further ongoing investment in expanding/upgrading the stormwater network will be necessary to provide sufficient capacity for stormwater to be redirected from the wastewater system. We note also that the completion of separation remains a condition of our wastewater discharge consents.

Condition assessment is ongoing with results captured from CCTV videos of Wastewater and Stormwater pipes and visual inspection of above ground assets for all three water activities.

Having our water services assets in relatively good condition and on average in their young to mid years of age has resulted in no backlog of maintenance or renewals. Water services assets have on average 60 years of theoretical remaining useful life. We continue to use trenchless methods to either re-sleeve or refurbish existing pipes at relatively lower capital cost, which extends the remaining useful life, rather than renews the asset completely.

Critical assets have been identified, and mitigation strategies are in place and are reviewed on the basis of continuous improvement. Critical assets were identified as having the highest consequence for the community following a potential disruptive event. To improve our network resilience, we identified critical assets that have significant influence on the level of service for a community if impaired. Whanganui undertakes network modelling of its three Water network systems, and as part of this work, asset vulnerability and criticality are a major contributing factor to assessing resilience of the network.

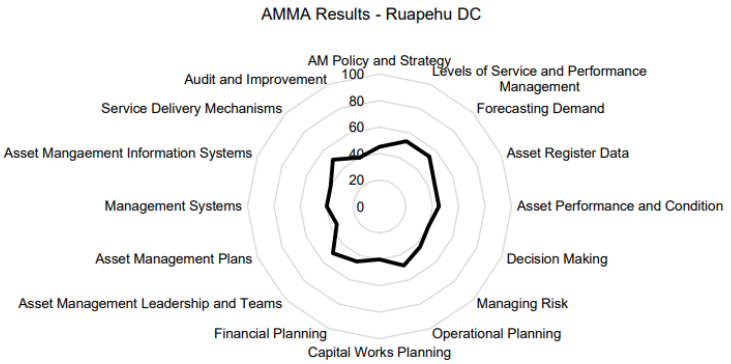
Asset management approach

Ruapehu District

Ruapehu District Council is committed to continuing with good practice Asset Management (AM) as a sustainable standard for its community activities. A key feature in the Council's AM framework is to continue to improve practices, processes, and tools. This is essential to ensure the asset system and services are effectively managed. Through the initiatives presented in this section, the Council is committed to appropriate AM practices. This practice is being developed in keeping with IIMM / Āpōpō. The Council is committed to delivering the most appropriate levels of service balanced with affordability and good industry practice.

Council's Asset Management Policy (2024) formalises its commitment to delivering the most appropriate levels of service balanced with affordability and good industry practice. The objectives of the AM Policy are to ensure adequate provision is made for the long-term management of Council's assets.

Ruapehu Council's Three Waters Asset Management Team completed a self-assessment using the IIMM framework in 2022 to determine current and aspirational level of maturity across the three activities. The results are shown in the AMMA Results – Ruapehu DC diagram for the sixteen areas for water supply, wastewater, and stormwater totalling to 45. The average result for wastewater and water supply was 46, and 42 for stormwater. This equates to a "Core" maturity level.



Aware	Basic	Core	Intermediate	Advanced
0-20	21-40	41-60	61-80	81-100

The key AM practices can be grouped into the following three broad areas: processes, information systems, and data. Providing adequate capability and capacity is a challenge for Ruapehu District Council as a remote community. The approach taken to ensure adequate resources for managing the critical water supply activity is a mixture of in-house resources, long term service provider Veolia and external specialists as required.

Water Supply, Wastewater and Stormwater data (register and condition) is assessed as being at a "B" level, defined as "data is based on some supporting documentation but is less certain (±15%)".

Water Services Operating Systems		
System	**Purpose**	**Status / enhancements**

Intramaps	GIS system for Council to access information using network's maps and aerial photographs	No changes proposed at this stage.
Datacom Ozone	The financial system used throughout Council.	No changes proposed at this stage.
Ozone – Contact Centre module	This module enables the recording of RFS from both internal and external customers. This is the channel for customer queries and complaints that require remedy. The system enables an RFS to be categorised depending on the response required and is automatically emailed through to the appropriate contractor on confirmation of the call. The system has built-in timeframes for escalation, which ensures that the call is followed up in a timely manner, or a series of notifications are sent through the Council's management. Resolution of the RFS enables notes to be entered on what actions were completed and the date on which the call was resolved	This system is proposed for upgrading.
Univerus Assets VAMS	Univerus Assets is Council's asset management system. VAMS is Veolia's asset management system.	No changes proposed at this stage.
SCADA (link provided by Veolia) Software licensed to Council	SCADA allows monitoring and control of WPSs, WWPSs and reservoir assets. The backup digital storage of SCADA information is owned by Council but held in the Veolia Computer Stack	None identified at this stage
Consent information collated in spreadsheets and folders	Stores the resource consent data and provide for compliance monitoring with Horizons Resource Consents. Also holds consent compliance and abstraction reports. Veolia provides consent compliance information to Council for issue to HRC.	Review the need for a dedicated consent system for holding consent compliance information. Determine the appropriate system for holding or sharing intellectual property (IP) for assets, including consents.

Whanganui District

Council's Asset Management Policy 2024 provides guidance and direction for managing infrastructure assets across their lifecycle to deliver services in a financially, socially, culturally, and environmentally sustainable manner. Whanganui District Council (Council) is committed to providing an asset management system aligned with the international standard ISO 55001, the International Infrastructure Management Manual and best industry practice to enable informed decision making and meet the principles outlined in the policy. The council's approach to the management of three waters assets is consistent with the key principles, objectives, and responsibilities to optimise asset performance and manage risk set out in this policy. In 2017, Council purchase AssetFinda (Univerus) as its preferred asset management software for the 3 waters activities. Data is visualised via open-source software (MapStore) both internally and externally on council's website.

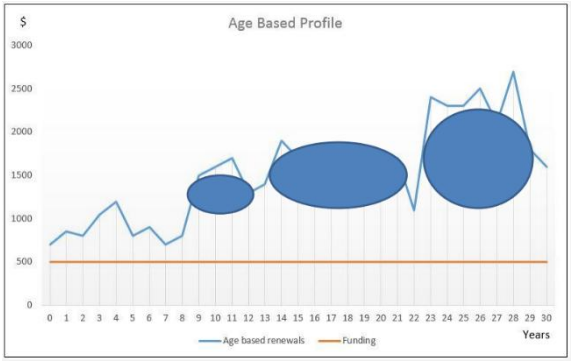
Council takes a strategic approach to the assessment of asset condition, criticality and performance when assessing renewals, and has adopted a risk-based approach to managing its three waters assets. At the most basic level, a risk-based approach to infrastructure asset management enables the council to incorporate assessments of disaster and climate risks, reliability, cost, environmental and reputational risks, among others, into how we prioritize investments across our infrastructure. In doing so, the council is able to optimize its investments in such a way that these are directed where vulnerabilities in their infrastructure are the greatest and where limited financial resources can be used most efficiently. This method assumes that the three waters assets do not necessarily fail at the end of their design life but are considered to have failed if their performance does not meet expected serviceability requirements. This model follows an iterative approach using the information gathered from the condition and performance assessments (which is performed on a rolling basis prioritised by a multi-criteria risk-assessment model), to adjust the final priority for renewal and improvement projects.

We use specific asset data (e.g. age, material, modus of failure, proximity of other assets etc.) to determine the risk of failure. We then use this prioritisation matrix to programme physical inspection and verify condition data, by use of in-asset CCTV camera survey and analysis of fault data. This is done in an iterative manner, with a focus on the continuous improvement of base data held in our Univerus Assets register. Our criticality and risk-priority modelling provides the basis of this approach and would be what can be used to compare against a pure age-based model to show how the risk is being reduced and the gaps closed.

This approach yields a high level of confidence in both the data, and the residual risk to assets failing from selecting the renewal/replacement of targeted critical assets over other assets that are non-critical assets that have their expected useful life extended until budget becomes available to rehabilitate them at an appropriate time. It also guarantees a continuous reduction in the overall risk profile of our asset base and associated service delivery.

Final renewals-scheduling are often approached with a view on not only reducing the risk to service delivery, but also the impact on the user, the environment as well as the overall cost. Examples are the continuous use of trenchless technology for either replacement of assets or rehabilitation to extend the useful life. (I.e. drilling of new mains, sleeve-lining of drainage assets, or installing in-pipe repairs/bands to isolate leaky or failed joints).

When following the traditional age-based depreciation modelling, ultimately a number of “renewals bubbles” become apparent in future years. The reality however for many communities, are that they have only limited funding resources available. This means that many renewals appear to be unfunded. The realisation that some of the apparent unfunded assets may carry significant risk, became a concern. A multi-criteria risk-analysis was carried out on our Asset Inventory/Database. The criteria used for assessment was to inform “likelihood of failure” (using age and materials), and also “consequence of failure” or Criticality (using depth, pipe-diameter, proximity to public and sensitive environmental spaces, slope, function). The assets were then each assigned a risk priority, ranging from 1 to 5. It very quickly became apparent that there was risk contained with the age-based modelling, relative to available resources. Many of the riskier assets were captured, but many also were not and were “above the line” in terms of funding allocation.



The risk carried by some of these was considered to be intolerable. It was decided to change our funding priority to one where, instead of age becoming the only driver, the actual condition and performance of the asset becomes the primary driver.

To assess actual condition and performance, an ongoing program of condition assessment and data collection was implemented, which assesses the assets in an order of risk-assigned priority (i.e. highest risk first, then the next tier of risk, and so on). As the information is gathered, the risk-priorities are updated, which means assets that are of poorer than expected condition gets re-assigned a new and more urgent priority, and assets of better-than-expected condition gets re-assigned a new and less urgent priority. As the data-collection program matures, the actual renewals scheduling and funding-allocation gets re-adjusted, so the highest risk assets are renewed first and foremost, and the lesser risk assets deferred until funding becomes available. In essence, the lower risk assets are being "run-to-failure. It was however recognised that some unexpected re-active failures may have to be addressed from time to time, and to that end a specific budget line is available for re-active replacement of non-critical assets, whilst the bulk of the renewals budget is allocated to the highest-risk first assets to be renewed.

The new approach, with underlying work programmes was evaluated against best practices, and has been found to conform to the IIMM (International Infrastructure Management Manual). Specifically, the following elements are contained within the approach:

1. Asset Inventory and Data Collection
2. Risk Identification
3. Risk Assessment
4. Mitigation Strategies
5. Decision-Making and Prioritisation
6. Implementation and Monitoring
7. Reporting and Continuous Improvement.

Based on the findings of using the approach, it was determined that the current level of funding is sufficient to manage the short to medium term risks. It was however recognised that there may be longer term risks that may only become more transparent as the data-collection programmes mature. To this end, additional renewals funding is planned in the future years of the 30-Year Infrastructure Strategy (years 11-30), to help buffer and manage the uncertainties that will always remain.

It is considered that the above approach is therefore adequate for the consumer-base.

Maintenance philosophy:

An asset maintenance philosophy documents how an organisation maintains its assets and has to be appropriate to align with the management of risk as outlined above and follows in this section. Whanganui's maintenance philosophy is a mix of strategies that ensure that an asset works as expected when expected. These strategies are Corrective Maintenance which consists of fixing or replacing assets after failure, Preventive Maintenance activities are carried out periodically to a set timeframe, Predictive Maintenance which aims to reduce possible failures of the asset.

Approximately eighty percent of the maintenance activities for Water Supply, Wastewater and Stormwater are carried out under contract with a service provider. This contractor is used for the ongoing maintenance, servicing, and repairs (except those items specifically excluded) required to ensure that Whanganui's wastewater, water and stormwater system performs within the Council's KPIs. In-house staff are used for operating and maintenance of Treatment Plants, Pump Stations and rural water schemes. Maintenance on the assets is split between proactive and reactive. Proactive work is carried out to improve reliability and to maintain asset condition and service levels. Reactive maintenance is to restore the system to operational capacity and serviceability. The accumulated knowledge and experience held by Whanganui's Water Services staff and contractors responsible for these assets (45 yrs. plus in some cases) is factored into all operations and maintenance activities and gives a high level of confidence in asset management and maintenance practices.

Water Services Operating Systems		
System	**Purpose**	**Status / enhancements**
MapStore and QGIS	GIS system for Council to access information using network maps and aerial photographs	No changes proposed at this stage.
Technology One	The financial system used throughout Council.	No changes proposed at this stage.
Univerus Assets	This module allows for the recording of RFS from internal and external customers. This is the channel for customer queries and complaints which require remedy in the 3 waters space. The system enables a RFS to be categorised depending on the response required and is automatically emailed through to the appropriate contractor on confirmation of the call. The system has built in timeframes for escalation which ensures that the call is followed up in a timely manner. Resolution of the RFS enables notes to be entered on what actions were completed and the date on which the call was resolved	No changes proposed at this stage.
Univerus Assets and Field VAMS	Univerus Assets is Council's asset management software and Univerus Field is Council's mobility system. VAMS is Veolia's asset management system.	No changes proposed at this stage.
SCADA Software licensed to Council	SCADA allows monitoring and control of WPSs, WWPSs and reservoir assets.	None identified at this stage

Within the transition period, operations will continue to be delivered by both councils, under a Transitional Service Agreement. The structure of the WS-CCO will be designed as part of the establishment phase, noting that service agreements will be confirmed as part of this design. The focus of the WS-CCO on the delivery of 3 waters will enable increased focus on asset management practice, and alignment of operational delivery and associated functions. Existing contractual arrangements are expected to continue, subject to any required novation.

Statement of regulatory compliance

Ruapehu Regulatory Compliance Summary

Parameters	Drinking water supply schemes	Wastewater schemes	Stormwater Schemes/catchments
Resource Management Significant consents (note if consent is expired and operating on S124)	Waimarino National Park Municipal Water (S00101) Abstraction (Mangahuia Stream) ATH-1997004420.01 Consent Number 6888 Due to expire 12/12/2026 Compliant	Waimarino National Park Wastewater Treatment Plant Discharge to water ATH-2012011051.00 Consent Number 103403 Expired 17/11/2015 (operating on S124) Partial compliance Waimarino National Park Wastewater Treatment Plant Discharge to land ATH-2012014331.00 Consent Number 106166 Expired 17/11/2015 (operating on S124) Partial compliance	Stormwater discharge [none] Network [n/a] Historically, the Council has not applied for resource consents to discharge stormwater from its townships
	Ohakune Municipal Water (S00033) Abstraction (Tutara Stream) ATH-2000008693.00 Consent Number 101266 Due to expire 11/09/2025 Compliant	Ohakune Wastewater Treatment Plant Discharge to water ATH-2005009192.01 Consent Number 101700/1 Expired 17/11/2015 (operating on S124) Partial compliance Ohakune Wastewater Treatment Plant Discharge to air ATH-2005009193.01 Consent Number 101702/1 Expired 17/11/2015 (operating on S124) Compliant Ohakune Wastewater Treatment Plant Discharge to land ATH-2005009191.01 Consent Number 101701/1	

Parameters	Drinking water supply schemes	Wastewater schemes	Stormwater Schemes/catchments
		Expired 17/11/2015 (operating on S124) Partial compliance	
	Ohura Municipal Water (S00380) Abstraction (Mangaparare Stream) ATH-2001009377.00 Consent Number 101866 Expired 05/12/2001 (operating on S124) Compliant		
	Owhango Municipal Water (S00102) Abstraction (Whakapapa Tributary Deep Creek) ATH-2001008976.01 Consent Number 101514 Expired 20/03/2016 (operating on S124) Compliant		
		Pipiriki Wastewater Treatment Plant Discharge to land ATH-2013014398.00 Consent Number 106225 Due to expire 1/07/2035 Partial compliance Pipiriki Wastewater Treatment Plant Discharge to air ATH-2013014399.00 Consent Number 106226 Due to expire 1/07/2035 Compliant	
	Raetihi Municipal Water Supply (S00034) Abstraction (Tohunga Makotuku River Intake) ATH-2005009602.01 Consent Number 2001009610.01 Due to expire 01/07/2039 Compliant	Raetihi Wastewater Treatment Plant Discharge to water ATH-2005009929.01 Consent Number 102379 Expired 17/11/2015 (operating on S124) Partial compliance Raetihi Wastewater Treatment Plant Discharge to land ATH-2005010401.01 Consent Number 102797	

Parameters	Drinking water supply schemes	Wastewater schemes	Stormwater Schemes/catchments
		Expired 17/11/2015 (operating on S124) Compliant Raetihi Wastewater Treatment Plant Structure in stream ATH-2005010374.01 Consent Number 102822 Expired 17/11/2015 (operating on S124) Partial compliance	
		Rangataua Wastewater Treatment Plant Discharge to water ATH-1999007878.00 Consent Number 4926 Expired 20/12/2005 (operating on S124) Compliant	
	Taumarunui Municipal Water (S00042) Abstraction (Echolands Whanganui River Intake) ATH-1997003577.00 Consent Number 7196 Expired 20/06/2017 (operating on S124) Compliant	Taumarunui Wastewater Treatment Plant at Hikumutu Road, Taumarunui Discharge to water ATH-2013009977.00 Consent Number 102426 Expired 1/07/2023 Compliant Taumarunui Wastewater Treatment Plant at Hikumutu Road, Taumarunui Discharge to land ATH-2013009978.00 Consent Number 102427 Expired 1/07/2023 Compliant	
	The water supply for the Waiōuru township is procured from the NZDF. The NZDP is responsible for obtaining resource consent.	The wastewater treatment and disposal for the Waiōuru township is procured from the NZDF. The NZDP is responsible for obtaining resource consent.	

Parameters	Drinking water supply schemes	Wastewater schemes	Stormwater Schemes/catchments
Expire in the next 10 years	2 (Ohakune & Waimarino National Park)	Nil, Excluding Pipiriki, which is due to expire on 1 July 2035; all other wastewater treatment plant consents have expired.	Nil
Non-compliance: Significant risk non-compliance Moderate risk non-compliance Low risk non-compliance	 0 0 3	 1 2 2	 0 0 0
Active resource consent applications	3 Ohura, Owhango & Taumarunui	14 - Waimarino National Park x2, Ohakune x3, Pipiriki x2, Raetihi x3, Rangataua x1 & Taumarunui x3	N/A
Compliance actions (last 24 months): Warning Abatement notice Infringement notice Enforcement order Convictions	 0 0 0 0 0	 1 1 0 0 0	 0 0 0 0 0

Drinking Water

Water quality and adherence to the Drinking Water Standards are key priorities for the Ruapehu District Council. These Standards consist of two main components: bacteriological and protozoal compliance. Over the past decade, the Council has invested significantly in upgrading its water systems, aiming to meet these standards. This typically involves installing and activating UV disinfection units, which use ultraviolet light to eliminate harmful pathogens, including protozoa, along with filtration and chlorination. Several projects have been completed, and others are in progress, ensuring the delivery of high-quality drinking water that fully complies with New Zealand Drinking Water Standards.

Recently, significant upgrades were carried out at Taumarunui, Raetihi, and Ohakune water treatment plants. In the 2024/25 financial year, membrane filters and UV disinfection units were installed at Owhango. The installation of UV disinfection units at the Ohura water treatment plant is still in progress and is expected to be finished by 30 June 2026. Major upgrades to the Waimarino National Park water treatment plant are scheduled for 2028/29. Once these upgrades are complete, all the Council's water treatment plants will be equipped with the necessary plant and equipment to ensure operators can meet the New Zealand Drinking Water Standards.

Over the next decade, there are scheduled upgrades for the SCADA systems to improve monitoring, control, and reporting of drinking water compliance. Without these updates, proving adherence to the Drinking Water Standards would be quite difficult.

Three water supply resource consents have expired, and two will expire in the coming years. Only one of the consents has more than 10 years remaining before renewal is needed. Specifically, Waimarino National Park Municipal Water (S00101) abstraction resource consent will expire in 2026, Ohakune Municipal Water (S00033) expires in 2025, Ohura Municipal Water (S00380) expired in 2001, Owhango Municipal Water (S00102) expired in 2016, Raetihi Municipal Water Supply (S00034) will expire in 2039, and Taumarunui Municipal Water (S00042) expired in 2017. The NZDF is responsible for obtaining resource consents for Waiōuru township. The Council shows a low level of non-compliance with three resource consents.

Wastewater
Eleven wastewater resource consents have expired; two are set to expire within the next ten years. The Council has partial compliance with five of these consents, including one that resulted in an abatement notice. Details include Waimarino National Park Wastewater Treatment Plant Discharge to water (ATH-2012011051.00) and Discharge to land (ATH-2012014331.00), both expired in 2015, Ohakune Wastewater Treatment Plant Discharge to water (ATH-2005009192.01), Discharge to air (ATH-2005009193.01), and Discharge to land (ATH-2005009191.01), all expired in 2015. Pipiriki Wastewater Treatment Plant Discharge to land (ATH-2013014398.00) and Discharge to air (ATH-2013014399.00) are set to expire in 2035. Raetihi Wastewater Treatment Plant Discharge to water (ATH-2005009929.01) and Discharge to land (ATH-2005010401.01) structures in streams (ATH-2005010374.01) expired in 2015. Rangataua Wastewater Treatment Plant Discharge to water (ATH-1999007878.00) expired in 2005. Taumarunui Wastewater Treatment Plant Discharge to water (ATH-2013009977.00) and Discharge to land (ATH-2013009978.00) expired in 2023. The NZDF is responsible for obtaining wastewater resource consent for the Waiōuru township.

Council is prioritizing the renewal of expired resource consents and upgrading wastewater treatment plants to comply with new resource conditions. The funding for renewing resource consents, as well as designing and constructing necessary upgrades, is now incorporated into the 10-year Wastewater Service Development Plan, as detailed below.

Stormwater
The Ruapehu District Council does not hold a stormwater resource consent. There are no plans to upgrade the stormwater system. The Long-Term Plan allocates only a limited budget for stormwater, covering the ongoing operation and maintenance of existing infrastructure. The council is working with Horizons Regional Council to address the need for stormwater discharge consent and is currently collecting baseline data to evaluate the potential effects on the receiving environment.

Responding to Increased Levels of Regulation

Affordability and public health have been the main factors driving the Ruapehu District Council's infrastructure investment choices. The Council has prioritised improving water quality for communities served by a council reticulation system. Small rural communities and individual households outside these reticulated areas usually rely on their own water supply, often through rainwater tanks.

For communities connected to the council's reticulated water supplies, plans are in progress to upgrade all systems to meet the New Zealand Drinking Water Standards by June 30, 2029. Upgrades to the Waimarino National Park water treatment plant are the final step needed to achieve compliance. Small rural communities and individual households outside the reticulated areas usually handle their own wastewater treatment, typically using septic tanks, with septage being trucked to one of the Council's wastewater treatment plants.

Most of the Ruapehu District Council's wastewater treatment plants have resource consents that are either expired or nearing expiration. The WSDP has brought forward the $66 million originally designated for years 11 to 30 of the 30-Year Infrastructure Strategy to fund major upgrades focused on enhancing treatment processes during years 4 to 10 of the WSDP. This estimate assumes that building an upgraded conventional wastewater treatment plant discharging treated water to wetlands and downstream water will be acceptable to iwi and regulators.

Risk associated with the impact of an accelerating investment in new wastewater treatment plants.

There is a known risk that the new consents might require disposal to land instead of the planned disposal of treated wastewater to wetlands and downstream to water. However, the final form of the new standards is unknown, as is the likely cost of the approved modular wastewater solutions or their suitability for the Ruapehu context. These issues will all be addressed during the design and permitting process, and additional revisions to the construction budget may be necessary. Nonetheless, these decisions will be made by the WS-CCO within the framework of balancing regulatory and investment requirements, as well as ensuring affordability for bill payers. It has previously been suggested that land disposal could cost as much as $200 million. As a sensitivity test, this was modelled to assess the impact on the finances of the WS-CCO and bill payers, and it was considered unsustainable – it would require a steep, unaffordable increase in charges for users and would use all of the available debt capacity of the WS-WS-CCO, limiting its flexibility to address other challenges. Given the uncertainty about the actual costs and requirements for land disposal, the WSDP assumes a budget of $66 million.

Whanganui Regulatory Compliance Summary

Parameters	Drinking water supply schemes	Wastewater schemes	Stormwater Schemes/catchments
Drinking water supply • Bacterial compliance (E.coli) • Protozoa compliance • Chemical compliance • Boiling water notices in place • Fluoridation • Average consumption of drinking water • Water restrictions in place (last 3 years) • Firefighting sufficient	 No – all supplies, see comments No – Whanganui Yes – Fordell & Pākaraka See comments Yes – all supplies, see comments none no 286 l/p/day none Yes – Whanganui No for Fordell and Pākaraka	n/a	n/a
Resource Management			
Significant consents (note if consent is expired and operating on S124)	Eight water supply takes. Five of these have expired and are operating on S124. Pākaraka consent has expired	Two wastewater discharge to sea Two wastewater discharge to land (one expired operating on S124)	Two consents relate to Stormwater discharge
Expire in the next 10 years	Two consents expire in the next 10 years however global consent application covers these takes.	Three consents expire in the next 10 years.	Two consents expire in the next 10 years.
Non-compliance: • Significant risk non-compliance • Moderate risk non-compliance • Low risk non-compliance	WDC is non-compliant in respect to their water take at Pākaraka (Maxwell Bore). Horizons have recognised that the take is covered in the Global Consent application and have stated that no action will be undertaken in	None 1 Consent – 2 instances 1 consent – 3 instances	None None None

Parameters	Drinking water supply schemes	Wastewater schemes	Stormwater Schemes/catchments
	relation to the ongoing water abstraction non-compliance provided the volume remains under the previous consented limit. Low risk non-compliance- Horizons require blue tick verification of flow meters for water take. WDC are working through an acceptable methodology to achieve this.		
Active resource consent applications	Global Consent application will cover all eight-water supply takes	Mowhanau Discharge to land	
Compliance actions (last 24 months): • Warning • Abatement notice • Infringement notice • Enforcement order • Convictions	 0 0 0 0 0	 0 0 0 0 0	 0 0 0 0 0

Drinking Water

At present all bores, except Kai iwi 3, are considered Class 1 or Interim Class 1 as defined in the Drinking Water Quality Assurance Rules (DWQAR). This means that a protozoa barrier, such as UV treatment, is not currently required. Kai iwi 3 in its current state is Class 2, requiring a protozoa barrier if it is used. Kai iwi No 4 Bore has moved from Class 1 to Class 2 requiring UV Treatment.

Risk assessment has identified a number of consumers on an untreated water supply which does not meet WDC's obligations to provide safe drinking water under the Water Services Act 2021. Additionally, there is increasing uncertainty around the ability to maintain the class status of the bores and hence the requirement for a protozoa barrier (UV treatment). Positive bacteriological sample results at the bores could result in a regulatory requirement to provide a protozoa barrier at any time from September 2023 onwards. These factors along with the ongoing resourcing and cost of Class 1 sampling and analysis indicate a new treatment plant is required. A UV + chlorination process has the potential to provide safe drinking water to the majority of consumers and resilience in maintaining compliance with the drinking water quality assurance rules. The process meets both bacteriological and protozoal compliance criteria. It also represents a multiple barrier approach to water treatment as required by the Water Services Act (2021).

The proposed UV upgrade will increase water safety by providing a multi-barrier approach to water safety aligning with the Water Services Act 2021. In addition, the upgrade will mitigate future regulatory and sampling burdens, particularly around proposed viral compliance rules. It will also increase the resilience of the water supply with respect to natural disasters and human activities within the catchment.

Completion is targeted by the end of the 2025/26 financial year, in line with commitments to Taumata Arowai.

All consents except Kai iwi Bore 4 are now operating under S124. A global consent has been applied for covering all water extraction for drinking water.

The existing previous consents and the global consent required blue tick verification of the flow meters on the bores. All bores except Kai iwi Bore 1 have been adapted to allow this verification to take place. Work is programmed to allow blue tick verification on Kai iwi bore 1 before Summer 2025/2026.

There are no further improvements required to meet anticipated global consent conditions.

Major upgrades are planned to be completed by the end of the 25/26 financial year at all operating treatment plants to address non-compliance issues. The major component of the upgrade will be UV treatment. Please see notes below for full details.

Whanganui (Westmere TP00052): Although the plant has been non-compliant with bacterial compliance criteria this is due to data loss or short-term events rather than a need for major capital expenditure. The plant has been non-compliant with Protozoa criteria since March 2024 due to Kai iwi Bore 4 being reclassified as Class 2 (protozoa barrier required). A UV upgrade is planned to be completed in the 25/26 financial year will address the protozoa non-compliance. No upgrades are expected to meet chemical, cyanotoxin or viral compliance criteria. Connections have been identified on the main between the bores and the treatment plant which receive untreated water. The exact scope of the solution is yet to be determined due to the complex nature of the problem (legal, stakeholder, compliance, and capex considerations) however some funding has been included for a pragmatic solution including extensions to the reticulation and acceptable solutions for those affected.

Whanganui (Kai iwi /Mowhanau Plant TP02310): This plant is non-compliant with bacterial compliance criteria because it does not have sufficient chlorine contact time. It is however compliant for protozoa. A UV upgrade planned for completion in the 25/26 financial year will address bacterial non-compliance, provide multi barrier protection and remove reliance on maintaining Class 1 status (no protozoa barrier required). The UV upgrade will also allow the plant to achieve expected future viral compliance criteria. No upgrades expected to meet chemical, or cyanotoxin compliance criteria.

Whanganui (Aramoho TP02511): This plant is not in currently in operation due to issues with the bore (sand production and changes in the aquifer). In its current state it may not meet bacterial compliance criteria however it would be compliant with protozoa criteria. The treatment process may also not be suitable due to changes in the source water quality. The future of plant is to be determined through a master planning exercise which will look at how demand can be met (now and in the future) with the other treatment plants, potential new sources, and the cost of providing appropriate treatment at Aramoho. Some funding has been included in the LTP for the redevelopment of the bore after which the required upgrades can be determined and the master planning exercise completed.

Fordell (Richardsons Road TP00047): Similar to Westmere, this plant has been non-compliant with bacterial compliance criteria due to data loss or short-term events rather than a need for capital expenditure. The plant is compliant for Protozoa however a UV upgrade is planned to provide multi barrier protection and remove reliance on maintaining Class 1 status (no protozoa barrier required). The UV upgrade is included in the 25/26 financial year. The planned upgrade will include provision for future viral compliance (chlorine contact time), replacement of the ageing treated water tank and treatment for iron and manganese (allows effective UV treatment and improvement of aesthetics).

Pākaraka (Maxwell Station Road TP02535): This plant is currently non-compliant because there is insufficient contact time before the compliance point to meet bacterial requirements. The plant is currently compliant for Protozoa. A UV upgrade planned for completion in the 25/26 year will address bacterial non-compliance, provide multi barrier protection and remove reliance on maintaining Class 1 status (no protozoa barrier required). Minor upgrades to move the compliance point will be required when viral compliance criteria introduced. This is included in planned expenditure. No upgrades expected to meet chemical or cyanotoxin compliance criteria.

Note for the Whanganui Supply:

- Funding for fluoridation has not been included in the long-term-plan as WDC has not been instructed by the MoH to provide it. However, an allowance has been included in the 30-year Infrastructure strategy.

Wastewater

The Mowhanau WWTP is operating under S124 until it can be connected to the Whanganui Wastewater System. Design for this work is underway.

Consents for the Whanganui WWTP and bypass expire on the 30th of June 2026 work is underway to apply for new consent. The Whanganui WWTP discharge has been complying with current consent conditions. It's ability to comply with anticipated regulatory requirements is dependent on the progression of the Wastewater Standards and obtaining a new consent. The proposed wastewater standards introduce Ammonia limits which may be difficult to comply with under some conditions. If the proposed wastewater standards are not adopted and a new consent is required with Horizons it is possible that they may introduce new requirements and subsequently work may be required to meet these requirements.

Whanganui has significant wet weather wastewater flows with bypass from the WWTP and discharge to sea at high flows. Whanganui does not comply with the existing consent and is unlikely to initially comply with conditions imposed under a new consent. Work is being carried out to reduce and better manage wet weather flows.

Wastewater overflows are currently prohibited under the Horizons One Plan. Under the proposed wastewater standards it is likely that an exercise will be required to map overflows and complete a risk assessment and monitoring. It is anticipated that any potential wastewater overflows will require a conditional consent. Work is budgeted in the long-term plan to reduce wet weather flows and will reduce the risk associated with overflows.

Mowhanau Scheme

Discharge Permit ATH-2007008120.00 was assessed for 2022-2023 as Fully compliant for 2022-2023. Whilst compliant the scheme cannot continue to operate in its current state, the existing plant cannot treat to the current standard required and significant upgrades are required. There is a third-party interest in the land and the current operation would not be acceptable moving forward. The Wastewater consent for the Mowhanau Discharge to land has expired (1/12/2021) and is currently operating under S124 of the RMA. There are plans to convey wastewater from this scheme to the Whanganui Wastewater Scheme. This plan has been discussed with the local Hāpu and this is supported. The project has been approved in the council long-term plan and budget has been allocated this is programmed from 2024/25 through to 2026/27. At the completion of the project the sand filters and the effluent disposal field will no longer be required, and this consent will be surrendered.

Whanganui Scheme

The Whanganui scheme has three current consents one for discharge to land and two to sea
The last annual compliance report (dated 31 May 2023) was received from Horizons for the Whanganui Wastewater Treatment Plant for the 2021-2022 reporting period.

This covered two of the consents: -

- Fully treated wastewater discharge had one moderate non-compliance (daily outflow volume exceeded maximum daily flow 15 times over the monitoring period) and one low risk non-compliance (two isolated exceedances of the maximum values for Enterococci) in 2021/22. We have not yet received the latest compliance report. It is expected that this consent will be assessed as fully compliant for the last reporting period 2023/24. The treatment plant is relatively new and has recently had improvements. The current consent was granted after the Horizons One Plan was notified in 2007 and it is expected that the limits relating to discharge quality should still be reasonable. However, there are no limits for nutrients in the consent and specific nutrient removal is not part of the current Wastewater Treatment Plant process. For the period between the 1st of July 2023 and the 30th of June 2024 the 95th Percentile for Suspended Solids was 36 g/m3 and for Grease was 20 g/m3 (significantly below the consent limits of 100 and 50 g/m3 respectively). The median Enterococci result was <100/100ml (limit in consent

4,000/100ml) and the median Faecal Coliform result was <200/100ml (limit in consent 10,000/100ml). The maximum Enterococci measured was 9,600/100ml (the consented maximum is 12,000/100ml). 98 % of samples had a Faecal Coliform result of less than 25,000/100ml and 91 % of samples had a result of less than 2,500/100ml (The consent requires <25,000/100 ml 90% of the time).

- The bypass consent had three low risk non-compliance and two moderate non-compliance in 2021/22; we have not yet received the latest compliance report. It is expected that Horizons will assess this consent as non-compliant for 2022/23 and 2023/24. Low risk non-compliances generally relate to specific flowrates during bypasses which cannot be achieved practically due to the pump station configuration. The most significant non-compliance for this consent relates to the percentage of time that the flows bypass the wastewater treatment plant. This is dependent on the types of rainfall events experienced, in the last five years the percentage duration of bypasses has varied between 1.1% and 4%. In three of the last five years discharge via bypass has occurred less than 2% of the time.

These consents originally granted on the 19th of September 2011 expire on the 1st of July 2026. Work is being undertaken to prepare for new consents and budget has been allowed for in the long-term plan for consenting activity related to obtaining a new consent. However, the extent of improvements that may be required is not yet known and may not be fully budgeted for.

The third discharge allows for emergency discharge of secondary treated effluent to land at the WWTP. This is not being used, and this consent expires on the 30th of June 2026. While it is unlikely that we will ever discharge using this consent it is possible, and this consent will be renewed.

Stormwater

It is possible that stormwater discharges where potentially contaminated, may not meet anticipated regulatory requirements. Work is being considered to obtain more information relating to stormwater management on sites where there is a risk of contamination.

There are two existing consents that expire 1 July 2025, the first is for discharge of stormwater from Rotokawa Pond to Virginia Lake and the second is to discharge from Virginia Lake to the stormwater network. The upstream catchments are residential. Rule 14-18 of the One Plan states that discharge of stormwater is a permitted activity on the basis that the conditions/standards/terms in the One Plan are met. It is possible that the provisions in the One Plan are sufficient, and the consents may no longer be required and can lapse.

Notified in 2007, the One Plan is the “one stop shop” resource management planning document for the Horizons Region. It combines the Regional Policy Statement, Regional Plan and Coastal Plan. The One Plan became operative in December 2014 after these consents were granted.

Joint Compliance Summary

Council	Water Activity	Consent	Expiry Date	Compliance	Operating Under S124
Ruapehu District Council	**Drinking Water**	ATH-1997004420.01 Consent Number 6888 National Park Municipal Water	12/12/2026	Compliant	
		ATH-2000008693.00 Consent Number 101266 Ohakune Municipal Water	11/09/2025	Compliant	

Council	Water Activity	Consent	Expiry Date	Compliance	Operating Under S124
		ATH-2001009377.00 Consent Number 101866 Ohura Municipal Water	05/12/2001	Compliant	Yes
		ATH-2001008976.01 Consent Number 101514 Owhango Municipal Water	20/03/2016	Compliant	Yes
		ATH-2005009602.01 Consent Number 2001009610.01 Raetihi Municipal Water Supply	01/07/2039	Compliant	
		ATH-1997003577.00 Consent Number 7196 Taumarunui Municipal Water	20/06/2017	Compliant	Yes
	Wastewater	ATH-2012011051.00 Consent Number 103403 National Park Wastewater Treatment Plant	17/11/2015	**Partial compliance**	Yes
		ATH-2012014331.00 Consent Number 106166 National Park Wastewater Treatment Plant	17/11/2015	**Partial compliance**	Yes
		ATH-2005009192.01 Consent Number 101700/1 Ohakune Wastewater Treatment Plant	17/11/2015	**Partial compliance**	Yes
		ATH-2005009193.01 Consent Number 101702/1 Ohakune Wastewater Treatment Plant	17/11/2015	Compliant	Yes
		ATH-2005009191.01 Consent Number 101701/1 Ohakune Wastewater Treatment Plant	17/11/2015	**Partial compliance**	Yes
		ATH-2013014398.00 Consent Number 106225 Pipiriki Wastewater Treatment Plant	1/07/2035	**Partial compliance**	
		ATH-2013014399.00 Consent Number 106226 Pipiriki Wastewater Treatment Plant	1/07/2035	Compliant	
		ATH-2005009929.01 Consent Number 102379 Raetihi Wastewater Treatment Plant	17/11/2015	**Partial compliance**	Yes

Council	Water Activity	Consent	Expiry Date	Compliance	Operating Under S124
		ATH-2005010401.01 Consent Number 102797 Raetihi Wastewater Treatment Plant	17/11/2015	Compliant	Yes
		ATH-2005010374.01 Consent Number 102822 Raetihi Wastewater Treatment Plant	17/11/2015	**Partial compliance**	Yes
		ATH-1999007878.00 Consent Number 4926 Rangataua Wastewater Treatment Plant	20/12/2005	Compliant	Yes
		ATH-2013009977.00 Consent Number 102426 Taumarunui Wastewater Treatment Plant	1/07/2023	Compliant	No, but have lodged a new consent application with the support of Ngāti Hauwa.
		ATH-2013009978.00 Consent Number 102427 Taumarunui Wastewater Treatment Plant	1/07/2023	Compliant	No, but have lodged a new consent application with the support of Ngāti Hauwa.
Whanganui District Council	**Drinking Water**	ATH2009012582 Kai-Iwi No. 1	1/07/2022	**Partial compliance**	Yes
		ATH2009012581 Kai-Iwi No. 2	1/07/2022	Compliant	Yes
		ATH2009012583 Kai-Iwi No. 3	1/07/2022	Compliant	Yes
		ATH2018202280 Kai-Iwi No. 4	1/07/2032	Compliant	
		ATH2011013969 Heloise Whanganui	1/07/2025	Compliant	Yes
		ATH2001009362.01 Aramoho Whanganui	20/02/2021	Compliant	Yes
		ATH2009012584.01 Reids Hill Fordell	1/05/2024	Compliant	Yes

Council	Water Activity	Consent	Expiry Date	Compliance	Operating Under S124
		ATH2004010430 Maxwell Bore Pākaraka Supply	17/12/2018	Compliant	Yes
	Wastewater	ATH-2002009197.02(101706/2) Fully treated discharge	1/07/2026	**Partial compliance**	
		ATH-2011013300.00 (105288) Bypass	1/07/2026	**Partial compliance**	
		104939.00 Emergency discharge at WWTP	30/06/2026	Compliant	
		ATH-2007008120.00 (100749.00) Mowhanau	1/12/2021	Compliant	Yes
	Stormwater	101704	30/06/2036	Compliant	

The environmental regulatory requirements that will apply to three waters assets are in a state of reform. There are currently no anticipated regulatory requirements which cannot be met, however, uncertainty as to the detail of further change creates uncertainty as to the ability of water services to comply. In addition to the Local Water Done Well Reform and water quality requirements, the Government has announced that the RMA will be reformed placing a priority on the enjoyment of private property rights as the guiding principle. The extent of the impacts of this change to the regulatory environment is currently unknown, particularly as it may relate to the future levels of development and growth, or additional industries which may impact on ability to meet demand.

There is no current direction for either council to introduce fluoride to Drinking Water supplies. No provision has been made within the LTP's, Infrastructure Strategy or WSDP budgets on this basis. Other changes have also been signalled to the environmental regulatory environment which create uncertainty. These include:

- Changes to the National Policy Statement for Freshwater Management 2020
- Introduction of a new National Policy Statement for Infrastructure
- Changes to the NPS-UD
- Introduction of Wastewater Environmental Performance Standards by Taumata Arowai

It is noted that, Bill 3 intends to introduce a new regulation for water services delivery, providing a range of structural and financing tools, and by implementing a new economic regulation regime for water services providers. From 1 July 2025, the Commerce Commission will oversee and implement new economic regulation and consumer protection regime for water services and will have a range of regulatory tools, including mandatory information disclosure, to promote transparency and ensure investments are made where they are needed most. In addition, the Commerce Commission may be given powers in quality regulation, performance requirement regulation and price quality regulation as additional tools, if needed for specific suppliers. The WSDP and development of the operating models for delivery water services, acknowledges the introduction of economic regulation and consumer protection.

Once policies and standards are confirmed (including risk classes for Wastewater Environmental Performance Standards), an assessment of the ability of existing infrastructure to meet these standards at consent renewal can be undertaken, informing future Asset Management Planning and Water Services Strategies. Based on the information that we have received from the government regarding the anticipated regulatory changes, we are of the view that the proposed WS-CCO provision of drinking water, wastewater and stormwater will comply with the anticipated future regulatory changes.

Capital expenditure required to deliver water services and ensure that water services comply with regulatory requirements

Ruapehu District

In line with the Council's priorities, the Council provides infrastructure to attract and retain people and businesses.

There has been a focus on improving water treatment to meet Drinking Water Standards New Zealand. By 30 June 2028, only the Waimarino National Park water treatment plant will require upgrades to meet the Drinking Water Standards New Zealand. Based on the affordability criteria, the water treatment upgrades are planned for 2028/29. The planned upgrades would include an upgrade of the filtration system, plus the addition of Ultraviolet disinfection in addition to the existing chlorination. The Council recognises that this is 12 months after the 30 June 2028 deadline for financial sustainability; however, the Council believes this demonstrates a commitment to meeting the Drinking Water Standards New Zealand.

Since the Council's preferred model is a two-council WS-CCO with Whanganui District Council, which will have significantly greater access to debt, there may be an opportunity to advance these upgrades by 12 months under the two-council WS-CCO due to the higher debt-to-revenue limit available. This is especially relevant as we plan to establish the two-council WS-CCO before 1 July 2027.The Council acknowledges that several of its wastewater treatment plants have expired resource consents and renewing these will require upgrades. As a result, the budgets allocated for years 11 to 30 in the 30-Year Infrastructure Strategy have been reallocated to the first 10 years of the WSDP to fund these potential upgrades.

Significant upgrades to the stormwater system are expected over the next 30 years. The quantum of work has not yet been determined.

The table below outlines the projected investment into Ruapehu's three water services for the next 10 years. Note that the capital budgets shown below are sourced from the adopted Long-Term Plan, with the addition of bringing forward $66 million (for capital expenditure to improve wastewater levels of service) from years 11 to 30 of the Infrastructure Strategy to fund the required upgrades of the wastewater treatment plants, meeting the new standards. This increased budget is $1 million allocated in year 4 for resource consents, $6 million in year 5 for design, and $12 million in each of years 6 through 10 for construction.

Since the adoption of the Long-Term Plan, a small number of projects – such as securing a new water supply for the Ruatiti public toilets at a value of $561,000, and universal water meter installation for Taumarunui ($1.171m) – have been identified as projects that could be considered for reprioritising or deferral to help meet affordability targets. This will be a matter for the WS-CCO to ultimately decide based on the regulatory requirements and investment and financing limits available to it at the time.

Projected investment in water services in $000's	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Drinking Water										
Capital expenditure - to meet additional demand	0	0	0	0	0	0	0	0	0	0
Capital expenditure - to improve levels of services	4,168	0	0	0	2,049	0	0	0	0	0
Capital expenditure - to replace existing assets	156	161	1,770	2,961	2,577	2,647	2,715	2,528	2,590	2,650
Total projected investment for drinking water	4,324	161	1,770	2,961	4,626	2,647	2,715	2,528	2,590	2,650
Wastewater										
Capital expenditure - to meet additional demand	313	376	111	57	0	0	0	0	0	0
Capital expenditure - to improve levels of services	156	376	166	1,455	6,230	13,384	13,111	13,264	12,000	12,000
Capital expenditure - to replace existing assets	1,719	1,717	885	2,107	3,396	1,684	1,727	1,580	2,266	2,319
Total projected investment for wastewater	2,188	2,468	1,161	3,619	9,626	15,068	14,838	14,844	14,266	14,319
Stormwater										

Capital expenditure - to meet additional demand	0	0	0	0	0	0	0	0	0	0
Capital expenditure - to improve levels of services	0	0	0	0	0	0	0	0	0	0
Capital expenditure - to replace existing assets	0	53	55	456	469	481	493	189	194	199
Total projected investment for stormwater	0	53	55	456	469	481	493	189	194	199
Total projected investment in water services	6,512	2,682	2,986	7,036	14,721	18,196	18,046	17,561	17,050	17,168

Summary of Water Supply Significant Projects

The upgrades of the Owhango and Ohakune water treatment plants were completed by 30 June 2025. Meanwhile, the Ohura water treatment plant is undergoing upgrades in 2025/26 to comply with the Drinking Water Standards New Zealand. Another significant expense involves installing UV disinfection at the Waimarino National Park water treatment plant in the 2028/29 financial year. After completing this work, all water treatment plants will fully comply with the Drinking Water Standards New Zealand.

The remaining drinking water budget is allocated: SCADA system renewals, including PLC and communication updates, from 2024/25 to 2027/28; water main renewals from 2026/27 to 2033/34; establishing a new secure water supply for the Ruatiti public toilets in 2026/27 to 2027/28; and installing universal water meters in Taumarunui from 2026/27 to 2030/31.

Summary of Wastewater Significant Projects

The wastewater budget over the 10-year Long Term Plan funds the desludging of wastewater treatment ponds, reticulation, pump stations, and plant renewals. The WSDP has allocated an extra $66 million to the Long-Term Plan budget for upgrades to wastewater treatment plants and related infrastructure, ensuring compliance with new resource consents based on updated wastewater standards. These costs, however, pertain to a standard wastewater treatment facility that disposes of treated wastewater into constructed wetlands before releasing it into the awa. The WSDP recognizes that if the disposal method shifts to land-based options, this allocated budget will be inadequate. Additionally, it notes that funding the design and construction costs in the first decade is feasible only if a two-council WS-CCO is established, with access to a significantly higher debt capacity.

Summary of Stormwater Significant Projects

There are no significant stormwater improvements in the Long-Term Plan. Budgets are allocated only for renewals of existing stormwater infrastructure. There are no other stormwater projects in the WSDP.

Summary of Project Delivery of Significant Projects

Ruapehu District Council has taken the following steps to ensure that our future delivery against our plans remains high and consistent. The future capital works are of a quantum that can be successfully delivered using existing staff through the two-council WS-CCO and the Council's three-waters Contractor, Veolia New Zealand, including the ability to deliver the wastewater treatment plant upgrades over years 6 to 10 of the WSDP.

The Ruapehu District Council does not anticipate any other significant peaks in the future. It plans to accommodate and deliver on the investment in future capital works over the next 10 years, enabling current resources to deliver the projects successfully through the two-council WS-CCO.

If, however, there may be a requirement to accelerate any capital works, the increased capacity provided by the two-council WS-CCO will be valuable.

Whanganui District

The table below outlines the projected investment into Whanganui's 3 water services for the next 10 years.

Projected investment in water services ($,000s)	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Drinking Water										
Capital expenditure - to meet additional demand	204	56	170	632	26	0	0	0	0	0
Capital expenditure - to improve levels of services	1,459	3,709	1,351	1,018	1,289	813	1,493	1,055	839	1,744
Capital expenditure - to replace existing assets	1,598	1,303	1,878	1,865	1,815	1,758	2,101	1,898	2,009	3,256
Total projected investment for drinking water	3,261	5,068	3,399	3,515	3,130	2,571	3,594	2,953	2,849	5,000
Wastewater										
Capital expenditure - to meet additional demand	400	310	250	1,539	207	39	2,492	2,507	0	0
Capital expenditure - to improve levels of services	1,899	4,927	8,507	4,538	6,483	6,286	6,718	2,230	1,955	1,992
Capital expenditure - to replace existing assets	2,018	1,701	1,186	1,404	1,553	1,697	1,753	1,904	2,058	2,337
Total projected investment for wastewater	4,317	6,938	9,943	7,482	8,242	8,021	10,963	6,641	4,012	4,328
Stormwater										
Capital expenditure - to meet additional demand	3,368	2,058	2,164	2,877	3,780	2,776	0	0	0	0
Capital expenditure - to improve levels of services	920	1,336	1,835	2,823	2,447	2,721	3,455	3,755	3,827	3,899
Capital expenditure - to replace existing assets	474	637	755	878	897	915	934	952	971	989
Total projected investment for stormwater	4,762	4,031	4,754	6,578	7,124	6,413	4,389	4,708	4,797	4,888
Total projected investment in water services	**12,339**	**16,036**	**18,096**	**17,575**	**18,497**	**17,005**	**18,945**	**14,302**	**11,658**	**14,217**

Summary of Water Supply significant projects

- A capital investment in UV treatment is the most likely solution to providing a protozoa barrier due to the good chemical quality of the water and simplicity of operation. This would satisfy the Drinking Water Quality Assurance Rules 2022 and the Water Services Act 2021 requirements for a multi barrier approach to water safety. $2.5M is programmed in the long-term plan between 2024/25 and 2026/27. (LoS)
- A global consent covering all water sources has been applied for and consultation is ongoing. Although not capital expenditure, there is an allowance for collaboration projects with Iwi to improve Te Mana o te Wai and help meet the needs of local Iwi (papakainga). An example could be improved kaitiakitanga around the Kai iwi stream where the Kai iwi bores are located and better understanding of the bore water sources. There is close to $1M budgeted over the duration of the long-term plan. (LoS)
- Increase the resilience of key water supply assets to emergency and seismic events which includes bridges, dams and reservoirs. There is currently $2.5M budgeted in the long-term plan between 2027/28 and 2033/34 for network resilience and adaptation (LoS)
- There is currently around $0.8M budgeted in the long-term plan for capital expenditure to meet additional demand, over the next five years. This includes Fox Road upgrade (Sherwood Place to Mosston Road) and the Mannington Rd pump station upgrade.
- The prioritisation of upgrading critical assets and spiral welded pipe replacement will provide resilience within the urban and rural network. Aspects such as pressure and resilience have a greater impact on the criticality of the water network. There is approximately: -

- $1.8M budgeted for in the long-term plan for the replacement of spiral welded pipe (Renewals). This includes the realignment of Castlecliff water main.
- $1.64M for the Kai iwi bores and headworks (Replacement)
- $1.45M for source water security over the duration of the long-term plan (LoS).

- $0.5M budgeted for replacement of a section of the delivery main in the current financial year.
- $10M for replacement of other assets (such as mains, valves, hydrant and connections) over the life of the long-term plan.

- Currently there is very little active demand management with metering of connections present only on non-residential and rural properties (excluding Fordell) and other non-residential properties. There is increased emphasis on reasonable use of water and reduction in water loss (or unallocated for water). As this continues and/or if demand for water becomes closer to the quantity of water that can be supplied there is likely to be an increased need to more actively manage demand. This might include further network monitoring and/or a move towards universal metering. There is some allowance in the long-term plan, this includes approximately $600k for remote metering in the rural and non-residential zones (replacement of existing). There is an additional $1.1M budgeted for metering and backflow to improve the LoS spread over the ten years of the long-term plan.
- The long-term plan has allowance for further development of back-up power supply at critical sites to ensure that in the event of a power outage, particularly for an extended period, safe, secure and consistent supply can be maintained. This is budgeted for in the Long-term Plan $0.8M in 2025/26 – 2026/27.
- A Fordell booster pump and tank is programmed for construction in 2024/25 2025/26 to achieve fire flow. This has a budgeted cost of $0.5M. It is possible that there may be further areas where an increase in the level of service is required specifically relating to fire flow in our rural/semi-rural areas. (LoS)
- Bastia Hill Water Tower is nearing the end of its useful life and within the horizon of the plan an alternative arrangement will be required to maintain the level of service in the Bastia Hill area. There is $1.33M budgeted for in 2032/33 – 2033/34 for the decommissioning of the Bastia Water Tower.
- Work is currently being carried out to redevelop the Aramoho Bore after which the future of the treatment plant and necessary upgrades can be determined. It may not be the best option to continue operating this plant when compared to alternatives identified in a master planning exercise, see note below. There is $0.6M budgeted in the long-term plan for the Aramoho bore. Upgrades have not been included. (Replacement)
- It is possible that a new water source will be required (desirable) to maintain resilience within our water supplies, reducing reliance on one aquifer and having another supply on the other side of the river (see note about masterplan below). There is a small allocation of budget of $44k programmed in the long-term plan 2028/29 – 2029/30) to scope a new supply. This is the first stage of this work; it is likely that more would be required within the extended horizon of 20 years.
- Note: There is an ongoing project to develop a water supply masterplan which will address growth in demand, demand management strategies, resilience in supply (new source), additional upgrades for compliance and the retirement and decommissioning of assets such as Kai iwi 3 bore, Aramoho Treatment Plant, Bastia Hill Tower and the Dublin Street Bridge pipeline. There are no conclusions yet however the outcomes may affect the capital projects identified. Funding for fluoridation has not been included in the long-term-plan as WDC has not been instructed by the MoH to provide it. However, an allowance has been included in the 30-year Infrastructure strategy.

Summary of Wastewater significant projects

- Changes to regulatory requirements and/or the way that they are managed may have a significant impact on this function. Taumata Arowai have a role in how certain wastewater networks are managed, regulated and perform. Currently this includes monitoring and reporting on environmental performance. It is difficult to fully understand how the role of Taumata Arowai may evolve and what further regulatory requirements may be introduced within the horizon for this plan.
- Our annual renewal programme will continue to replace our critical assets as required. Up until this point in time this has been our main method of capital renewals and currently sits at around $1m annually and this increases gradually toward $1.5m over the course of the current LTP.
- $1M has been forecast for renewal of the ocean outfall consent over 2024/25 and 2025/26 (Los). Capital expenditure will be required and will be dependent on the consultation process and the conditions placed on new consents. For example, it is possible that wastewater may need to be treated to a higher standard which would require additional capital investment, this is not budgeted for.

- Improved wet weather performance. One of the key wastewater decisions when the long-term plan went to consultation was around wet weather performance. Approximately S14.7M has been forecast for network improvements across the duration of the long-term plan. An addition $0.5M has been included for infiltration and inflow investigations, spread across the duration of the long-term plan. It is possible that the application for the discharge consent above and the required consultation may affect the scope and delivery of projects to target the reduction in wet weather flow.
- An additional $13.4M has been programmed for improvements to the Jones Street Pump station between 2028 and 2031 to allow wastewater to remain on the south of the river, reducing the amount of wastewater crossing across Dublin Street and then back from Beach Road. This will include wet weather improvements but will also free up capacity in the City Interceptor improving the LoS and allow for growth.
- $1M has be budgeted for the ocean outfall with spend forecast in 2024/25, 2025/26, 2030/31 and 2031/32. (LoS)
- The Mowhanau Wastewater treatment plant is no longer fit for purpose and after consultation it was decided that the best solution is to transfer this waste to the city scheme. $6M has been included in the long-term plan between 2024 and 2027 to complete this work. This will improve the LoS.
- Manuka Street and Mill Road Upgrades for growth $830k forecast for 2027/28 in the long-term plan.
- Various other projects for growth including Fox Road and Mannington Road forecast in the first six years of the long-term plan through to 2029/2030 with a total budget of approximately $1.9M.
- Upgrade to Tregenna Street Pump station and attenuation capacity for growth $5M forecast for 2030/31 and 2031/32 in the long-term plan.
- Approximately 13.7M has been programmed for replacement of wastewater pipes and $0.75M for replacements at pump stations including pump servicing.
- $2M has been budgeted for Beach Road Pump station electrical upgrades in 2024/25 and 2025/26.
- Around $2M has been included in the long-term plan between 2024 and 2029 for installation of a cogeneration plant.
- $0.9M has been budgeted for the aeration tank refurbishment and corrosion protection in 2024/25 and 2025/26.
- Bio solids are currently stored on site. Bio solids storage capacity is finite, and this was a known critical constraint of the WWTP at the time of planning and construction. While budget is available for the capping of the existing settlement pond, there will be costs involved with bio solids disposal in future, and these are not fully understood. $0.8M has been budgeted for capping of the sludge disposal pond in 2027/28 and a further $3.5M has been budgeted for sludge disposal solutions between 2025 and 2028. Trade waste can have an impact on the environment and is a key consideration of the management of this activity. The level of contamination may significantly impact on options and associated costs.
- $0.2M has also been budgeted for improvements to the Dryer foul air operation in 2026/27.
- The main city wastewater interceptor pipeline is located in the bed of the Whanganui River and is approximately 2 kilometres long. The interceptor is constructed from concrete and has an estimated design life of around 50 years. It is currently 40 years old and is programmed for possible replacement around 2034/38 at an estimated cost of $30M (this is in the 30-year Infrastructure strategy).

Summary of Water Supply and Wastewater joint significant project

- There is a risk of interrupted connectivity along Dublin Street Bridge for water supply and wastewater when the bridge reaches the end of its useful life. There is some allowance ($0.6M) for this in the long-term planning 2033/34 for the water supply. The improvements programmed for the Jones Street Pump station include alternative arrangements for the wastewater pipe on Dublin Street with the intention to keep wastewater on the south side of the river with Jones Street pumping direct to the WWTP. This is programmed for 2028/29 – 2030/2031.

Summary of Stormwater significant projects

- Completion of stormwater separation to achieve wastewater discharge consent conditions and reduce environmental breaches arising when wastewater enters waterways following surcharge. $9.5M has been programmed spread over the duration of the current long-term plan to enable this work. There is an additional $1.1M programmed for investigations of stormwater inflow to the wastewater network over the duration of the long-term plan.
- Increasing capital expenditure programme to introduce higher levels of service to flood-prone areas in the face of long-term climate change projections. This will reduce the likelihood of surface flooding and enable the network to be better equipped to handle climate changes. Approximately $1.6M has been programmed for integrated catchment management infrastructure and a further $1.1M for city-wide stormwater hotspots across the duration of the long-term plan.
- Future stormwater over-pumping in catchments where long-term sea-level rise impacts on discharge capacity. $2.8M has been budgeted in financial years 2031/32 through to 2033/34 for Castlecliff Pump stations.
- Wetland expansion and storage areas in Mill Road, Springvale and Otamatea (North-West) areas as per plan changes for projected growth and providing resilience to the urban area for severe weather events. There is approximately $13.7M forecast over the next six year to 2029/30 related to this work.
- Stormwater treatment becoming compulsory in future years. Construction of attenuation/treatment devices that also functions as wetland/amenity/ecological/cultural enhancements to targeted locations within the urban area, to respond to growth through commercial and urban intensification. There is $8.7M budgeted for stormwater attenuation with most programmed between 2027/28 and 2033/34.
- Risk Based renewals to improve or maintain levels of service and reduce operational costs. $8.4M has been forecast for network replacements across the duration of the long-term plan.
- Capital investments to rehabilitate and plant natural drainage channels, to function with better hydraulic capacity, habitat, water quality, as well as cultural and amenity value. Required to meet levels of service and future compliance frameworks. Approximately $1M has been programmed for watercourse condition assessment, erosion control and mitigation across the duration of the long-term plan.

We have taken the following steps to ensure that our future delivery against our plans remains high and consistent: We have bolstered our project management and governance oversight through adopting a more formal framework as provided for by the new PMO (Project Management Office).

We anticipate peaks in the future in years 2026/27, 2028/29 and 2030/31, and plan to accommodate this and deliver on the planned investment by providing additional project management and delivery resource within our capital budgets.

Historical delivery against planned investment

The ability to develop and coordinate infrastructure capital works programs is pivotal in shaping the overall delivery of the required infrastructure. There are inherent challenges associated with managing a large and complex programme, including consideration of resource limitations and uncertainties in the delivery supply chain. Identifiable risks include shortages in specialised roles, capacity gaps, regulatory compliance issues, quality control concerns, market constraints, and disruptions such as weather events. Cost escalations are hard to predict and have a real impact on achievement. These challenges have been exacerbated by the aftermath of the COVID-19 pandemic, the economic recession, and current geopolitical trade negotiations, which have affected capital delivery efforts in recent years.

Ruapehu District

The table below outlines the planned vs actual delivery of Ruapehu's three water investments.

Delivery against the planned investment	Renewal investment for water services	Total investment in water services

	FY2024/25	FY21/22 - FY23/24	FY18/19 - FY20/21	Total	FY2024/25	FY21/22 - FY23/24	FY18/19 - FY20/21	Total
Total planned investment (set in the relevant LTP/Annual Plan)	592	15,390	4,332	20,314	6,512	30,628	9,227	46,367
Total actual investment	120	9,698	4,024	13,842	4,540	31,217	6,449	42,206
Delivery against planned investment (%)	**20%**	**63%**	**93%**	**68%**	**70%**	**102%**	**70%**	**91%**

The COVID-19 lockdowns impacted the delivery of capital projects in 2020 because the Council relied on subcontractors and suppliers based in Auckland. There were periods when some budgets were underspent, allowing unused funds to be carried forward and enabling projects with limited budgets to be completed in later years. Better project planning will help ensure projects are finished on time and within budget. The recently completed Owhango water treatment plant demonstrates what can be achieved, with a new water treatment plant built within 12 months to meet the required standards and within budget. The lessons learned from this project should lead to improved planning for future projects. The value of projects in the Long-Term Plan can be delivered by current staff and Veolia, the council's three-waters contractor.

The Ruapehu District Council does not plan to add fluoride to its water supplies. As a result, neither capital budgets for installing fluoride nor operational budgets for managing fluoridation systems are included in the Long-Term Plan or 30-year Infrastructure Strategy.

There is adequate capacity in the water treatment plants and an adequate volume of water allocated under resource consent allocation to meet current and growth forecasts over the 10-year Long Term Plan. Ruapehu District Council is expecting 3.0% growth over the 10-year planning period

Historically, renewing resource consents for wastewater projects has been a challenging process. This has contributed to a situation where most of the wastewater treatment plants operating under S124 have “expired resource consents”. We expect that delays in obtaining resource consent will greatly decrease once the Water Services Regulator (Taumata Arowai) finalizes its wastewater standards, and the National Engineering Design Standards for wastewater are also finalized.

Whanganui District

The table below outlines the planned vs actual delivery of Whanganui’s three water investment.

Delivery against planned investment	Renewals investment for water services				Total investment in water services			
	FY2024/25	FY21/22 - FY23/24	FY18/19 - FY20/21	Total	FY2024/25	FY21/22 - FY23/24	FY18/19 - FY20/21	Total
Total planned investment (set in the relevant LTP/Annual Plan)	4,089	9,499	9,412	23,001	12,339	22,660	20,026	55,026
Total actual investment	3,113*	12,148	11,847	23,995	8,014*	29,148	25,819	54,967
Delivery against planned investment (%)	**76%***	**128%**	**126%**	**104%**	**65%***	**129%**	**129%**	**100%**

*Note the 2024/25 actual investment figures are based on Draft figures. Final figures will only be available after the Annual Report 2024/25 has been audited and finalised in October 2025.

Between November 2020 and June 2022 Whanganui District Council exceeded its planned investment as set out in the relevant Plan by up to 28%. This was largely due to receiving $6.33 million of three waters stimulus funding which was spent on projects across the three waters activities. By definition this work was not included in the LTP/Annual Plan so is reflected in the difference between the total planned investment and the total actual investment. The close out report showed that 100% of this funding was spent and that in the FY2021 we delivered on 118% of our existing budgets and in FY2022 delivered on 93% of the existing budgets, averaging out at 128% of planned investment as shown above for FY2021 - 2024. (Source: - 3W Stimulus Close-out report).

Historically there have been periods where some of the budgets have been underspent and budgets carried forward; for example, some wastewater renewal budgets were carried forward to allow the larger renewal of the Nixon Street wastewater system to be carried out in 2022, 2023 and 2024.

Ruapehu and Whanganui District Councils and the WS-CCO are confronted with substantial capital and operational programmes ahead. Navigating this programme needs effective project management and capable delivery resources. Councils are committed to an ambitious timetable and seek to be flexible and responsive to evolving circumstances. Proactive measures have been taken to enhance organisational readiness, emphasising that success is achieved through a combination of internal capacity and market resources. This includes implementing streamlined management processes, reporting mechanisms to effectively manage capital program risks and ensure projects are delivered within the planned timeframes. Programme prioritisation and phasing for effective implementation ensures that scheduled works are realistically achievable. This includes rescheduling projects which haven't been completed within the planned timeframes within the last financial year.

We are placing greater emphasis on building internal capacity to ensure that appropriate management disciplines and reporting mechanisms are in place to manage capital programme risks and deliver projects within planned timeframes. Whanganui District Council has established an internal Project Management Office, dedicated to progressing procurement and overseeing project delivery. In addition, updates on our progress against the planned programme are provided in Annual Reports, ensuring stakeholders are informed and engaged in our ongoing efforts to drive successful infrastructure development. Externally, we have approached the civil engineering community to inform them of the upcoming pipeline of work so there are no surprises, and they can have clear sight of potential work.

Future approaches may include consolidating project work into larger packages for a district area, phased resourcing and delivery, reviewing growth models and asset management, and exploring collaborations with neighbouring Council-led suppliers to facilitate efficient project execution.

Part C: Revenue and financing arrangements

Revenue and charging arrangements – Ruapehu District

Current Arrangements

The Ruapehu District Council's water, wastewater, and stormwater charges across the district are detailed below.

Stormwater & Flood Protection rates:

A targeted rate is determined based on a fixed amount assessed on each SUIP for urban properties that receive stormwater and flood protection services, or on the Capital Value of all properties to fund these services.

Wastewater Service Rate:

The Council has set a targeted rate, assessed on a differential basis, for any land connected or capable of connection, whether directly or indirectly, to the district's public sewerage systems.

Water Supply Rate:

A targeted rate based on an amount assessed on every SUIP that is connected or capable of connection, either directly or indirectly, to any of the District's Public Water Supply Systems, set on a differential basis.

Interim Arrangements

Until the new two-council WS-CCO is established by 1 July 2027, the Ruapehu District Council will continue to manage, deliver, and invoice for water services, supported by our existing water contractor, Veolia. The three-water Contract between Ruapehu District Council and Veolia will be transferred to the new WS-CCO upon its establishment to ensure consistency in Service Delivery after the new WS-CCO is established. The Contract with Veolia is due to expire on 31 October 2031 and can be extended by mutual agreement between the WS-CCO and Veolia.

Future Arrangements

Initially, the Council will continue to invoice for water charges and transfer this revenue to the WS-CCO. Over time, it is expected the WS-CCO will assume direct billing, while the Council will invoice for all non-water services.

According to the WS CCO implementation plan, the new WS CCO is scheduled to be established by 1 July 2027. Users will see a separate billing structure as the WS-CCO assumes responsibility for water services. Still, those currently receiving three water services from the Ruapehu District Council will continue to receive the same level of service from the new WS-CCO, because the service will initially continue to be provided by Veolia contractors working under the same contract arrangement. The complete transition from individual councils to the new WS-CCO may take a few years.

Changes Between Current and Future Arrangements

Under the two council WS-CCO, residents of Ruapehu District will pay for services based on the actual cost to deliver services within the district (local pricing). The WS-CCO will provide cost efficiencies and lower water service costs compared to the existing water service delivery option.

Ring-fencing of Water Activities.

Water revenue is currently ring-fenced from the remainder of the Council and used to fund the delivery of water services. Revenue for drinking water and wastewater services is shown separately on water charges/invoices/rate bills. Stormwater is charged in part as a fee per connection and in part as a rate based on property value. All income from the water services is accounted for separately from the rest of the Council. General Ledger codes for water activities are unique to water activities. The monthly, quarterly, and annual reports separately display the incomes and costs associated with water activities.

Once the new two-council WS-CCO is established, all water-related activities will be managed separately from the Council. This will ensure that water activities under the two-council WS-CCO are separated from the Council.

Water services revenue requirements and sources

Revenue Requirements Under the Plan

The annual operating revenue required to fund the three water activities is $9.4 million in 2024/25, increasing to $16.3 million by 2033/34. Details are shown later in this report.

Long Term Plan 2024-2034

3 Water Operating Revenue

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Rates	8,632,787	9,043,856	9,838,615	10,336,545	11,191,616	11,834,402	12,837,815	13,368,715	14,219,622	15,419,585
Subsidies & Grants	515,000	515,000	515,000	515,000	515,000	515,000	515,000	515,000	515,000	515,000
Other Revenue	299,476	309,719	319,245	328,770	338,007	347,244	356,192	364,852	373,798	382,458
	9,447,263	9,868,575	10,672,860	11,180,315	12,044,623	12,696,646	13,709,007	14,248,567	15,108,420	16,317,043

Sources of revenue.

Water revenue is ring-fenced from the remainder of the Council and used solely to fund the delivery of water services. Operating revenue is predominantly derived from target rates, with the majority of the revenue associated with residential households and a small portion of the targeted rates allocated to industrial and commercial users.

SCHEDULE OF THREE WATER RATES FOR 2024/25 (PLEASE NOTE ALL RATES INCLUSIVE GST.)

Rate	Basis of Assessment	Rate 2024/25 (GST incl.)	Total Rates 2024/25 (GST incl.)
Stormwater/Flood Protection Urban	Per SUIP	$100.48	$580,860
Stormwater/Flood Protection CV	Capital Value	$0.00008474	$554,842
Stormwater/Flood Protection CV Defence Force	Capital Value	$0.00002252	$6,026
Stormwater/Flood Protection CV Hydro	Capital Value	$0.00005169	$19,992
District Wide Wastewater Rate. General use (Inclusive of 2 pans)	Per SUIP	$530.66	$2,685,623
District Wide Wastewater Rate. School Use	Per Pan	$159.19	$38,844
District Wide Wastewater Rate. General Use Per pan over 2 pans per SUIP	Per Pan	$265.33	$333,779
District Wide Water Rate. Connected or capable of connection	Per SUIP	$948.26	$5,666,776
District Wide Water Rate. Extra-Ordinary	Per SUIP	$1,137.90	$40,965

Additionally, approximately 3% of revenue is generated from volumetric water charges, trade waste, connection fees, and septage disposal.

For Ruapehu District there is also a small amount of development and financial contributions included in capital income, amounting to approximately $0.1 million per year.

Debt funding fluctuates between $1.0 million and $7.0 million per year over the first nine years of the Long-Term Plan as capital projects are invested.

New WS-CCO

Until the new two-council WS-CCO is established by 1 July 2027, the Ruapehu District Council will continue to manage, deliver, and invoice for water services, supported by the Council's existing water contractor, Veolia. The three-water contract between Ruapehu District Council and Veolia will be transferred to the new WS-CCO upon its establishment. This will support consistency in Service Delivery after the new WS-CCO is established. The Contract with Veolia is due to expire on 31 October 2031, but it can be extended by mutual agreement between the client (WS-CCO) and the contractor (Veolia).

Users will see a separate billing structure after the WS-CCO takes over water services but will continue to receive the same service level. Once the WS-CCO is fully operational, water users can expect two Invoices: one for drinking water, wastewater, and stormwater from the WS-CCO, and one for rates excluding water service from the Council.

Initially, the Council will continue invoicing for water charges and transfer this revenue to the WS-CCO. Over time, the WS-CCO will assume direct billing, while the Council will continue to invoice for all non-water services.

Charging and collection methodology – for residential and non-residential consumers.

As detailed above, the Ruapehu District Council differentiates between residential and non-residential consumers. Initially, the charges will be unchanged under the WS-CCO. Over time, the WS-CCO will determine and implement its preferred charging mechanism, which should differ from the current situation due to increased operational efficiencies.

Existing and projected commercial and industrial users' charges

Water Meters

Users connected to any Council water supply where the supply is recorded through a water meter will be assessed using the Water Differential Rate, as outlined above.

Commercial and Industrial consumers are determined to be extraordinary users.

Annual charges for Commercial and Industrial consumers are projected to increase in line with those for residential consumers. No growth in Commercial and Industrial consumers is forecasted over the LTP's 10-year period.

The affordability of projected water services charges for the Ruapehu Community

The price of water charges is determined by considering several factors, including the impact on user affordability.

The Infometrics median household income for the Ruapehu District as of 1 June 2024 was $89,094. However, this median household income can be misleading. The Council has examined this figure more closely and found that the urban median household income was $61,244 for the entire district when income from farming communities and Waiouru township is excluded. Furthermore, when urban median household incomes (excluding Waiouru) are separated into northern urban ($52,666) and southern urban ($80,009) areas, additional differences emerge. The average projected charges for water services in Ruapehu district for the term of this plan is shown in the table below, calculated using median household income data for urban areas only, excluding Waiouru, and separately for Northern Urban and Southern Urban areas.

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Ruapehu Urban median household income	61,244	63,081	64,974	66,923	68,930	70,998	73,128	75,322	77,582	79,909
Ruapehu Urban Affordability Index	3.37%	3.44%	3.59%	3.73%	3.92%	3.98%	4.24%	4.39%	4.62%	4.94%
Ruapehu NORTH median household income	52,666	54,246	55,873	57,550	59,276	61,054	62,886	64,772	66,716	68,717
Ruapehu NORTH Affordability Index	3.91%	4.00%	4.18%	4.33%	4.56%	4.63%	4.93%	5.11%	5.37%	5.75%
Ruapehu SOUTH median household income	80,009	82,410	84,882	87,428	90,051	92,753	95,535	98,401	101,353	104,394
Ruapehu SOUTH Affordability Index	2.58%	2.63%	2.75%	2.85%	3.00%	3.05%	3.25%	3.36%	3.54%	3.78%

The overall affordability ratio ranges from 3.37% to 4.94% for the total Ruapehu District urban community (farming communities and Waiouru township is excluded). While higher than the "ideal" rate of 2.5% shared by the DIA on the 29 July 2025, it is in line with a number of international benchmarks that include the UNDP and OECD's 3% to the United States Environmental Protection Agency suggestion that water charges at a rate of 4.0% to 4.5% of median household income indicate that the water services are affordable to the community.

However the above table clearly shows that the overall median income hides a disparity between parts of the district, and while the WS-CCO offers a more affordable option to meet increased regulatory requirements than operating independently, improving this ratio will have to be a focus for the WS-CCO once it is set up.

Revenue and charging arrangements – Whanganui District

Water services are currently charged via three mechanisms:

1. Rates for properties connected and/or serviced by three water activities
2. Trade waste charges for large/commercial wastewater dischargers.
3. Developer contributions to fund additional demand arising from growth.

Rates

Rates are further broken down to

- General Rates – a Waterways and Natural Drainage (a division of Stormwater) are charged as part of General rated activities. This is differentiated with 81.2% to Residential properties and 18.8% to Commercial properties.
- Targeted rates – All Water Supply, Wastewater and the bulk of Stormwater rates are targeted.

The relevant targeted rates are outlined below:

City water supply (including water by meter)

A differential targeted rate for city water supply, which includes the city, Mowhanau, Putiki South, Fordell and Airport water supplies. A differential is applied based on the categories in the table below:

Differential	Definition	Indicative rate The indicative rates for each category can be found in the Funding Impact Statement for any specific year.	Differential Ratio
Connected	Any rating unit with an ordinary connection being a connection equivalent to 20mm MDPE pipe to the city water supply system.	Each financial year a dollar rate is calculated for each separately used or inhabited part of a rating unit that is connected to the city water system and is not metered.	1
Serviceable	Any rating unit within 100 metres of the city water supply system but that does not have a connection to the system.	Each financial year a dollar rate is calculated for each separately used or inhabited part of a rating unit that is not connected but is practicably able to be connected to the city water system.	0.5
Metered Supply	Any rating unit that is not 'rural extraordinary' and that has a connection greater than the equivalent of 20mm MDPE pipe to the city water supply system.	Each financial year a dollar rate is calculated for each for part of or the whole first 310 cubic metres consumed or supplied, plus 101.58 cents per cubic metre for every cubic metre over the first 310 cubic metres that is consumed or supplied	1.0 (plus per cubic metre over 310m3)
Rural Extraordinary	Any rating unit in the rural ward (excluding Mowhanau, Putiki South, Fordell and airport water supplies) that is connected to the city water supply system.	Each financial year a dollar rate is calculated for each per separately used or inhabited part of a rating unit supplied, plus xxx cents per cubic metre for every cubic metre consumed or supplied in excess of the first 310 cubic metres.	0.7 (plus per cubic metre over 310m3)

City water firefighting

A targeted uniform rate for provision and maintenance of a water supply for firefighting on rating units within the urban boundary per the operative District Plan. Rate is based on the capital value of the rating unit.

Pākaraka (Maxwell) water supply rate

A differential targeted rate to meet the costs of the Pākaraka (Maxwell) water supply, as follows:

Differential	Definition	Indicative rate The indicative rates for each category can be found in the Funding Impact Statement for any specific year.
Residential	Any rating unit primarily used as a residence.	Each financial year a dollar rate is calculated for each per separately used or inhabited part of a rating unit in the 'residential' category connected to the Maxwell water system.
Dairy	Any rating unit primarily used as a dairy farm.	Each financial year a dollar rate is calculated for each per hectare on every rating unit in the 'dairy' category connected to the Maxwell water system
Rural	Any rating unit that is not primarily a residence or a dairy farm.	Each financial year a dollar rate is calculated for each per hectare on every rating unit within the 'rural' $16,545 category connected to the Maxwell water system.

Plus xxx cents per cubic metre of water supplied to every rating unit connected to the Maxwell water supply system. The indicative rates for each category can be found in the Funding Impact Statement for any specific year.

Westmere water supply (including water by meter)

A targeted rate to meet the cost of the Westmere water supply at an indicative rate of $xxx for the first 310 cubic metres of water supplied, plus xxx cents per cubic metre of water supplied in excess of 310 cubic metres to any rating unit connected to the Westmere water system.

Payment of metered water rates

Water meters are read on either a monthly or six-monthly basis. Payment is due on the 20th day of the month following the reading. An additional charge of 5% will be added to all metered water rates that remain unpaid on the date that is seven (7) days after the due date.

City wastewater

A differential targeted rate for the operations, maintenance and development of the city wastewater disposal system, assessed on rating units that are connected to the city wastewater disposal system, as follows:

Differential	**Definition**	**Indicative rate** The indicative rates for each category can be found in the Funding Impact Statement for any specific year.	**Differential Ratio**
Residential	All rating units where the land area is less than 30,000 square metres and the property is not used commercially. Commercial means: • All land used for any commercial or industrial purposes. • All land used by any government department or agency or local body agency. • All vacant land within the Whanganui District which is zoned for commercial or industrial purposes.	Each financial year a dollar rate is calculated for each separately used or inhabited part of a rating unit that is in the 'Residential' category and is connected to the city wastewater disposal system	1.0
Non-residential single pan	Any rating unit that is not residential and has a single pan	Each financial year a dollar rate is calculated for each separately used or inhabited part of a rating unit that is in the 'Non-residential single pan' category and is connected to the city wastewater disposal system	1.0
Non-residential multi pan	Any rating unit that is not residential and has more than one pan.	Each financial year a dollar rate is calculated for each pan that is in the "Non-residential multi pan" category and is connected to the city wastewater disposal system	0.5

The indicative rates for each category can be found in the Funding Impact Statement for any specific year.

For the avoidance of doubt:

- The city wastewater system includes Marybank
- Rating units that are not connected to the city wastewater disposal system are not assessed for this rate.

Mowhanau wastewater

A differential targeted rate to meet the costs of the Mowhanau wastewater disposal system, as follows:

Differential	**Indicative rate** The indicative rates for each category can be found in the Funding Impact Statement for any specific year.	**Differential Ratio**
Connected	Each financial year a dollar rate is calculated for each per separately used or inhabited part of a rating unit in the 'connected' category that is connected to the Mowhanau wastewater disposal system.	1
Serviceable	Each financial year a dollar rate is calculated for each separately used or inhabited part of a rating unit in the 'serviceable' category that is not connected but is practicably able to be connected to the Mowhanau wastewater disposal system.	0.5

The indicative rates for each category can be found in the Funding Impact Statement for any specific year.

Stormwater disposal

A differential targeted rate to meet the costs of the city stormwater disposal system, on the basis of the capital value of each rating unit that has a connection or for which connection is available. This charge will be set on a differential basis based on the availability of the service. The categories are 'connected', 'serviceable' and 'other'.

Differential	**Definition**	**Indicative rate** The indicative rates for each category can be found in the Funding Impact Statement for any specific year.	**Differential Ratio**
Connected	Any rating unit that is connected to the city stormwater disposal system	Each financial year a cents in the dollar rate is calculated on the capital value on every rating unit in the 'connected' category.	1
Serviceable	Any rating unit that is not connected but is practicably able to be connected and within 30 metres of the city stormwater disposal system, excluding Magnolia Crescent, Simon Street or Morrell Street.	Each financial year a cents in the dollar rate is calculated on the capital value on every rating unit in the 'serviceable' category.	0.75
Other	Any rating unit that is located in Magnolia Crescent, Simon Street or Morrell Street.	Each financial year a cents in the dollar rate is calculated on capital value on every rating unit in the 'other' category	0.75

The indicative rates for each category can be found in the Funding Impact Statement for any specific year.

Trade Waste Charges

Trade waste contributions to the city wastewater treatment plant upgrade

A targeted rate set on a differential basis to meet the marginal costs of increasing the scale of the upgraded city wastewater treatment plant to cater for large volume and load trade waste discharge. The rate is assessed on rating units operated as businesses that discharge more than 100m3 of trade waste per day through the city wastewater disposal system and predominantly located as follows:

Businesses discharging more than 100m3 of trade waste per day predominantly located at	**Indicative % of rate to be collected in the 2024/25 year**

57 Balgownie Ave, Whanganui	43.084%
325 Heads Road, Whanganui	26.226%
47 Bryce St, Whanganui	11.518%
241 Heads Rd, Whanganui	14.868%
49 Bryce St, Whanganui	4.304%
Total	**100%**

The indicative rates for each category can be found in the Funding Impact Statement for any specific year.

Trade waste fixed operating costs

A targeted rate assessed on rating units operated as businesses that discharge more than 100m3 of trade waste per day through the city wastewater disposal system to meet the fixed operating costs of the conveyance, treatment and disposal of large volume trade waste discharges. The rate is assessed as follows:

Indicative rate
$xxx per m3 average daily flow set via the discharge permit issued under Council's Trade Waste Bylaw 2018, plus
$xxx per kg average daily Chemical Oxygen Demand (COD) set via the discharge permit issued under Council's Trade Waste Bylaw 2018, plus
$xxx per kg average daily Total Suspended Solids (TSS) set via the discharge permit issued under Council's Trade Waste Bylaw 2018.

The indicative rates for each category can be found in the Funding Impact Statement for any specific year.

Tankered Waste fees and charges

For tankered waste discharged to the city wastewater system:

- $11.22 per m3 effluent discharged

Development Contributions

Development contributions are charged on activities that generate additional infrastructure demand, such as building a new dwelling, adding habitable rooms and/or increasing the number of users in an area. Charges depend on the location (catchment area) of the development and the cost of providing different types of infrastructure to that area. All development also pays a contribution towards the infrastructure required to support growth across the whole district.

The charges are calculated based on the following formula:

Additional units of demand x [district-wide development contribution rate + development contribution rate for catchment area of development] = development contribution payable

This is further broken down to Residential contributions and Non-residential contributions.

Residential contributions

The 'unit of demand' is the measure how much additional demand for infrastructure the development will create, and it is used to calculate the charges. For residential development, this is called a **'Housing Equivalent Unit' or HEU**. The unit of demand (HEU) is based on the number of bedrooms or 'habitable rooms' in the development.

The base assumption is each section has 4 bedrooms, with the number of HEU's based on the following:

Number of bedrooms	**Demand per HEU**
1-2 bedrooms	0.5 HEU

3-4 bedrooms	1 HEU
5 + bedrooms	0.25 HEU per bedroom

The number of HEU's will be multiplied by the relevant years' development contribution rates for each HEU, with rate below:

Category	**District Wide (applies to all developments)**
Community Infrastructure	$695
Transport	$4,921
City Water Supply	$644
Stormwater	$182
Wastewater	$2,154
Total	**$8,596**

All amounts are GST exclusive. For more information see Development contributions policy.

Non-Residential contributions

Non-residential developments may not conform with typical household demands for each type of service. Charges will depend on the location (catchment area) of the development and the cost of providing different types of infrastructure to that area. All development also pays a contribution towards the infrastructure required to support growth across the whole district.

Due to the bespoke nature of non-residential developments, an assessment and calculation will be made for each. Factors taken into consideration are the location (i.e. catchment area) and the cost of implementing services in location.

For more information see Development contributions policy

Other revenue sources

There are minor other revenue sources.

Contract revenue:

Minor revenue for installing, repairing or replacing existing connections. Normally the property owner will contract directly with a Council-approved contractor to deliver this service, however some owners opt to use Council directly. This work is done on a cost recovery basis.

Subsidies and grants

Council sometimes receives subsidies or grants for development or growth capital works, which is ring-fenced to fund the relevant work. Council does not receive any operating grants or subsidies in the 3 water activities.

There is no proposed change to these charging mechanisms. The development contribution policy has been revised alongside the most recent LTP to apply to the whole district and better attribute the costs related to growth.

As the largest component of the current water services revenue is collected via targeted rates there is already a requirement that this revenue is ringfenced for the purpose of that specific activity. Whanganui has separate accounts for the three waters, which can be separated from the rest of the Council's business to ensure compliance with ring-fencing requirements. This will continue to occur during the first financial year (2026/27), when Council will collect rates on behalf of the WS-CCO. The only exceptions are corporate overheads, such as Finance, IT and HR support. These are allocated on a pro-rata basis, with the three waters total operating expenditure being the numerator.

Following the transition period, water charges will be charged and collected directly by the WS-CCO meaning that there will be complete separation from the other functions and activities of Council. Once the revenue is collected by the WS-CCO the revenue separation will be done at water level so that each revenue has its ringfenced revenue.

Similarly, Development Contributions are currently required to be ringfenced for the benefit of the activity for which they have been charged and collected. This will continue to be how they are administered across all three waters.

Water services revenue requirements and sources

The main source of revenue for 3 water services are rates, with a smaller proportion made up of fees and charges (mostly trade waste and metered water), minor contract revenue and development contributions. The table below is an extract of the sources of Operating and Capital funding from the Funding Impact Statement for the WS-CCO for Whanganui District only. It outlines the revenue requirements for each of the 3 water activities.

3 Water Group (Water, Wastewater and Stormwater) for Whanganui District

Sources of operating funding	**LTP Yr1**	**LTP Yr2**	**LTP Yr3**	**LTP Yr4**	**LTP Yr5**	**LTP Yr6**	**LTP Yr7**	**LTP Yr8**	**LTP Yr9**	**LTP Yr10**
General rates, uniform annual general charges, rates penalties	303	458	494	341	368	418	428	475	520	544
Targeted rates	28,073	29,880	32,133	35,079	35,994	36,643	37,933	41,329	42,447	43,983
Fees and charges	106	166	234	304	372	441	508	577	644	711
Local authorities fuel tax, fines, infringement fees and other receipts	1,182	1,182	1,182	1,182	1,182	1,182	1,182	1,182	1,182	1,182
Total operating funding	29,664	31,686	34,043	36,906	37,917	38,684	40,051	43,562	44,793	46,420

Sources of capital funding	**LTP Yr1**	**LTP Yr2**	**LTP Yr3**	**LTP Yr4**	**LTP Yr5**	**LTP Yr6**	**LTP Yr7**	**LTP Yr8**	**LTP Yr9**	**LTP Yr10**
Development and financial contributions	420	420	420	420	420	420	420	420	420	420
Increase (decrease) in debt	5,241	9,550	9,470	3,721	3,745	1,569	1,916	-5,901	-9,794	-9,243
Other dedicated capital funding	27	27	27	27	27	27	27	27	27	27
Total capital funding	5,688	9,996	9,917	4,167	4,192	2,015	2,362	-5,455	-9,348	-8,797

Water Supply

Sources of operating funding	**LTP Yr1**	**LTP Yr2**	**LTP Yr3**	**LTP Yr4**	**LTP Yr5**	**LTP Yr6**	**LTP Yr7**	**LTP Yr8**	**LTP Yr9**	**LTP Yr10**
General rates, uniform annual general charges, rates penalties										
Targeted rates	8,604	8,723	9,211	9,751	9,664	9,496	9,790	10,732	10,529	10,851
Fees and charges	22	35	51	66	83	101	116	135	150	169
Local authorities fuel tax, fines, infringement fees and other receipts	82	81	82	82	82	82	82	81	82	82
Total operating funding	8,708	8,839	9,343	9,899	9,828	9,679	9,988	10,948	10,761	11,101

Sources of capital funding	**LTP Yr1**	**LTP Yr2**	**LTP Yr3**	**LTP Yr4**	**LTP Yr5**	**LTP Yr6**	**LTP Yr7**	**LTP Yr8**	**LTP Yr9**	**LTP Yr10**
Development and financial contributions	30	30	30	30	30	30	30	30	30	30

Increase (decrease) in debt	860	3,358	1,236	-51	-365	-800	-208	-1,762	-1,690	14
Other dedicated capital funding	27	27	27	27	27	27	27	27	27	27
Total capital funding	917	3,415	1,292	5	-309	-743	-152	-1,705	-1,633	70

Wastewater

Sources of operating funding	**LTP Yr1**	**LTP Yr2**	**LTP Yr3**	**LTP Yr4**	**LTP Yr5**	**LTP Yr6**	**LTP Yr7**	**LTP Yr8**	**LTP Yr9**	**LTP Yr10**
General rates, uniform annual general charges, rates penalties										
Targeted rates	13,549	14,781	15,944	17,181	18,157	18,809	19,712	20,473	20,989	21,450
Fees and charges	84	131	183	238	289	340	392	442	494	542
Local authorities fuel tax, fines, infringement fees and other receipts	1,100	1,101	1,100	1,100	1,100	1,100	1,100	1,101	1,100	1,100
Total operating funding	14,733	16,013	17,228	18,519	19,547	20,249	21,204	22,015	22,583	23,092

Sources of capital funding	**LTP Yr1**	**LTP Yr2**	**LTP Yr3**	**LTP Yr4**	**LTP Yr5**	**LTP Yr6**	**LTP Yr7**	**LTP Yr8**	**LTP Yr9**	**LTP Yr10**
Development and financial contributions	110	110	110	110	110	110	110	110	110	110
Increase (decrease) in debt	2,117	4,975	6,930	2,042	1,850	975	2,819	-1,925	-4,973	-5,272
Other dedicated capital funding										
Total capital funding	2,227	5,085	7,041	2,152	1,960	1,084	2,929	-1,816	-4,863	-5,162

Stormwater

Sources of operating funding	**LTP Yr1**	**LTP Yr2**	**LTP Yr3**	**LTP Yr4**	**LTP Yr5**	**LTP Yr6**	**LTP Yr7**	**LTP Yr8**	**LTP Yr9**	**LTP Yr10**
General rates, uniform annual general charges, rates penalties	303	458	494	341	368	418	428	475	520	544
Targeted rates	5,920	6,376	6,978	8,147	8,173	8,338	8,432	10,124	10,928	11,683
Fees and charges										
Local authorities fuel tax, fines, infringement fees and other receipts										
Total operating funding	6,223	6,834	7,472	8,488	8,542	8,756	8,860	10,599	11,449	12,227

Sources of capital funding	**LTP Yr1**	**LTP Yr2**	**LTP Yr3**	**LTP Yr4**	**LTP Yr5**	**LTP Yr6**	**LTP Yr7**	**LTP Yr8**	**LTP Yr9**	**LTP Yr10**
Development and financial contributions	280	280	280	280	280	280	280	280	280	280

Increase (decrease) in debt	2,262	1,217	1,306	1,731	2,262	1,397	-690	-2,210	-3,127	-3,981
Other dedicated capital funding										
Total capital funding	2,542	1,497	1,586	2,011	2,542	1,678	-411	-1,930	-2,847	-3,701

For further details on the specific rates and/or charges, see Charging and billing arrangements section above. This outlines the various rates and charges for each of 3 water activities.

General and Targeted rates revenue are currently collected by Council. These are due in quarterly instalment, however there is provision for payments plans.

Trade waste and Metered water are invoiced quarterly, with collection enforced through collection agencies (if needed). For further details on the charging and collection methodology, see 'Payment of Water rates' and 'Trade Waste charges' under the Charging and Billing arrangements section above.

As the district grows and land development and subdivisions occur, developers construct new assets to service development or replace existing assets with greater capacity. Once constructed and commissioned, these assets vest to Council to own and maintain through the process applied as part of section 224(c) of the RMA. This increases Council's asset holding and value but also carries a liability of operating and renewal costs. The WS-CCO will also receive assets vesting under consents granted prior to the establishment of the WS-CCO and asset transfer, and future development required to satisfy the necessary conditions of development and connection to the drinking water, wastewater and stormwater networks. Development Contributions and contracted works are invoiced as they come due, usually by agreement prior to work commencing.

Existing and projected commercial and industrial users' charges

In addition to general rates, commercial and industrial users are charged trade waste charges and metered water supply. Trade waste charges are discussed above under the heading Trade Waste Charges.

City water supply (including water by meter)

A differential targeted rate for city water supply, which includes the city, Mowhanau, Putiki South, Fordell and Airport water supplies. A differential is applied based on the categories in the table below:

Differential	**Definition**	**Indicative rate**	**Differential Ratio**
Metered Supply	Any rating unit that is not 'rural extraordinary' and that has a connection greater than the equivalent of 20mm MDPE pipe to the city water supply system.	$xxx for part of or the whole first 310 cubic metres consumed or supplied, plus 101.58 cents per cubic metre for every cubic metre over the first 310 cubic metres that is consumed or supplied	1.0 (plus per cubic metre over 310m3)
Rural Extraordinary	Any rating unit in the rural ward (excluding Mowhanau, Putiki South, Fordell and airport water supplies) that is connected to the city water supply system.	$xxx per separately used or inhabited part of a rating unit supplied, plus xxx cents per cubic metre for every cubic metre consumed or supplied in excess of the first 310 cubic metres.	0.7 (plus per cubic metre over 310m3)

The indicative rates for each category can be found in the Funding Impact Statement for any specific year.

Water meters are read on either a monthly or six-monthly basis. Payment is due on the 20th day of the month following the reading. An additional charge of 5% will be added to all metered water rates that remain unpaid on the date that is seven (7) days after the due date.

The rates and charges per individual user is published annually in the Funding Impact Statement of the relevant Annual Plan/Long Term Plan. The charges for 2024/25 are shown above.

Projected revenue from Trade waste charges for the LTP 2024/34 is outlined below (all amounts are in $,000s and GST exclusive).

LTP Yr1	LTP Yr2	LTP Yr3	LTP Yr4	LTP Yr5	LTP Yr6	LTP Yr7	LTP Yr8	LTP Yr9	LTP Yr10
1,552	1,552	1,552	1,552	1,552	1,552	1,552	1,552	1,552	1,552

This has been assumed to be consistent for the WS-CCO as these are charges agreed with various trade waste users per contract.

The affordability of projected water services charges for the Whanganui community

Throughout the process of consulting and establishing the WS-CCO the impact on ratepayers has been a core consideration. This has included consideration of the ability to borrow more to maintain the level of service of our water activities, without detracting from other activities of the Council. This will enable the WS-CCO to invest heavily in three waters services to ensure we continue to meet future regulatory requirements without a significant impact on the current level of rates for the ratepayers particularly in the current economic environment. It should also be recognised that the short-term additional cost to the ratepayer will provide benefit through smaller required rates increases in the future.

The table below outlines the average cost per connection for three water services and as a percentage of median household income, per the LTP 2024/34. All amounts are GST inclusive.

	LTP Yr1	LTP Yr2	LTP Yr3	LTP Yr4	LTP Yr5	LTP Yr6	LTP Yr7	LTP Yr8	LTP Yr9	LTP Yr10
Average cost per connection	1,825	1,939	2,094	2,223	2,319	2,425	2,532	2,765	2,865	2,990
As % of median household income	2.20%	2.27%	2.38%	2.46%	2.49%	2.53%	2.56%	2.72%	2.73%	2.77%

The values above are the arithmetic mean of the total cost to deliver three water services, divided by the number of connections. The actual amount charged to a residential property connected to three water services will be different, due to factors such as differentials, the inclusion of trade waste and metered charges, etc.

The Funding Impact Statement of each Annual Plan/Long Term Plan will outline the charges for each of the three water services. For the 2024/25 year, the charge for the average residential household connected to three water services and a capital value of $440,000 is $1,404 (GST inclusive), equivalent to 1.7% of median household income.

Funding and financing arrangements – Ruapehu District

Water services financing requirements and sources

PROJECTED BORROWING OVER THE 10 YEARS TO DELIVER THE LEVEL OF INVESTMENT REQUIRED

The new borrowing over the 10-year period is $26.634 million, which will fund $55.958 million of new capital works detailed below per the Long Term Plan 2024/34.

Borrowing requirements	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34	Total
Capital expenditure	6,512	2,682	2,986	6,036	9,721	6,196	6,046	5,561	5,050	5,168	55,958

Less: capital revenues	(112)	(112)	(112)	(112)	(112)	(112)	(112)	(112)	(112)	(112)	(1,120)
Plus: movements in workings capital (one off)	0	0	0	0	0	0	0	0	40	0	40
Less: funded depreciation	(1,347)	(1,488)	(1,934)	(2,298)	(2,624)	(2,589)	(3,369)	(3,550)	(3,971)	(5,074)	(28,244)
Total borrowing requirement	5,053	1,082	940	3,626	6,985	3,495	2,565	1,899	1,007	(18)	26,634

MINIMUM CASH AND WORKING CAPITAL REQUIREMENTS (for the sustainable delivery of water services)

Statement of cashflows ($000)	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Cashflows from operating activities										
Cash surplus / (deficit) from operations	1,459	1,600	2,046	3,226	3,455	3,316	3,698	3,747	4,426	5,200
Net cashflows from operating activities	1,459	1,600	2,046	3,226	3,455	3,316	3,698	3,747	4,426	5,200
Cashflows from investment activities										
Capital expenditure	(6,512)	(2,682)	(2,986)	(6,036)	(9,721)	(6,196)	(6,046)	(5,561)	(5,050)	(5,168)
Net cashflows from investment activities	(6,512)	(2,682)	(2,986)	(6,036)	(9,721)	(6,196)	(6,046)	(5,561)	(5,050)	(5,168)
Cashflows from financing activities										
New borrowings	5,053	1,082	940	3,626	6,985	3,495	2,565	1,899	1,007	(18)
Net cashflows from financing activities	5,053	1,082	940	3,626	6,985	3,495	2,565	1,899	1,007	(18)
Net increase/(decrease) in cash and cash equivalents	0	0	0	816	719	615	217	85	383	14
Cash and cash equivalents at beginning of year	0	0	0	0	816	1,535	2,150	2,367	2,452	2,836
Cash and cash equivalents at end of year	0	0	0	816	1,535	2,150	2,367	2,452	2,836	2,849

BORROWING LIMITS FOR ALL COUNCIL BUSINESS

The LGFA borrowing limit for the entire Council is 175% of the debt-to-revenue ratio. The Council operates and plans to continue operating within a self-imposed debt limit of two times the rates revenue, which is lower than the LGFA borrowing limit as highlighted in the table below. The Council's debt-to-operating revenue ratio ranges between 115% and 137%, which is well below the 175% limit. Once the three waters are "removed" from Council, the net debt to operating revenue drops to between 44% and 61%, corresponding to a debt headroom of between $27 million and $40 million.

Council net debt to operating revenue ($k)	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Operating revenue	43,693	49,713	55,051	55,733	58,124	60,517	63,015	65,595	68,265	71,044
Net debt (excluding cash)	59,860	61,496	63,376	69,739	77,773	82,988	84,040	83,502	82,476	83,158
Net debt to operating revenue	137.0%	123.7%	115.1%	125.1%	133.8%	137.1%	133.4%	127.3%	120.8%	117.1%

Council net debt to operating revenue excluding three waters ($k)	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Operating revenue	34,247	39,844	44,378	43,737	45,361	47,206	49,088	51,261	52,813	54,714
Net debt (excluding cash)	19,502	20,056	20,996	24,549	26,317	28,652	27,356	25,004	23,355	24,068
Net debt to operating revenue	56.9%	50.3%	47.3%	56.1%	58.0%	60.7%	55.7%	48.8%	44.2%	44.0%
Debt headroom created from excluding three waters	27,417	29,232	30,093	30,180	34,379	36,082	38,110	40,251	40,452	39,975

Council net debt to operating revenue excluding two waters ($k)	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Operating revenue	35,288	40,917	45,526	44,937	46,621	48,542	50,452	52,675	54,303	56,237
Net debt (excluding cash)	20,440	20,882	21,692	25,465	27,448	30,010	28,929	26,469	24,699	25,246
Net debt to operating revenue	57.9%	51.0%	47.6%	56.7%	58.9%	61.8%	57.3%	50.2%	45.5%	44.9%
Debt headroom created from excluding two waters	27,905	29,733	30,719	30,765	34,933	36,556	38,356	40,586	40,908	40,580

Consequently, the borrowing for the rest of the Council, excluding three water activities, is within its borrowing limits.

BORROWING LIMITS FOR WATER SERVICE

Although the accounts associated with the three water activities are ring-fenced from the rest of the Council, initially, until the new two council WS-CCO is established, the borrowing limits for three waters are part of the Council's total business. This has resulted in the debt-to-revenue ratio for three water activities, considered individually, exceeding the LGFA 175% debt-to-revenue limit. Consequently, modelling the non-preferred stand-alone WS options, namely either a standalone business unit or a standalone WS-CCO, required a significant increase in 2027/28 for these options to achieve financial sustainability by 30 June 2028. If the Ruapehu District Council were to go it alone, it would need to more than double the water charges from 2026/27 to 2027/28 in response to capital projects already undertaken to date.

The details below indicate that the Ruapehu District Council could achieve the necessary net debt-to-operating revenue ratio, provided it joins the two council WS-CCOs and consequently increases the debt-to-revenue limit to the initially indicated 500%.

Debt to revenue by water service ($k)	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Drinking water - operating revenue	5,588	5,806	6,269	7,353	7,722	7,921	8,114	8,239	8,962	9,366
Drinking water - net debt	27,538	26,779	27,349	28,099	30,411	30,871	31,299	31,570	31,406	30,914
Drinking water - net debt to operating revenue %	493%	461%	436%	382%	394%	390%	386%	383%	350%	330%
Wastewater - operating revenue	2,817	2,990	3,256	3,443	3,781	4,054	4,449	4,681	5,000	5,441
Wastewater - net debt	11,882	13,835	14,335	16,175	19,914	22,107	23,812	25,463	26,371	26,998
Wastewater - net debt to operating revenue %	422%	463%	440%	470%	527%	545%	535%	544%	527%	496%
Stormwater - operating revenue	1,041	1,073	1,148	1,200	1,260	1,336	1,364	1,414	1,490	1,523
Stormwater - net debt	938	826	696	916	1,131	1,358	1,573	1,465	1,344	1,178
Stormwater - net debt to operating revenue %	90%	77%	61%	76%	90%	102%	115%	104%	90%	77%
Three Waters - net debt to operating revenue %	427%	420%	397%	377%	403%	408%	407%	408%	383%	362%
Two Waters - net debt to operating revenue %	469%	462%	438%	410%	437%	442%	439%	441%	414%	391%

Consequently, once the Ruapehu District's water services are transferred to the two council WS-CCO, the debt would be within the initially indicated 500% of revenue borrowing limits of the new WS-CCO.

FINANCIAL STRATEGY - SUMMARY

This Ruapehu District Council Financial Strategy outlines the council's current position, future direction, and plan to achieve that goal for the Council, including three water services. This strategy sets the direction of the three water service activities.

The key strategic challenge facing the Ruapehu District Council is affordability. The council has managed key infrastructure assets within financial constraints for several years. However, costs have significantly increased since the previous LTP, further constraining the work that can be done with existing funding levels.

The Council has previously had two key limits to operate within. First, the total debt will be less than twice the value of the rate's revenue. This limit is forecasted to be exceeded in the first year of the Long-Term Plan (LTP), but it will then come back under the limit. The second is a limit on rate increases, currently set at 2% plus the Local Government Cost Index (LGCI). The Ruapehu District Council is proposing to increase this limit to 3%. Council will still exceed that limit in the first 3 years of the LTP.

The Council must also be mindful of the debt servicing benchmark, part of the financial prudence regulations. This benchmark states that borrowing costs for the year must be less than 10% of revenue.

The Council has taken a prudent approach to keeping debt levels within the financial benchmarks. This ensured that the ten-year investment programmes were affordable for our community. However, in doing so, some of our drinking water treatment plants had not met drinking water standards. Significant investment was necessary to improve wastewater treatment quality and minimise the impact of overflows on the environment.

In recent years, the council has invested significantly in the three waters to ensure that we are meeting our legislative, regulatory, and environmental obligations to our community and key stakeholders. Previously, it was assumed that we would receive a payment from the central government to repay the debt raised for this, but after the recent announcement on local water done well, this is unlikely to happen.

As part of our financial strategy, the Council will continue to pursue all available opportunities to receive grant funding, thereby minimising the burden on ratepayers. Where grant funding is not forthcoming, the Council will seek to actively manage the scope and timing of investment to minimise the debt burden on ratepayers to the extent possible while still meeting regulatory and legislative requirements.

This financial strategy outlines how the Council will fund its services and activities prudently and sustainably, benefiting current and future residents.

The main challenges will be:

• Managing the trade-off between rates and services

• Managing the balance between debt and rates, hence causing and resulting in the trade-off between generations

• Securing appropriate subsidies.

We believe that our modelling has produced the best outcome we can achieve within the current environment while still delivering our key investment priorities and maintaining service levels for our communities. The Council must maintain a prudent approach to debt and rates to ensure affordability for current and future generations.

Breakdown of forecast capital expenditure by activity and capital expenditure driver

10-year Forecast CAPEX Spend ($000)				
	Growth	**Level of Service**	**Renewal**	**Total**
Water supply	0	6,217	20,754	26,971
Wastewater	856	6,141	19,401	26,397
Stormwater	0	0	2,590	2,590

The “Revenue and Financing Policy 2024” outlines the policies for funding capital expenditures from various sources, including the replacement of significant assets. The costs associated with the upgrades required to enable the Council’s water assets to become compliant with current legislative requirements will necessitate significant future investment. Water services also need to become financially sustainable under future Local Water Done Well legislation.

Water services financing requirements and sources are detailed in the Revenue and Financing Policy 2024 and Long-Term Plan 2024-2034.

Specifically, it is stated that

“6.7.6 User Funding

Council determined that following activities will be funded by the user, because the benefit is considered to be solely or primarily private.

6.7.6.1 Water supply

6.7.6.2 Wastewater

……

6.7.9 The following activity is funded by a mix of the General Rates/UAGC and a Targeted Rate on Urban properties, as Council considers that there is more benefit to urban properties, but all properties benefit to some extent.

6.7.9.1 Stormwater and flood protection."

The expected tenor of new borrowings, how the interest rate and refinance risk will be managed, and the debt repayment strategy.

Currently, and up to 30 June 2027, interest rates, refinancing risks, and debt repayment strategy are as detailed in the Ruapehu District Council Financial Strategy. Eventually, after the creation of the WS-CCO, these will be determined by the new WS-CCO. Over the transition period, there will be a transition from the existing Financial Strategy to the new one established by the WS-CCO during 2027/28 prior to the 30 June 2028 government deadline.

Internal borrowing arrangements

Council has no internal borrowings, defined as per clause 27 of schedule 10 in the Local Government Act 2002. Council is keeping track of internal movement of funds, but these do not qualify as internal borrowings under this provision.

It is proposed that all water, wastewater and stormwater assets, including physical assets (both above ground and below ground), essential land (i.e. the land on which water treatment plants, water reservoirs, pumpstations and wastewater treatment plants are located upon and which are not used for any other purpose) and easements associated with the physical assets, any associated leases or agreements with neighbours, any debt associated with these assets, any depreciation reserves associated with these assets, and any income derived from the water and wastewater services, will be transferred to the new WS-CCO on or before 1 July 2027.

The Council can provide a service to the WS-CCO by undertaking billing on behalf of the WS-CCO for a period until the WS-CCO can provide these services directly. All revenue collected will be passed onto the WS-CCO, less reasonable costs incurred by the Council. In addition to the invoicing and revenue collection, the Council can provide other services to the WS-CCO for a period until the WS-CCO can provide these services. Details of these arrangements will be finalised between the Council and the WS-CCO.

From 1 July 2027, all borrowing decisions and arrangements will be the responsibility of the WS-CCO. This is ahead of 30 June 2028, the date referred to above.

The Council has separate accounts for the three waters, which can be separated from the rest of the Council's business to ensure compliance with ring-fencing requirements.

Determination of debt attributed to water services

Debt associated with Three Waters can be linked to specific projects. The debt allocated to water services on 30 June 2024 is part of the Long-Term Plan, which has been externally audited. A copy of the Audit Opinion can be provided. The value of water services borrowing and net debt to operating revenue, as of 30 June 2024, is calculated based on work undertaken by the Department of Internal Affairs using the Council's audited accounts. Audit New Zealand, Hamilton Office, undertook the Audit.

Total value of water services borrowings and the net debt to operating revenue calculation on 30 June 2024.

	3 Waters	Council Incl Waters
Revenue	8,381,000	43,692,000
Debt	35,304,000	59,462,000
Debt as % of Revenue	421%	136%

Insurance arrangements

The Ruapehu District Council insurance period runs from 1 November to 31 October each year.

Until 30 June 2027, the Ruapehu District Council will own and insure the assets. From 1 July 2027, the two council WS-CCO will own and, therefore, need to insure the three water assets.

Currently, the Ruapehu District Council is insured as part of the MWLASS mutual coverage, and therefore, some caps are joint. For example, Infrastructure (underground assets) coverage has a joint total liability, and RDC has a sub-limit. This will continue with the WS-CCO as all two councils are part of MWLASS.

These insurance policies were assessed at the Council's last renewal, and the stop-loss limit was increased accordingly.

The Ruapehu District Council has separate coverage for above- and below-ground assets, reviewing premiums, excess levels, risk of events, and risk appetite on an annual basis.

Ruapehu District Council utilises the data stored in AssetFinda to evaluate the value of its water infrastructure. AssetFinda data is updated when any new projects are completed and is revalued annually. Central Govt covers 60% of the loss. Therefore, the Ruapehu District Council is accountable for the remaining 40%. For Material Damage & Business Interruption, Ruapehu District Council has 100% coverage for all assets listed in the schedule, including water above-ground assets and water assets on/crossing bridges

Ruapehu District Council assets are reviewed and revalued as part of the annual report process, and this data is used for insurance purposes

The Ruapehu District Council carried out an insurable risk profile exercise a couple of years ago. This addresses their appetite for risk related to loss of infrastructure, material damage, and business interruption across all our asset and insurance types. Every year, the Ruapehu District Council receives a scorecard from its insurer.

Disaster response is documented in the LTP, with KPIs focused on in-house capability and building greater resilience within the community. The Ruapehu District Council is in the early stages of reviewing its disaster risk management, which will need to be updated by the new CDEM manager.

Delegations are as per the Delegations Register. The below are CE delegations, though the Executive Manager – Finance, Strategy & Governance manages the process. Reporting to the Risk & Assurance Committee with an independent Chairperson.

5.	Power to act as a representative of Council and authority to act on behalf of Council with respect to managing the procurement of insurance.
6.	Authority to execute insurance declarations on behalf of Council, subject to the limits of the financial delegation to the position.
7.	Authority to negotiate contracts with Council's insurers and approve claims.

Funding and financing arrangements – Whanganui District

Water services financing requirements and sources

The net debt movement over the LTP 2024/34 period is an increase of $5,032,000. The table below outlines the projected borrowing for the WS-CCO the 3 waters group (Water, Wastewater and Stormwater). All amounts in $,000's.

Combined WS-CCO Borrowings	**LTP Yr1**	**LTP Yr2**	**LTP Yr3**	**LTP Yr4**	**LTP Yr5**	**LTP Yr6**	**LTP Yr7**	**LTP Yr8**	**LTP Yr9**	**LTP Yr10**

Net Loan Movement	10,294	11,539	11,265	8,205	15,288	16,337	15,578	6,944	2,019	1,537
Debt Balance	144,555	156,094	167,359	175,564	190,852	207,189	222,767	229,711	231,731	233,268

The majority of the borrowing is driven by capital expenditure to increase levels of service (acquisitions) and maintain levels of service (renewals). See table below for breakdown of annual capital expenditure for 3 waters group for Whanganui District per the Long Term Plan 2024/34.

Capital Expenditure	**LTP Yr1**	**LTP Yr2**	**LTP Yr3**	**LTP Yr4**	**LTP Yr5**	**LTP Yr6**	**LTP Yr7**	**LTP Yr8**	**LTP Yr9**	**LTP Yr10**
Growth	3,972	2,424	2,584	5,048	4,013	2,815	2,492	2,507	-	-
Acquisitions	4,278	9,972	11,693	8,380	10,219	9,820	11,666	7,040	6,621	7,635
Renewals	4,089	3,641	3,819	4,147	4,264	4,370	4,788	4,754	5,037	6,581
	12,339	16,036	18,096	17,575	18,497	17,005	18,945	14,302	11,658	14,217

The following guidelines are applied to provide appropriate levels of liquidity at all times:

- Cash flow forecasts are produced to assist in the matching of operational and capital expenditure to revenue streams and borrowing requirements
- Council maintains its financial investments in liquid instruments
- Council ensures that where Council-created investment reserves are maintained in liquid financial investments to repay borrowing, these investments are held for maturities not exceeding the relevant borrowing repayment date
- To minimise the impact of unexpected cash surpluses, Council may repay outstanding borrowings to benefit from the efficiencies of a committed cash advance facility
- External debt and committed available debt facilities together with cash or near cash financial investments are maintained at an amount of at least 110% over the existing external debt
- The Chief Executive or delegate has the discretionary authority to re-finance existing debt on more favourable terms. Such action is to be reported and ratified by Council at the earliest opportunity
- Council has the ability to pre-fund up to 18 months of forecast debt requirements including re-financings of existing debt.

This allows Council to maintain sufficient liquidity and capacity to fund operations.

Council manages borrowing per the Liability Management Policy. Within the policy there are 4 ratio measures on debt limits. The limits are self-imposed and lower than statutory or legal limits (e.g. LGFA debt covenant).

Ratio	**Limit per WDC Liability Management Policy**	**Limit for externally credit rated Council per LGFA covenants**
Net debt as a percentage of total revenue	<200%	<280%
Net interest as a percentage of total revenue	<15%	<20%
Net interest as a percentage of annual rates	<20%	<30%
Liquidity (external debt + available committed bank facilities +cash or near cash financial investments, to existing external debt)	>110%	>110%

The limits are self-imposed and lower than statutory or legal limits, as can be seen when compared to LGFA limits for an externally credit rated Councils such as Whanganui District Council as per the Long Term Plan 2024/34. The table below shows the ratios. All amounts are in $,000's.

Whole of Council

Council	LTP Yr1	LTP Yr2	LTP Yr3	LTP Yr4	LTP Yr5	LTP Yr6	LTP Yr7	LTP Yr8	LTP Yr9	LTP Yr10
Net Debt	198,569	221,220	232,676	238,308	251,405	268,914	274,196	258,766	249,807	230,614
Total Revenue	115,707	129,855	138,508	142,661	167,071	172,863	157,556	165,889	169,700	174,824
Net debt as a percentage of total revenue <200%	172%	170%	168%	167%	150%	156%	174%	156%	147%	132%
Debt Limit - 200%	231,415	259,710	277,016	285,322	334,142	345,726	315,112	331,779	339,400	349,647
Debt Limit - LGFA 280% limit	323,981	363,594	387,823	399,451	467,799	484,016	441,157	464,491	475,160	489,506
Net Interest	10,150	10,714	11,557	11,987	12,465	13,060	13,461	13,226	12,637	11,954
Net interest as a percentage of total revenue <15%	9%	8%	8%	8%	7%	8%	9%	8%	7%	7%
Interest limit - 15%	17,356	19,478	20,776	21,399	25,061	25,929	23,633	24,883	25,455	26,224
Interest limit - 20% LGFA limit	23,141	25,971	27,702	28,532	33,414	34,573	31,511	33,178	33,940	34,965
Annual rates	85,501	91,627	98,110	104,178	107,534	111,640	115,671	120,066	122,319	125,783
Net interest as a percentage of annual rates <20%	12%	12%	12%	12%	12%	12%	12%	11%	10%	10%
Interest limit - 20%	17,100	18,325	19,622	20,836	21,507	22,328	23,134	24,013	24,464	25,157
Interest limit - 30% LGFA limit	25,650	27,488	29,433	31,253	32,260	33,492	34,701	36,020	36,696	37,735

Council remains comfortably withing the self-imposed limits, with headroom available to take on more debt or absorb higher interest rates. Compared to the LGFA measures, Council has significant headroom in all measures.

3 Waters Group

3 Waters	LTP Yr1	LTP Yr2	LTP Yr3	LTP Yr4	LTP Yr5	LTP Yr6	LTP Yr7	LTP Yr8	LTP Yr9	LTP Yr10
Net Debt	104,197	111,254	118,492	123,773	128,923	131,272	134,135	128,592	118,613	108,865
Total Revenue	31,468	33,442	36,121	38,348	39,990	41,829	43,668	47,682	49,416	51,560
Net debt as a percentage of total revenue <200%	331%	333%	328%	323%	322%	314%	307%	270%	240%	211%
Debt Limit - 200%	62,936	66,885	72,241	76,696	79,979	83,658	87,335	95,363	98,832	103,121
Debt Limit - LGFA 280% limit	88,110	93,639	101,138	107,375	111,971	117,121	122,269	133,508	138,365	144,369
Net Interest	5,322	5,311	5,661	5,965	6,224	6,416	6,551	6,489	6,105	5,617
Net interest as a percentage of total revenue <15%	17%	16%	16%	16%	16%	15%	15%	14%	12%	11%
Interest limit - 15%	4,720	5,016	5,418	5,752	5,998	6,274	6,550	7,152	7,412	7,734
Interest limit - 20% LGFA limit	6,294	6,688	7,224	7,670	7,998	8,366	8,734	9,536	9,883	10,312
Annual rates	28,304	30,217	32,827	34,984	36,557	38,326	40,097	44,041	45,709	47,784
Net interest as a percentage of annual rates <20%	19%	18%	17%	17%	17%	17%	16%	15%	13%	12%
Interest limit - 20%	5,661	6,043	6,565	6,997	7,311	7,665	8,019	8,808	9,142	9,557
Interest limit - 30% LGFA limit	8,491	9,065	9,848	10,495	10,967	11,498	12,029	13,212	13,713	14,335

The 3 Waters Group do not meet the following ratios:

- Net debt as a percentage of total revenue peaks at 333% in year 2, decreases after and becomes compliant with the LGFA limit (280%) in year 8. It exceeds Councils self-imposed limit (200%) in all years.
- Net interest as a percentage of total revenue peaks at 17% in year 1, decreases after and becomes compliant with Councils self-imposed limit (15%) in year 6. It is within the LGFA limits (20%) for all years.

The 3 Waters Group is reliant on the whole of Council to retain sufficient debt capacity to fund planned works. If 3 Waters were transferred to a separate entity, it would require higher debt limits to access the funding required.

Whanganui District Council's Financial Strategy broadly separates funding based on the nature of expenditure:

Type of expenditure	Source of funding	Reason
Capital Expenditure – Meet additional demand (growth) and improve level of service (acquisitions)	Development Contributions	Funding contribution by those who benefit most from growth or an increase LOS (developers and/or owners)
	Loans (debt funded)	Maintain intergenerational equity, as future generations will also enjoy the benefits
	Subsidies/grants (where available)	Utilise external funding where available
Capital Expenditure – replace existing assets (renewals)	Rates	WDC does not maintain depreciation reserves, opting instead to fund renewals directly from rates. Due to the size of the asset base, a sufficient portion is renewed each year to avoid significant spikes in expenditure and smooth the funding requirement.
	Subsidies/grants (where available)	Utilise external funding where available
Operational Expenditure – maintenance, etc	Rates	Current users pay for the benefits they enjoy in the current year, as well as steward the assets for future users.
	Fees and charges	Application of user pays principle, where the benefits are enjoyed by the user and the cost can be reliably measured.
	Subsidies/grants (where available)	Utilise external funding where available

All activities are budgeted to be cost neutral (planned revenue matches planned expenditure, including any planned debt movement). If at year end there is a variance to budget, a surplus is used to repay debt within the activity while a deficit is funded by drawing more debt.

Whanganui District Council policy is to repay loans over the lesser of asset life or 25 years. All debt is managed by the central treasury function, with debt being consolidated at a Council level and managed as a whole. Internal borrowing is utilised to allocate the interest and debt repayments to each relevant activity, based on each activity's debt balance.

Interest and refinance risk is managed by the treasury function through the following methods:

- The ability to borrow through a variety of market mechanisms including the issue of local authority stock and debentures, direct bank borrowing, accessing the short-term and long-term wholesale and retail capital markets directly or indirectly (e.g. LGFA). Council may also use internal funds as a borrowing mechanism.
- Maintaining a balance of variable/floating interest rates and hedged/fixed interest rates.

Interest rate risk is managed by using instruments that allow the re-profiling of the portfolios. This includes:

- Adjusting the average maturity of fixed rate borrowings, thereby managing interest rate risk within the confines of liquidity management

- Using instruments to convert fixed rate borrowing into floating rate, floating rate borrowing into fixed or hedged borrowing.
- Using instruments to hedge market interest rate re-pricing risk on existing and new debt.

These interest rate risk management instruments include:

- Interest rate swaps including forward start swaps, and swap restructures
- Forward rate agreements on bank bills and government bonds
- Interest rate options on approved underlying instruments e.g. on interest rate swaps (purchased swaptions and one-for-one collars), bank bills (purchased options, one-for-one collars) and government bonds.

To avoid undue concentration of exposures, financial instruments with as wide a range of approved counterparties as reasonably possible are used. Maturities are well spread, subject to the following profile:

Period	Minimum % of debt profile maturing	Maximum % of debt profile maturing
0 to 3 years	15%	60%
3 to 7 years	25%	85%
7 years plus	0%	60%

To minimise concentration risk the LGFA require that no more than the greater of NZD 100 million or 33% of a council's borrowings will mature in a 12-month period.

Debt repayment

Funds are provided from operating surpluses, asset sales and general funds for repayment of most loans/or a reduction in borrowing requirements, unless the Council specifically directs that the funds be put to another use. Council will manage debt on a net portfolio basis and will only externally borrow when it is commercially prudent to do so. Each Council activity is rated for loan repayments depending on the life of the individual assets and the ability of that activity to repay the loan.

Repayment of debt (interest and principal) is governed by:

- Affordability of debt servicing costs
- Intergenerational equity principles (debt will be repaid over the life of the asset or 25 years, whichever is the lesser)
- Maintenance of prudent debt levels and borrowing limits
- Council repays borrowings from general funds, special funds or from an existing specific fund allocated to that borrowing
- Where a loan is raised for a specific purpose and the funds are no longer required, the funds will be held in a special fund until the funds can be applied against a future borrowing

Internal borrowing arrangements

Council uses funds allocated to reserves in the manner which provides Council with the greatest benefit. Where possible, these funds are used to reduce external debt, effectively reducing the Council's net interest cost.

Where Council has a borrowing requirement for specific projects or activities, internal cash resources may be utilised first before any funds are borrowed externally. When Council's cash flows indicate that additional cash resources are required on an ongoing basis, officers will seek external borrowings in accordance with this policy.

Where internal funds are utilised to reduce borrowing, a record will be kept of the source of the funds and an interest rate will be credited to the internal source at the market rate applicable to borrowings over the period of the loan. The cost of the internal borrowing will be charged as an expense to the activity to which the funds have been applied. This is advantageous to Council as there is a difference between the margins that apply to borrowings as opposed to investments and also the costs of transactions.

Interest costs are prorated across those Council activities with internal loan balances. The exception are interest costs for internal loans relating to the Wastewater Treatment Plant. Due to the financial cost of this project and the desire to provide certainty to the users of the plant, the interest rates for these loans will be capped at 4.5%.

The arrangement outlined above is intended to be used as long as the 3 Waters group remain within the Council parent group. If the 3 Waters group is separated from Council and establishes a separate organisation, the borrowing arrangement will be phased out as the new organisation will be expected to seek its own funding.

Determination of debt attributed to water services

Each activity within Council (including Water, Wastewater and Stormwater) is financially separable, as each is accounted for independently. Each activity's debt balance is made up of historic debt, plus any debt repayments or draw down (including internal borrowing) calculated annually.

In the case of the 3 waters group, the debt balance and operating revenue as at 30 June 2024 is outlined in the table below. All amounts are in $,000's

As at 30 June 2024	Net Debt	Total Operating Revenue	Debt to Revenue Ratio
Water	14,504	8,560	
Wastewater	55,056	13,093	
Stormwater	33,668	5,788	
Total	**103,228**	**27,441**	**376%**

The debt to revenue ratio at 30/06/2024 was 376%, which is consistent with the projected ratios in the first half of the Long-Term Plan 2024/34. This figure exceeds the Council self-imposed limit in isolation. However, as can be seen in 'Water services financing requirements and sources' section above this is offset by lower ratio in the rest of Council's activities. The whole of Council is within the limits.

As part of the previous Water Services Reform Programme, the Department of Internal Affairs reviewed Council's debt balance for the 3 waters group in 2022 and found it reasonable and correct. The movement from the value established in 2022 is consistent with the additional growth and acquisitions undertaken since.

Insurance arrangements

Whanganui District Council currently purchases insurance as part of a combined MW-LASS group. The broker is Aon NZ. For the various policies each Council opts for the desired level of cover, deductibles and any limits within the group.

Council currently insures 3 water assets as part of its risk-management programme. Assets are split into above and below ground assets, each covered by a separate policy:

- Above ground assets are insured under Council's Material Damage and Business Interruption policy. This is for the full replacement value of the assts.
- Below ground assets are insured under the Infrastructure Policy. This policy is limited to a 40% share of the cost, with the balance of 60% assumed to be funded by Central Government as part of a historic agreement.

Council intends to continue insuring the assets either directly, or on behalf of any WS-CCO that owns the assets, until the WS-CCO procures its own insurance.

A basic review is undertaken annually with each renewal. The scope of this review is:

- Update the schedule based on most recent asset data from Council asset database. Includes ensuring any new/found assets are included, disposed assets are removed, physical attributes are updated, etc.

- Update the declared value to most recent valuation, plus reassess assumptions such as demolition costs, inflation factor, etc.
- Review assets to ensure they are on the correct schedule.

Insurance risk assessments are done on a rolling basis for whole of Council, with the last done in 2022. A comprehensive risk-based loss modelling exercise was completed for the MW-LASS group by Aon, with individual estimates for Maximum Probable Loss being calculated for each participating Council. This forms the basis of the Whanganui's sub-limit for the relevant policies above.

Infrastructure assets are insured for full replacement value. The declared value is calculated as the sum of:

- Replacement value for a modern equivalent asset
- Demolition and debris removal costs
- Professional and management fees for reinstatement
- An inflationary provision for potential future reinstatement date.

The total declared value for 3 water assets are tabled below.

Insurance declared values (all amounts in $,000's)	**Infrastructure Policy (below ground) ***	**Material Damage Policy (above ground)**	**Total Declared value**
Water Supplies	332,189	27,577	359,767
Wastewater	422,978	123,473	546,452
Stormwater	420,060	-	420,060
Total declared value	**1,175,227**	**151,051**	**1,326,278**

*Note the Infrastructure Policy (below ground assets) is predicated on a 60/40 cost share arrangement with Central Government.

The declared value on the insurance policies will differ from the asset register value. As mentioned above, the insurance schedule considers the replacement value (not depreciated replacement value) and adds a number of indexation factors to calculate the insured value.

The insurance policies are summarised and reported to Risk & Assurance Committee on an annual basis, aligned with the renewal timeframe.

Council has identified infrastructure assets as critical due to the public health risk if they fail or cease to function. As such, Council has opted for a risk-averse position with all (known) assets fully insured. This differs from other non-infrastructure assets, which Council has adopted a risk-based approach and assumed a degree of self-insurance (via removing certain assets from the insurance schedule and maintaining sufficient borrowing headroom to replace these assets, if Council chooses to do so).

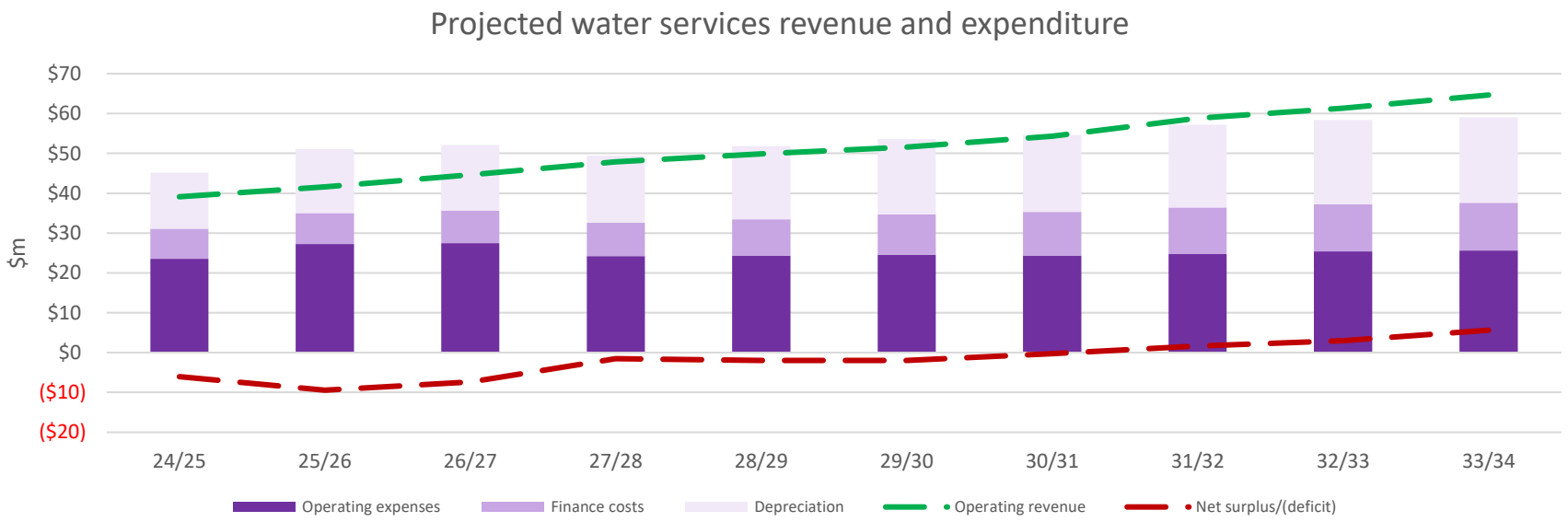
Part D: Financial sustainability assessment

This section demonstrates that the Plan achieves financially sustainable delivery of water services by 30 June 2028, and confirms that the three test of financial sustainability can be met, namely that there is:

- Revenue sufficiency - sufficient revenue to cover the costs (including servicing debt) of water services delivery;
- Investment sufficiency – projected investment is sufficient to meet levels of service, regulatory requirements and provide for growth; and
- Financing sufficiency - funding and financing arrangements are sufficient to meet investment requirements.

Assessment of revenue sufficiency – Ruapehu, Whanganui Combined

Projected water services revenues cover the projected costs of delivering water services



The table above illustrates the entity is collecting sufficient revenue; however it is further utilising debt funding to meet capital investment in the first ten years. The surplus increases in year 11 onwards.

Average projected charges for water services over FY2024/25 to FY2033/34

The table below outlines the average charge per connection for the combined Whanganui-Ruapehu region. It is a function of the total operating revenue divided by the average number of connections.

Projected average charge per connection / rating unit (including GST)	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Drinking water	949	1,002	1,072	1,148	1,192	1,229	1,296	1,395	1,447	1,526
Wastewater	657	703	752	795	831	860	904	957	988	1,026
Stormwater	218	230	249	277	278	284	291	341	364	388
Average charge per connection / rating unit	1,824	1,935	2,073	2,220	2,301	2,373	2,491	2,693	2,799	2,941
Increase in average charge		6.13%	7.13%	7.06%	3.69%	3.10%	4.98%	8.10%	3.93%	5.09%
Water services charges as % of median household income	2.20%	2.27%	2.36%	2.45%	2.47%	2.47%	2.52%	2.64%	2.67%	2.72%

The Infometrics median household income in 2024 was $82,791 over the 2 councils. Using this value as the median household income for 2024/25 and increasing the median household income by 3% per annum over 10 years we can project that water services charges as a percentage of household income increase from 2.2% in 2024/25 to 2.72% in 2033/34.

The agreement by both Whanganui District Council and Ruapehu District Council is to apply a local pricing approach, with each district being charged consistent with the cost of delivering the services in the relevant District. Commentary on the affordability for each district, and the associated challenges are set out in more detail in Part C: The affordability of projected water services charges for the Ruapehu Community and The affordability of projected water services charges for the Whanganui community

Projected operating surpluses/(deficits) for water services

Operating surplus ratio (whether revenues cover costs)	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Operating surplus/(deficit) excluding capital revenues – combined water services	(6,056)	(9,443)	(7,402)	(1,552)	(1,967)	(1,945)	(273)	1,654	2,943	5,620
Operating revenue – combined water services	39,112	41,605	44,661	47,914	49,860	51,606	54,334	58,830	61,349	64,655
Operating surplus ratio	(15.5%)	(22.7%)	(16.6%)	(3.2%)	(3.9%)	(3.8%)	(0.5%)	2.8%	4.8%	8.7%

Over the 10-year period the projected operating deficit peaks at 22.7% in year 2025/26, then progressively improves to a surplus of 8.7% by 2033/34. This reflects the set-up and establishment of the WS-CCO, assumptions regarding efficiencies and the associated debt funding to do so and illustrates that the financial situation improves to a favourable position in later years.

The forecast operating deficits are considered appropriate in line with the policy for unfunded depreciation. The entity is not forecast to hold any depreciation reserves, with Capital Expenditure funded mostly via debt. Depreciation charges are 'funded' by equating to capital renewals, with debt repayments planned to match or exceed the capital renewals rate. Any surplus will be utilised to repay debt, and by extension support planned capital expenditure.

Projected operating cash surpluses for water services

Operating cash ratio (whether revenues cover costs)	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Operating surplus/(deficit) + depreciation + interest costs - capital revenues	15,554	14,387	17,166	23,707	25,530	27,038	30,009	34,068	35,931	39,014
Operating revenue – combined water services	39,112	41,605	44,661	47,914	49,860	51,606	54,334	58,830	61,349	64,655
Operating cash ratio	39.8%	34.6%	38.4%	49.5%	51.2%	52.4%	55.2%	57.9%	58.6%	60.3%

Over the 10-year period the project achieves an operating cash surplus in all 10 years, increasing from 39.8% in 2024/25 to a surplus of 60.3% by 2033/34. This illustrates that the WS-CCO will be generating sufficient operating surpluses to fund operations, finance costs and debt repayments. This is an improvement from each Council's individual situation as the WS-CCO is expected to enhance operational efficiencies and associated lower costs are anticipated.

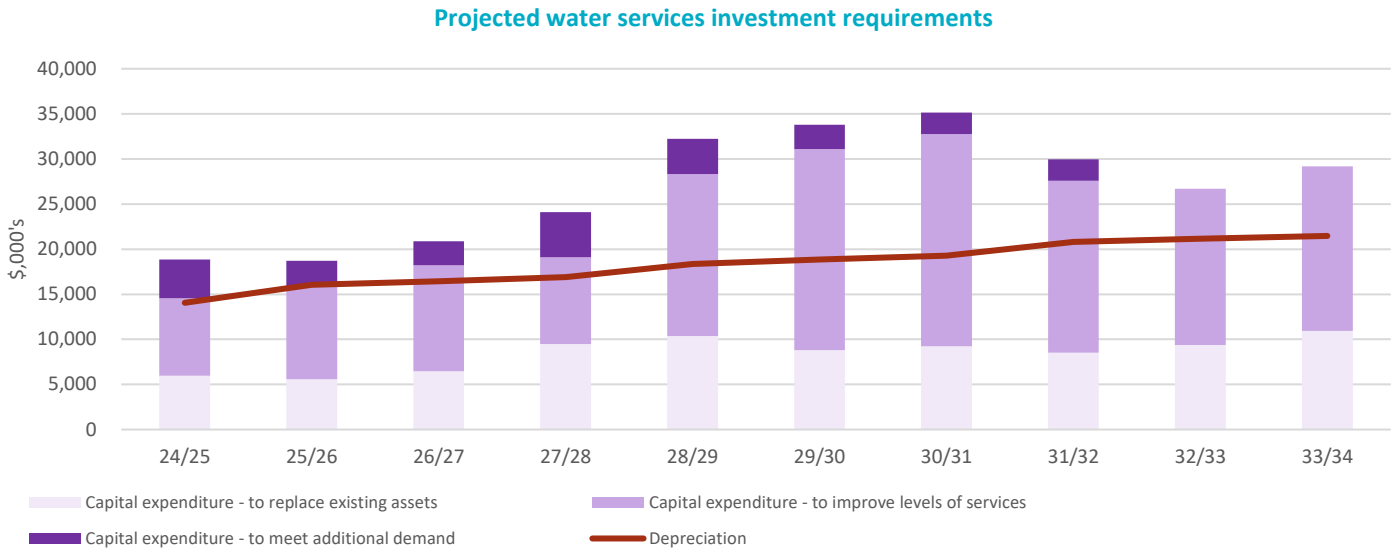
It is expected that cash surpluses will be used to support planned capital expenditure or to repay debt in a fiscally prudent manner, recognising that from 1 July 2027, this decision will be made by the new WS-CCO.

Projected operating cashflows are considered sufficient to meet renewal investment requirements and to meet scheduled debt repayments in line with the 10-year forecast.

Assessment of investment sufficiency for Ruapehu and Whanganui Combined

Projected water services investment is sufficient to meet levels of service, regulatory requirements and provide for growth

This section demonstrates that the proposed level of investment is sufficient to meet levels of service, regulatory requirements and provide for growth and can be fully funded by projected revenues and access to financing. The projected levels of investment have therefore been assessed as meeting the 'investment sufficiency' test.



Renewals requirements for water services

Asset sustainability ratio	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Capital expenditure on renewals – all water services assets	5,964	5,571	6,463	9,477	10,385	8,816	9,237	8,508	9,381	10,927
Depreciation – all water services assets	14,055	16,063	16,448	16,905	18,339	18,840	19,275	20,789	21,173	21,467
Asset sustainability ratio	**(57.6%)**	**(65.3%)**	**(60.7%)**	**(43.9%)**	**(43.4%)**	**(53.2%)**	**(52.1%)**	**(59.1%)**	**(55.7%)**	**(49.1%)**

The above amounts are from the approved 2024-2034 Long-Term Plans of each council. These were developed in line with, and are considered consistent with, the Infrastructure Strategy and Asset Management Plans for each council.

The Asset sustainability ratio is forecast to remain negative for the 10 years. This is driven mainly by Whanganui, which has a fairly new wastewater treatment plant and stormwater/wastewater separation network. As these assets are still in the early phase of their lifecycle, the forecast renewals are relativity low in comparison to depreciation. Whanganui's asset management approach which supports this is set out in more detail at Part B: Asset Management Approach: Whanganui District.3

Total water services investment required over 10 years

Asset investment ratio	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Total capital expenditure – all water services assets ($,000's)	18,851	18,719	20,872	24,119	32,220	33,793	35,142	29,950	26,698	29,187
Depreciation – all water services assets ($,000's)	14,055	16,063	16,448	16,905	18,339	18,840	19,275	20,789	21,173	21,467
Asset investment ratio	34.1%	16.5%	26.9%	42.7%	75.7%	79.4%	82.3%	44.1%	26.1%	36.0%

The above amounts are from the approved 2024-2034 Long-Term Plans of each council. These was developed in line with, and is considered consistent with, the Infrastructure Strategy and Asset Management Plans for each council. The only variation is bringing the Ruapehu Wastewater Treatment plant upgrades forward to 2028/29 – 2033/34.

Over the 10-year period the asset investment ratio fluctuates, however remains positive with an average ratio 46.4%. In years 2028/29, 2029/30 and 2030/31, the asset investment ratio increases due to the treatment plant upgrades. These projects are associated with an increased level of service to comply with the New Zealand Drinking Water Standards.

Total capital expenditure includes growth investment for both greenfield and infill projects within the Whanganui urban area. This includes investment across the three water activities. There is limited investment in growth relating to Ruapehu.

Average remaining useful life of network assets

Asset consumption ratio	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Book value of water infrastructure assets ($,000's)	755,503	758,871	764,255	828,159	843,762	860,972	935,836	947,812	956,263	1,023,246
Replacement value of water infrastructure assets ($,000's)	1,239,501	1,258,932	1,280,797	1,405,277	1,434,319	1,458,521	1,592,080	1,613,091	1,631,011	1,765,060
Asset consumption ratio	61.0%	60.3%	59.7%	58.9%	58.8%	59.0%	58.8%	58.8%	58.6%	58.0%

Over the 10-year period of the Plan, the asset consumptive ratio ranges from 61% in 2024/25 to 58% in 2033/34. This represents a marginal aging of the network asset and suggests that the remaining useful life of the network assets is decreasing, which could add a financial burden on future consumers to replace the network as the Councils "sweat the asset". This is partially offset by significant investment in plant renewals to meet regulatory requirements, which also bolster the ratio and mostly maintain the network at less than halfway through it's lifecycle.

Assessment of financing sufficiency – Ruapehu and Whanganui Combined

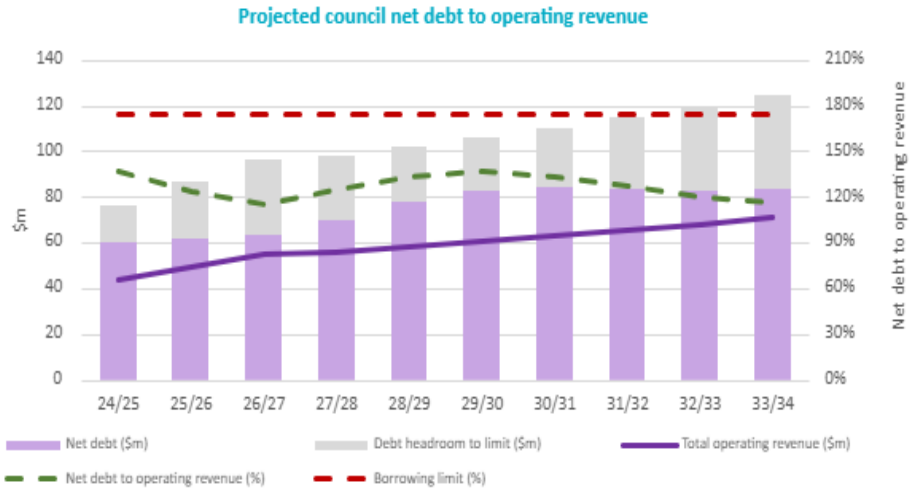
Confirmation that sufficient funding and financing can be secured to deliver water services

This section demonstrates that the Plan meets the 'financing sufficiency' test - projected total council borrowings are within council borrowing limits, projected water services borrowings are within the determined limits for water services borrowing, and that the expected that the required levels of borrowing can be sourced.

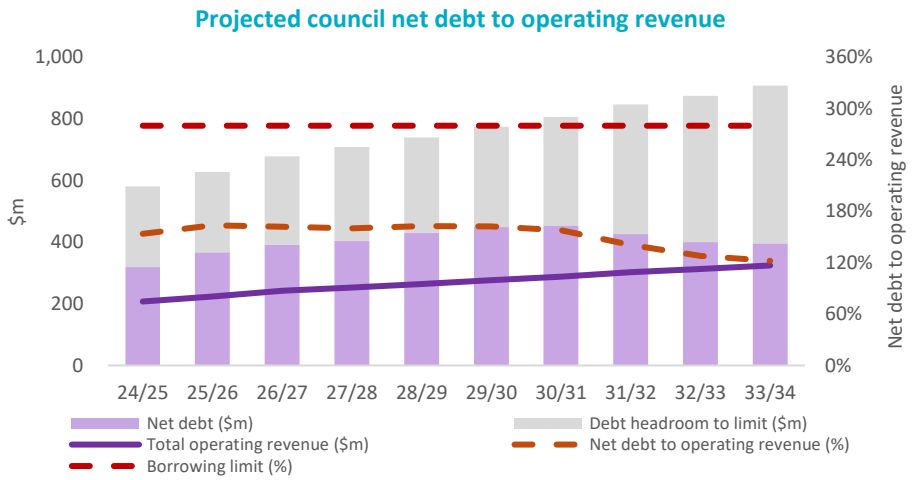
Projected council borrowings against borrowing limits

The projected Council total borrowing against Council borrowing limits is shown below for both councils. This indicates that the Net Debt to Total Operating Revenue ratio is below the Council's limits. Consequently, there is a positive Total Debt Headroom throughout the entire 10-year period of the Plan.

Ruapehu District Council

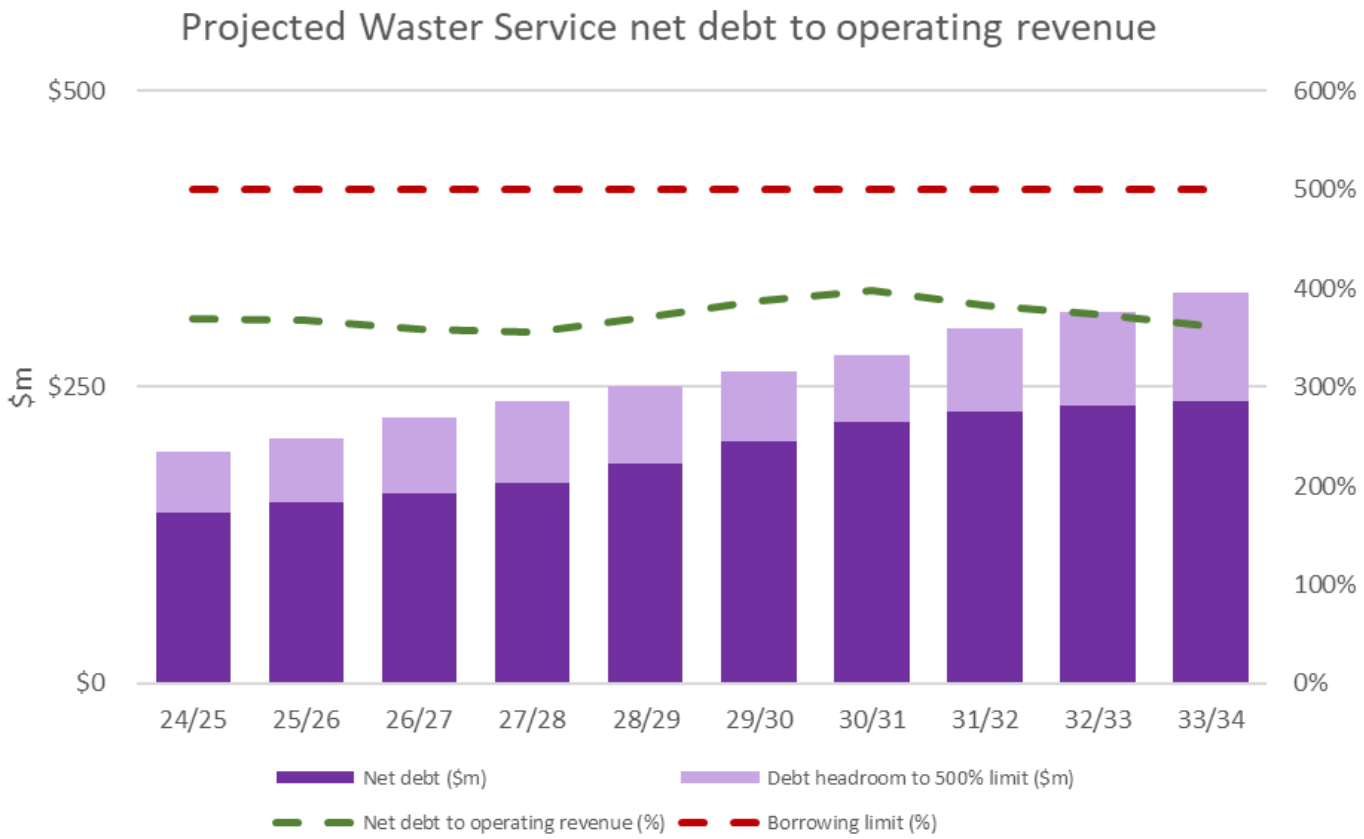


Whanganui District Council



Projected water services borrowings against borrowing limits

The table above outlines the Water Services entity's net debt to revenue ratio, the relevant debt limit and available headroom. While these are all within limits and have sufficient headroom, it should be read in conjunction with the bespoke LGFA limits outlined in the graph below.



The WS-CCO is subject to a bespoke set of limits set by the LGFA, which supersede the gross debt to revenue ratios. These measures are Free Funds from Operations (FFO) to Gross Debt and FFO to cash interest coverage. The graph above shows the entity is compliant from 2027/28 onwards (as required), with debt headroom low in the immediately succeeding years. From 2031/32 the ratios improve, and debt headroom increases significantly, with significant headroom of $9M available in 2033/34.

Projected borrowings for water services

The WS-CCO net debt to operating revenue is within the proposed water services borrowing limit of 500% for the life of the WSDP. The WS-CCO will require a Debt Guarantee from both councils as Shareholder Councils.

Net debt to operating revenue	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Net debt attributed to water services (gross debt less cash)	144,555	156,094	167,359	175,564	190,852	207,189	222,767	229,711	231,731	233,268

Operating revenue – combined water services	39,112	41,605	44,661	47,914	49,862	51,618	54,357	58,867	61,401	64,719
Net debt to operating revenue %	370%	375%	375%	366%	383%	401%	410%	390%	377%	360%

The net debt-to-operating revenue ratio varies over the life of the Plan, ranging from 370% in the financial year 2024/25 to 410% in the financial year 2030/31. However, it remains well within the limits.

These values exceed all Council's (standalone business unit) LGFA limits.

Borrowing headroom/(shortfall) for water services

Borrowing headroom/(shortfall) against limit	**FY2024/25**	**FY2025/26**	**FY2026/27**	**FY2027/28**	**FY2028/29**	**FY2029/30**	**FY2030/31**	**FY2031/32**	**FY2032/33**	**FY2033/34**
Operating revenue ($,000's)	39,112	41,605	44,661	47,914	49,862	51,618	54,357	58,867	61,401	64,719
Debt to revenue limit for water services (%)	500%	500%	500%	500%	500%	500%	500%	500%	500%	500%
Maximum allowable net debt at borrowing limit ($,000's)	195,560	208,025	223,303	239,569	249,312	258,089	271,786	294,333	307,005	323,597
Projected net debt attributed to water services ($,000's)	144,555	156,094	167,359	175,564	190,852	207,189	222,767	229,711	231,731	233,268
Borrowing headroom/(shortfall) against limit ($,000's)	51,005	51,931	55,944	64,005	58,460	50,900	49,019	64,622	75,274	90,329

As seen in the Table above, the debt-to-revenue is well within limits and maintains a positive projected borrowing headroom for the 10-year period.

Free funds from operations

Free funds from operations	**FY2024/25**	**FY2025/26**	**FY2026/27**	**FY2027/28**	**FY2028/29**	**FY2029/30**	**FY2030/31**	**FY2031/32**	**FY2032/33**	**FY2033/34**
Projected net debt attributed to water services	144,555	156,094	167,359	175,564	190,852	207,189	222,767	229,711	231,731	233,268
Projected free funds from operations – water services	7,999	6,620	9,046	15,353	16,372	16,895	19,002	22,443	24,116	27,087
Free funds from operations to net debt ratio	5.5%	4.2%	5.4%	8.7%	8.6%	8.2%	8.5%	9.8%	10.4%	11.6%

The WS-CCO free funds from operations (FFO) to debt ratio is increasing over the Term of the Plan and is on track, achieving 9.8% in 2031/32 and peaking at 11.6% in 2033/34. This indicates that the water business is on the correct track. For a WS-CCO with approximately 26,000 water connection the LGFA has indicated the FFO / Net Debt Ratio covenant will be a minimum of 9.0%.

Note the above is determined on the face of the statements. The LGFA guidance document that outlines the bespoke limits, indicate only 50% of Development Contributions can be recognised for an entity with 26,000 connections. Due to little growth and minimal development contributions forecast, this does not make a material difference to the ratio.

Part E: Projected financial statements for water services

Projected financial statements – Ruapehu District Combined Water Services

Projected funding impact statement – Ruapehu District Combined Water Services

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Sources of operating funding										
General rates	0	50	47							
Targeted rates	8,633	9,044	9,736							
Subsidies and grants for operating purposes	515	515	515							
Local authorities fuel tax, fines, infringement fees and other receipts	-	-	-							
Fees and charges	300	310	320							
Total operating funding	9,448	9,919	10,618							
Applications of operating funding										
Payments to staff and suppliers	4,735	5,796	5,918							
Finance costs	2,233	2,337	2,353							
Internal charges and overheads applied	1,134	1,206	1,298							
Other operating funding applications	-	-	-							
Total applications of operating funding	8,102	9,339	9,569							
Surplus/(deficit) of operating funding	1,346	581	1,049							
Source of capital funding										
Subsidies and grants for capital expenditure	-	-	-							
Development and financial contributions	112	112	112							
Increase/(decrease) in debt	5,053	1,989	1,795							
Gross proceeds from sales of assets	-	-	-							
Other dedicated capital funding	-	-	-							
Total sources of capital funding	5,165	2,101	1,907							
Applications of capital funding										
Capital expenditure - to meet additional demand	313	376	110							
Capital expenditure - to improve levels of services	4,324	376	164							
Capital expenditure - to replace existing assets	1,875	1,931	2,682							
Increase/(decrease) in reserves	-	-	-							
Increase/(decrease) in investments	-	-	-							
Total applications of capital funding	6,512	2,682	2,957							
Surplus/(deficit) of capital funding	-1,346	-581	-1,049							
Funding balance	-	-	-							

Projected statement of comprehensive revenue and expense – Ruapehu District Combined Water Services

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Revenue										
Operating revenue	9,448	9,919	10,618							
Other revenue	112	112	112							
Total revenue	9,560	10,031	10,730							
Expenses										
Operating expenses	4,735	5,796	5,918							
Finance costs	2,233	2,337	2,353							
Overheads and support costs	1,134	1,206	1,298							
Depreciation & amortisation	3,642	3,870	3,977							
Total expenses	11,744	13,209	13,546							
Net surplus/(deficit)	(2,184)	(3,178)	(2,816)							
Revaluation of infrastructure assets	914	712	749							
Total comprehensive income	(1,270)	(2,466)	(2,066)							
Cash surplus/(deficit) from operations (ex non-cash items)	1,458	692	1,161							

Projected statement of cashflows – Ruapehu District Combined Water Services

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Cashflows from operating activities										
Cash surplus/(deficit) from operations	1,458	692	1,161							
[Other items]	0	0	0							
Net cashflows from operating activities	1,458	692	1,161							
Cashflows from investing activities										
Capital expenditure – infrastructure assets	(6,512)	(2,682)	(2,957)							
[Other items]	0	0	0							
Net cashflows from investing activities	(6,512)	(2,682)	(2,957)							
Cashflows from financing activities										
New borrowings	5,053	1,989	1,795							
Repayment of borrowings	0	0	0							
Net cashflows from financing activities	5,053	1,989	1,795							
Net increase/(decrease) in cash and cash equivalents	-	-	-							
Cash and cash equivalents at beginning of year	-	-	-							
Cash and cash equivalents at end of year	-	-	-							

Projected statement of financial position – Ruapehu District Combined Water Services

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Assets										
Cash and cash equivalents	-	-	-							
Infrastructure assets	98,074	97,599	97,328							
Total assets	98,074	97,598	97,328							
Liabilities										
External borrowings	40,358	42,347	44,142							
Internal borrowings	0	0	0							
Total liabilities	40,358	42,348	44,144							
Net assets	57,715	55,250	53,184							
Equity										
Revaluation reserve	68,885	69,597	70,346							
Other reserves	-11,170	-14,347	-17,162							
Total equity	57,715	55,250	53,184							

Projected financial statements – Ruapehu District Drinking Water

Projected funding impact statement – Ruapehu District Drinking Water

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Sources of operating funding										
General rates	-	-	-							
Targeted rates	4,964	5,206	5,605							
Subsidies and grants for operating purposes	515	515	515							
Local authorities fuel tax, fines, infringement fees and other	-	-	-							
Fees and charges	110	114	117							
Total sources of operating funding	5,589	5,835	6,237							
Applications of operating funding										
Payments to staff and suppliers	2,813	3,442	3,547							
Finance costs	1,522	1,552	1,519							
Internal charges and overheads applied	474	504	542							
Other operating funding applications	-	-	-							
Total applications of operating funding	4,809	5,498	5,608							
Surplus/(deficit) of operating funding	780	336	629							
Source of capital funding										
Subsidies and grants for capital expenditure	-	-	-							
Development and financial contributions	40	40	40							
Increase/(decrease) in debt	3,504	-215	1,084							
Gross proceeds from sales of assets	-	-	-							
Other dedicated capital funding	-	-	-							
Total sources of capital funding	3,544	-175	1,124							
Applications of capital funding										
Capital expenditure - to meet additional demand	-	-	-							
Capital expenditure - to improve levels of services	4,168	-	-							
Capital expenditure - to replace existing assets	156	161	1,753							
Increase/(decrease) in reserves	-	-	-							
Increase/(decrease) in investments	-	-	-							
Total applications of capital funding	4,324	161	1,753							
Surplus/(deficit) of capital funding	-780	-336	-629							
Funding balance	-	-	-							

Projected statement of comprehensive revenue and expense – Ruapehu District Drinking Water

Projected statement of profit and loss - water services	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Revenue										
Operating revenue	5,589	5,835	6,237							
Other revenue	40	40	40							
Total revenue	5,629	5,875	6,277							
Expenses										
Operating expenses	2,813	3,442	3,547							
Finance costs	1,522	1,552	1,519							
Overheads and support costs	474	504	542							
Depreciation & amortisation	2,111	2,282	2,341							
Total expenses	6,920	7,781	7,949							
Net surplus/(deficit)	-1,291	-1,906	-1,672							
Revaluation of infrastructure assets	447	319	291							
Total comprehensive income	-844	-1,587	-1,381							
Cash surplus/(deficit) from operations (ex non-cash items)	820	376	669							

Projected statement of cashflows – Ruapehu District Drinking Water

Projected statement of cashflows - water services	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Cashflows from operating activities										
Cash surplus/(deficit) from operations	820	376	669							
[Other items]	-	-	-							
Net cashflows from operating activities	820	376	669							
Cashflows from investing activities										
Capital expenditure – infrastructure assets	-4,324	-161	-1,753							
[Other items]	-	-	-							
Net cashflows from investing activities	-4,324	-161	-1,753							
Cashflows from financing activities										
New borrowings	3,504	-215	1,084							
Repayment of borrowings	-	-	-							
Net cashflows from financing activities	3,504	-215	1,084							
Net increase/(decrease) in cash and cash equivalents	-	0	-							
Cash and cash equivalents at beginning of year	-	-	0							
Cash and cash equivalents at end of year	-	0	0							

Projected statement of financial position – Ruapehu District Drinking Water

Projected statement of financial position	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Assets										
Cash and cash equivalents	-	0	0							
Other current assets	-	-	-							
Infrastructure assets	45,544	43,742	43,445							
Other non-current assets	-	-	-							
Total assets	45,544	43,742	43,445							
Liabilities										
Borrowings – current portion	-	-	-							
Other current liabilities	-	-	-							
Borrowings – non-current portion	27,538	27,323	28,407							
Other non-current liabilities	-	-	-							
Total liabilities	27,538	27,323	28,407							
Net assets	18,006	16,419	15,038							
Equity										
Revaluation reserves	29,227	29,546	29,837							
Other reserves	-11,221	-13,127	-14,799							
Total equity	18,006	16,419	15,038							

Projected financial statements – Ruapehu District Wastewater

Projected funding impact statement – Ruapehu District Wastewater

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Sources of operating funding										
General rates	-	-	-							
Targeted rates	2,659	2,843	3,070							
Subsidies and grants for operating purposes	-	-	-							
Local authorities fuel tax, fines, infringement fees and other	-	-	-							
Fees and charges	159	163	169							
Total sources of operating funding	2,818	3,006	3,239							
Applications of operating funding										
Payments to staff and suppliers	1,396	1,708	1,699							
Finance costs	651	735	791							
Internal charges and overheads applied	364	387	418							
Other operating funding applications	-	-	-							
Total applications of operating funding	2,411	2,830	2,907							
Surplus/(deficit) of operating funding	407	175	331							
Source of capital funding										
Subsidies and grants for capital expenditure	-	-	-							
Development and financial contributions	72	72	72							
Increase/(decrease) in debt	1,709	2,221	746							
Gross proceeds from sales of assets	-	-	-							
Other dedicated capital funding	-	-	-							
Total sources of capital funding	1,781	2,293	818							
Applications of capital funding										
Capital expenditure - to meet additional demand	313	376	110							
Capital expenditure - to improve levels of services	156	376	164							
Capital expenditure - to replace existing assets	1,719	1,717	875							
Increase/(decrease) in reserves	-	-	-							
Increase/(decrease) in investments	-	-	-							
Total applications of capital funding	2,188	2,468	1,149							
Surplus/(deficit) of capital funding	-407	-175	-331							
Funding balance	-	-	-							

Projected statement of comprehensive revenue and expense – Ruapehu District Wastewater

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Revenue										
Operating revenue	2,818	3,006	3,239							
Other revenue	72	72	72							
Total revenue	2,890	3,078	3,311							
Expenses										
Operating expenses	1,396	1,708	1,699							
Finance costs	651	735	791							
Overheads and support costs	364	387	418							
Depreciation & amortisation	1,101	1,148	1,187							
Total expenses	3,512	3,978	4,095							
Net surplus/(deficit)	-622	-900	-784							
Revaluation of infrastructure assets	26	50	93							
Total comprehensive income	-596	-850	-691							
Cash surplus/(deficit) from operations (ex non-cash items)	479	247	403							

Projected statement of cashflows – Ruapehu District Wastewater

Projected statement of cashflows - water services	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Cashflows from operating activities										
Cash surplus/(deficit) from operations	479	247	403							
[Other items]	-	-	-							
Net cashflows from operating activities	479	247	403							
Cashflows from investing activities										
Capital expenditure – infrastructure assets	-2,188	-2,468	-1,149							
[Other items]	-	-	-							
Net cashflows from investing activities	-2,188	-2,468	-1,149							
Cashflows from financing activities										
New borrowings	1,709	2,221	746							
Repayment of borrowings	-	-	-							
Net cashflows from financing activities	1,709	2,221	746							
Net increase/(decrease) in cash and cash equivalents	-	-	-							
Cash and cash equivalents at beginning of year	-	-	-							
Cash and cash equivalents at end of year	-	-	-							

Projected statement of financial position – Ruapehu District Wastewater

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Assets										
Cash and cash equivalents	-	-	-							
Other current assets	-	-	-							
Infrastructure assets	35,587	36,958	37,013							
Other non-current assets	-	-	-							
Total assets	35,587	36,958	37,013							
Liabilities										
Borrowings – current portion	-	-	-							
Other current liabilities	-	-	-							
Borrowings – non-current portion	11,882	14,103	14,849							
Other non-current liabilities	-	-	-							
Total liabilities	11,882	14,103	14,849							
Net assets	23,705	22,855	22,164							
Equity										
Revaluation reserves	24,414	24,464	24,557							
Other reserves	-709	-1,609	-2,393							
Total equity	23,705	22,855	22,164							

Projected financial statements – Ruapehu District Stormwater

Projected funding impact statement – Ruapehu District Stormwater

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Sources of operating funding										
General rates	-	-	-							
Targeted rates	1,010	1,046	1,108							
Subsidies and grants for operating purposes	-	-	-							
Local authorities fuel tax, fines, infringement fees and other	-	-	-							
Fees and charges	31	33	34							
Total sources of operating funding	1,041	1,079	1,142							
Applications of operating funding										
Payments to staff and suppliers	526	646	672							
Finance costs	60	50	43							
Internal charges and overheads applied	296	314	338							
Other operating funding applications	-	-	-							
Total applications of operating funding	882	1,010	1,053							
Surplus/(deficit) of operating funding	159	68	89							
Source of capital funding										
Subsidies and grants for capital expenditure	-	-	-							
Development and financial contributions	-	-	-							
Increase/(decrease) in debt	-159	-15	-35							
Gross proceeds from sales of assets	-	-	-							
Other dedicated capital funding	-	-	-							
Total sources of capital funding	-159	-15	-35							
Applications of capital funding										
Capital expenditure - to meet additional demand	-	-	-							
Capital expenditure - to improve levels of services	-	-	-							
Capital expenditure - to replace existing assets	-	53	54							
Increase/(decrease) in reserves	-	-	-							
Increase/(decrease) in investments	-	-	-							
Total applications of capital funding	-	53	54							
Surplus/(deficit) of capital funding	-159	-68	-89							
Funding balance	-	-	-							

Projected statement of comprehensive revenue and expense – Ruapehu District Stormwater

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Revenue										
Operating revenue	1,041	1,079	1,142							
Other revenue	-	-	-							
Total revenue	1,041	1,079	1,142							
Expenses										
Operating expenses	526	646	672							
Finance costs	60	50	43							
Overheads and support costs	296	314	338							
Depreciation & amortisation	430	440	449							
Total expenses	1,312	1,451	1,502							
Net surplus/(deficit)	-271	-372	-360							
Revaluation of infrastructure assets	441	343	365							
Total comprehensive income	170	-29	5							
Cash surplus/(deficit) from operations (ex non-cash items)	159	68	89							

Projected statement of cashflows – Ruapehu District Stormwater

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Cashflows from operating activities										
Cash surplus/(deficit) from operations	159	68	89							
[Other items]	-	-	-							
Net cashflows from operating activities	159	68	89							
Cashflows from investing activities										
Capital expenditure – infrastructure assets	-	-53	-54							
[Other items]	-	-	-							
Net cashflows from investing activities	-	-53	-54							
Cashflows from financing activities										
New borrowings	-159	-15	-35							
Repayment of borrowings	-	-	-							
Net cashflows from financing activities	-159	-15	-35							
Net increase/(decrease) in cash and cash equivalents	-	-	-							
Cash and cash equivalents at beginning of year	-	-	-							
Cash and cash equivalents at end of year	-	-	-							

Projected statement of financial position – Ruapehu District Stormwater

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Assets										
Cash and cash equivalents	-	-0	-							
Other current assets	-	-	-							
Infrastructure assets	16,943	16,899	16,869							
Other non-current assets	-	-	-							
Total assets	16,943	16,899	16,869							
Liabilities										
Borrowings – current portion	-	-	-							
Other current liabilities	-	-	-							
Borrowings – non-current portion	938	923	888							
Other non-current liabilities	-	-	-							
Total liabilities	938	923	888							
Net assets	16,005	15,976	15,981							
Equity										
Revaluation reserves	15,244	15,587	15,952							
Other reserves	761	389	29							
Total equity	16,005	15,976	15,981							

Projected financial statements – Whanganui District Combined Water Services

Projected funding impact statement - Whanganui District Combined Water Services

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Sources of operating funding										
General rates	303	458	494							
Targeted rates	28,073	29,880	32,133							
Subsidies and grants for operating purposes	-	-	-							
Local authorities fuel tax, fines, infringement fees and other	106	166	234							
Fees and charges	1,182	1,182	1,182							
Total sources of operating funding	29,664	31,686	34,043							
Applications of operating funding										
Payments to staff and suppliers	14,805	17,532	17,499							
Finance costs	5,322	5,430	5,768							
Internal charges and overheads applied	2,884	2,684	2,779							
Other operating funding applications	-	-	-							
Total applications of operating funding	23,011	25,646	26,046							
Surplus/(deficit) of operating funding	6,652	6,041	7,998							
Source of capital funding										
Subsidies and grants for capital expenditure	-	-	-							
Development and financial contributions	420	420	420							
Increase/(decrease) in debt	5,241	9,550	9,470							
Gross proceeds from sales of assets	-	-	-							
Other dedicated capital funding	27	27	27							
Total sources of capital funding	5,688	9,996	9,917							
Applications of capital funding										
Capital expenditure - to meet additional demand	3,972	2,424	2,558							
Capital expenditure - to improve levels of services	4,278	9,972	11,576							
Capital expenditure - to replace existing assets	4,089	3,641	3,781							
Increase/(decrease) in reserves	-	-	-							
Increase/(decrease) in investments	-	-	-							
Total applications of capital funding	12,339	16,037	17,915							
Surplus/(deficit) of capital funding	-6,652	-6,041	-7,998							
Funding balance	-	-	-							

Projected statement of comprehensive revenue and expense - Whanganui District Combined Water Services

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Revenue										
Operating revenue	29,664	31,686	34,043							
Other revenue	447	447	447							
Total revenue	30,111	32,133	34,489							
Expenses										
Operating expenses	14,805	17,532	17,499							
Finance costs	5,322	5,430	5,768							
Overheads and support costs	2,884	2,684	2,779							
Depreciation & amortisation	10,413	12,193	12,471							
Total expenses	33,424	37,839	38,517							
Net surplus/(deficit)	-3,314	-5,706	-4,028							
Revaluation of infrastructure assets	88,904	-	-							
Total comprehensive income	85,591	-5,706	-4,028							
Cash surplus/(deficit) from operations (ex non-cash items)	7,100	6,487	8,443							

Projected statement of cashflows - Whanganui District Combined Water Services

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Cashflows from operating activities										
Cash surplus/(deficit) from operations	7,100	6,487	8,443							
Net cashflows from operating activities	7,100	6,487	8,443							
Cashflows from investing activities										
Capital expenditure – infrastructure assets	(12,339)	(16,037)	(17,915)							
Net cashflows from investing activities	(12,339)	(16,037)	(17,915)							
Cashflows from financing activities										
New borrowings	5,241	9,550	9,470							
Repayment of borrowings										
Net cashflows from financing activities	5,241	9,550	9,470							
Net increase/(decrease) in cash and cash equivalents	-	-	-							
Cash and cash equivalents at beginning of year	-	-	-							
Cash and cash equivalents at end of year	-	-	-							

Projected statement of financial position - Whanganui District Combined Water Services

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Assets										
Cash and cash equivalents	-	-	-							
Infrastructure assets	657,430	661,273	666,716							
Total assets	657,430	661,273	666,716							
Liabilities										
Borrowings – non-current portion	104,197	113,747	123,217							
Total liabilities	104,197	113,747	123,217							
Net assets	553,233	547,526	543,499							
Equity										
Revaluation reserves	382,381	382,381	382,381							
Other reserves	170,852	165,145	161,118							
Total equity	553,233	547,526	543,499							

Projected financial statements – Whanganui District Drinking Water

Projected funding impact statement - Whanganui District Drinking Water

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Sources of operating funding										
General rates										
Targeted rates	8,604	8,723	9,211							
Subsidies and grants for operating purposes	-	-	-							
Local authorities fuel tax, fines, infringement fees and other	22	35	51							
Fees and charges	82	81	82							
Total sources of operating funding	8,708	8,839	9,343							
Applications of operating funding										
Payments to staff and suppliers	4,542	5,390	5,372							
Finance costs	760	810	887							
Internal charges and overheads applied	1,063	987	1,011							
Other operating funding applications	-	-	-							
Total applications of operating funding	6,365	7,186	7,270							
Surplus/(deficit) of operating funding	2,344	1,653	2,073							
Source of capital funding										
Subsidies and grants for capital expenditure	-	-	-							
Development and financial contributions	30	30	30							
Increase/(decrease) in debt	887	3,385	1,262							
Gross proceeds from sales of assets	-	-	-							
Other dedicated capital funding	-	-	-							
Total sources of capital funding	917	3,415	1,292							
Applications of capital funding										
Capital expenditure - to meet additional demand	204	56	168							
Capital expenditure - to improve levels of services	1,459	3,709	1,337							
Capital expenditure - to replace existing assets	1,598	1,303	1,859							
Increase/(decrease) in reserves	-	-	-							
Increase/(decrease) in investments	-	-	-							
Total applications of capital funding	3,261	5,068	3,365							
Surplus/(deficit) of capital funding	-2,344	-1,653	-2,073							
Funding balance	-	-	-							

Projected statement of comprehensive revenue and expense - Whanganui District Drinking Water

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Revenue										
Operating revenue	8,708	8,839	9,343							
Other revenue	57	57	56							
Total revenue	8,765	8,896	9,400							
Expenses										
Operating expenses	4,542	5,390	5,372							
Finance costs	760	810	887							
Overheads and support costs	1,063	987	1,011							
Depreciation & amortisation	2,879	3,373	3,466							
Total expenses	9,244	10,559	10,736							
Net surplus/(deficit)	-479	-1,663	-1,337							
Revaluation of infrastructure assets	22,814	-	-							
Total comprehensive income	22,335	-1,663	-1,337							
Cash surplus/(deficit) from operations (ex non-cash items)	2,400	1,710	2,129							

Projected statement of cashflows - Whanganui District Drinking Water

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Cashflows from operating activities										
Cash surplus/(deficit) from operations	2,400	1,710	2,129							
[Other items]	-	-	-							
Net cashflows from operating activities	2,400	1,710	2,129							
Cashflows from investing activities										
Capital expenditure – infrastructure assets	-3,261	-5,068	-3,365							
[Other items]	-	-	-							
Net cashflows from investing activities	-3,261	-5,068	-3,365							
Cashflows from financing activities										
New borrowings	860	3,358	1,236							
Repayment of borrowings	-	-	-							
Net cashflows from financing activities	860	3,358	1,236							
Net increase/(decrease) in cash and cash equivalents	-	-	-							
Cash and cash equivalents at beginning of year	-	-	-							
Cash and cash equivalents at end of year	-	-	-							

Projected statement of financial position - Whanganui District Drinking Water

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Assets										
Cash and cash equivalents	-	-	-							
Other current assets	-	-	-							
Infrastructure assets	169,273	170,968	170,867							
Other non-current assets	-	-	-							
Total assets	169,273	170,968	170,867							
Liabilities										
Borrowings – current portion	-	-	-							
Other current liabilities	-	-	-							
Borrowings – non-current portion	14,367	17,725	18,961							
Other non-current liabilities	-	-	-							
Total liabilities	14,367	17,725	18,961							
Net assets	154,906	153,243	151,906							
Equity										
Revaluation reserves	103,372	103,372	103,372							
Other reserves	51,534	49,871	48,534							
Total equity	154,906	153,243	151,906							

Projected financial statements – Whanganui District Wastewater

Projected funding impact statement - Whanganui District Wastewater

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Sources of operating funding										
General rates	-	-	-							
Targeted rates	13,549	14,781	15,944							
Subsidies and grants for operating purposes	-	-	-							
Local authorities fuel tax, fines, infringement fees and other	84	131	183							
Fees and charges	1,100	1,101	1,100							
Total sources of operating funding	14,733	16,013	17,228							
Applications of operating funding										
Payments to staff and suppliers	8,467	10,010	9,999							
Finance costs	2,824	2,892	3,106							
Internal charges and overheads applied	1,353	1,258	1,319							
Other operating funding applications	-	-	-							
Total applications of operating funding	12,644	14,160	14,425							
Surplus/(deficit) of operating funding	2,089	1,853	2,803							
Source of capital funding										
Subsidies and grants for capital expenditure	-	-	-							
Development and financial contributions	110	110	110							
Increase/(decrease) in debt	2,117	4,975	6,930							
Gross proceeds from sales of assets	-	-	-							
Other dedicated capital funding	-	-	-							
Total sources of capital funding	2,227	5,085	7,041							
Applications of capital funding										
Capital expenditure - to meet additional demand	400	310	248							
Capital expenditure - to improve levels of services	1,899	4,927	8,422							
Capital expenditure - to replace existing assets	2,018	1,701	1,174							
Increase/(decrease) in reserves	-	-	-							
Increase/(decrease) in investments	-	-	-							
Total of capital funding	4,317	6,938	9,844							
Surplus/(deficit) of capital funding	-2,089	-1,853	-2,803							
Funding balance	-	-	-							

Projected statement of comprehensive revenue and expense - Whanganui District Wastewater

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Revenue										
Operating revenue	14,733	16,013	17,228							
Other revenue	110	110	110							
Total revenue	14,843	16,122	17,338							
Expenses										
Operating expenses	8,467	10,010	9,999							
Finance costs	2,824	2,892	3,106							
Overheads and support costs	1,353	1,258	1,319							
Depreciation & amortisation	4,281	5,008	5,148							
Total expenses	16,925	19,168	19,573							
Net surplus/(deficit)	- 2,082	- 3,045	- 2,235							
Revaluation of infrastructure assets	32,943	-	-							
Total comprehensive income	30,861	- 3,045	- 2,235							
Cash surplus/(deficit) from operations (ex non-cash items)	2,199	1,963	2,913							

Projected statement of cashflows - Whanganui District Wastewater

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Cashflows from operating activities										
Cash surplus/(deficit) from operations	2,199	1,963	2,913							
[Other items]	-	-	-							
Net cashflows from operating activities	2,199	1,963	2,913							
Cashflows from investing activities										
Capital expenditure – infrastructure assets	-4,317	-6,938	-9,844							
[Other items]	-	-	-							
Net cashflows from investing activities	-4,317	-6,938	-9,844							
Cashflows from financing activities										
New borrowings	2,117	4,975	6,930							
Repayment of borrowings	-	-	-							
Net cashflows from financing activities	2,117	4,975	6,930							
Net increase/(decrease) in cash and cash equivalents	-	-	-							
Cash and cash equivalents at beginning of year	-	-	-							
Cash and cash equivalents at end of year	-	-	-							

Projected statement of financial position - Whanganui District Wastewater

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Assets										
Cash and cash equivalents	-	-	-							
Other current assets	-	-	-							
Infrastructure assets	242,464	244,394	249,090							
Other non-current assets	-	-	-							
Total assets	242,464	244,394	249,090							
Liabilities										
Borrowings – current portion	-	-	-							
Other current liabilities	-	-	-							
Borrowings – non-current portion	56,876	61,851	68,782							
Other non-current liabilities	-	-	-							
Total liabilities	**56,876**	**61,851**	**68,782**							
Net assets	185,588	182,543	180,308							
Equity										
Revaluation reserves	121,861	121,861	121,861							
Other reserves	63,727	60,682	58,447							
Total equity	185,588	182,543	180,308							

Projected financial statements – Whanganui District Stormwater

Projected funding impact statement - Whanganui District Stormwater

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Sources of operating funding										
General rates	303	458	494							
Targeted rates	5,920	6,376	6,978							
Subsidies and grants for operating purposes	-	-	-							
Local authorities fuel tax, fines, infringement fees and other	-	-	-							
Fees and charges	-	-	-							
Total sources of operating funding	6,223	6,834	7,472							
Applications of operating funding										
Payments to staff and suppliers	1,796	2,132	2,128							
Finance costs	1,738	1,729	1,774							
Internal charges and overheads applied	469	439	449							
Other operating funding applications	-	-	-							
Total applications of operating funding	4,003	4,300	4,351							
Surplus/(deficit) of operating funding	2,220	2,534	3,121							
Source of capital funding										
Subsidies and grants for capital expenditure	-	-	-							
Development and financial contributions	280	280	280							
Increase/(decrease) in debt	2,262	1,217	1,306							
Gross proceeds from sales of assets	-	-	-							
Other dedicated capital funding	-	-	-							
Total sources of capital funding	2,542	1,497	1,586							
Applications of capital funding										
Capital expenditure - to meet additional demand	3,368	2,058	2,142							
Capital expenditure - to improve levels of services	920	1,336	1,817							
Capital expenditure - to replace existing assets	474	637	747							
Increase/(decrease) in reserves	-	-	-							
Increase/(decrease) in investments	-	-	-							
Total applications of capital funding	4,762	4,031	4,706							
Surplus/(deficit) of capital funding	-2,220	-2,534	-3,121							
Funding balance	-	-	-							

Projected statement of comprehensive revenue and expense - Whanganui District Stormwater

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Revenue										
Operating revenue	6,223	6,834	7,472							
Other revenue	280	280	280							
Total revenue	6,503	7,114	7,752							
Expenses										
Operating expenses	1,796	2,132	2,128							
Finance costs	1,738	1,729	1,774							
Overheads and support costs	469	439	449							
Depreciation & amortisation	3,253	3,812	3,857							
Total expenses	7,256	8,112	8,208							
Net surplus/(deficit)	- 753	- 998	-456							
Revaluation of infrastructure assets	33,147	-	-							
Total comprehensive income	32,394	-998	-456							
Cash surplus/(deficit) from operations (ex non-cash items)	2,500	2,814	3,401							

Projected statement of cashflows - Whanganui District Stormwater

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Cashflows from operating activities										
Cash surplus/(deficit) from operations	2,500	2,814	3,401							
[Other items]	-	-	-							
Net cashflows from operating activities	2,500	2,814	3,401							
Cashflows from investing activities										
Capital expenditure – infrastructure assets	-4,762	-4,031	-4,706							
[Other items]	-	-	-							
Net cashflows from investing activities	-4,762	-4,031	-4,706							
Cashflows from financing activities										
New borrowings	2,262	1,217	1,306							
Repayment of borrowings	-	-	-							
Net cashflows from financing activities	2,262	1,217	1,306							
Net increase/(decrease) in cash and cash equivalents	-	-	-							
Cash and cash equivalents at beginning of year	-	-	-							
Cash and cash equivalents at end of year	-	-	-							

Projected statement of financial position - Whanganui District Stormwater

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Assets										
Cash and cash equivalents	-	-	-							
Other current assets	-	-	-							
Infrastructure assets	245,692	245,911	246,760							
Other non-current assets	-	-	-							
Total assets	245,692	245,911	246,760							
Liabilities										
Borrowings – current portion	-	-	-							
Other current liabilities	-	-	-							
Borrowings – non-current portion	32,954	34,171	35,476							
Other non-current liabilities	-	-	-							
Total liabilities	**32,954**	**34,171**	**35,476**							
Net assets	212,738	211,740	211,284							
Equity										
Revaluation reserves	157,148	157,148	157,148							
Other reserves	55,590	54,592	54,136							
Total equity	212,738	211,740	211,284							

Projected financial statements – Ruapehu, Whanganui Combined Water Services

Projected funding impact statement - Ruapehu, Whanganui Combined Water Services

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Sources of operating funding										
User Charges				45,584	47,454	49,132	51,795	56,228	58,686	61,928
Subsidies and grants for operating purposes				515	515	515	515	515	515	515
Local authorities fuel tax, fines, infringement fees and other				304	372	441	508	577	644	711
Other fees and charges				1,511	1,521	1,530	1,539	1,547	1,556	1,565
Total sources of operating funding				47,914	49,862	51,618	54,357	58,867	61,401	64,719
Applications of operating funding										
Payments to staff and suppliers				20,244	20,288	20,432	20,270	20,688	21,246	21,515
Finance costs				8,354	9,160	10,155	11,030	11,662	11,867	11,991
Internal charges and overheads applied				3,962	4,042	4,136	4,055	4,073	4,172	4,127
Other operating funding applications				-	-	-	-	-	-	-
Total applications of operating funding				32,561	33,490	34,723	35,355	36,424	37,285	37,632
Surplus/(deficit) of operating funding				15,354	16,373	16,896	19,004	22,445	24,118	27,090
Source of capital funding										
Subsidies and grants for capital expenditure				-	-	-	-	-	-	-
Development and financial contributions				532	532	532	532	532	532	532
Increase/(decrease) in debt				8,205	15,288	16,337	15,578	6,944	2,019	1,537
Gross proceeds from sales of assets				-	-	-	-	-	-	-
Other dedicated capital funding				27	27	27	27	27	27	27
Total sources of capital funding				8,764	15,847	16,895	16,136	7,503	2,578	2,096
Applications of capital funding										
Capital expenditure - to meet additional demand				5,003	3,893	2,702	2,367	2,357	-	-
Capital expenditure - to improve levels of services				9,639	17,943	22,275	23,538	19,086	17,318	18,261
Capital expenditure - to replace existing assets				9,477	10,385	8,815	9,237	8,508	9,381	10,927
Increase/(decrease) in reserves				-	-	-	-	-	-	-
Increase/(decrease) in investments				-	-	-	-	-	-	-
Total applications of capital funding				24,119	32,220	33,793	35,142	29,950	26,698	29,187
Surplus/(deficit) of capital funding				-15,354	-16,373	-16,896	-19,004	-22,445	-24,118	-27,090
Funding balance				-	-	-	-	-	-	-

Projected statement of comprehensive revenue and expense - Ruapehu, Whanganui Combined Water Services

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Revenue										
Operating revenue				47,914	49,862	51,618	54,357	58,867	61,401	64,719
Other revenue				559	559	559	559	559	559	559
Total revenue				48,472	50,421	52,176	54,916	59,425	61,959	65,278
Expenses										
Operating expenses				20,244	20,288	20,432	20,270	20,688	21,246	21,515
Finance costs				8,354	9,160	10,155	11,030	11,662	11,867	11,991
Overheads and support costs				3,962	4,042	4,136	4,055	4,073	4,172	4,127
Depreciation & amortisation				16,905	18,339	18,840	19,275	20,789	21,173	21,467
Total expenses				49,466	51,829	53,563	54,630	57,213	58,458	59,099
Net surplus/(deficit)				-994	-1,409	-1,387	286	2,213	3,501	6,179
Revaluation of infrastructure assets				56,198	725	849	57,148	902	916	57,065
Total comprehensive income				55,205	-684	-538	57,433	3,115	4,418	63,244
Cash surplus/(deficit) from operations (ex non-cash items)				15,912	16,931	17,454	19,561	23,002	24,675	27,646

Projected statement of cashflows - Ruapehu, Whanganui Combined Water Services

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Cashflows from operating activities										
Cash surplus/(deficit) from operations				15,912	16,931	17,454	19,561	23,002	24,675	27,646
[Other items]										
Net cashflows from operating activities				15,912	16,931	17,454	19,561	23,002	24,675	27,646
Cashflows from investing activities										
Capital expenditure – infrastructure assets				-24,119	-32,220	-33,793	-35,142	-29,950	-26,698	-29,187
[Other items]										
Net cashflows from investing activities				-24,119	-32,220	-33,793	-35,142	-29,950	-26,698	-29,187
Cashflows from financing activities										
New borrowings				8,205	15,288	16,337	15,578	6,944	2,019	1,537
Repayment of borrowings										
Net cashflows from financing activities				8,205	15,288	16,337	15,578	6,944	2,019	1,537
Net increase/(decrease) in cash and cash equivalents				-	-	-	-	-	-	-
Cash and cash equivalents at beginning of year				-	-	-	-	-	-	-

Projected statement of financial position - Ruapehu, Whanganui Combined Water Services

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Assets										
Cash and cash equivalents				-	-	-	-	-	-	-
Other current assets				-	-	-	-	-	-	-
Infrastructure assets				827,456	842,063	857,864	930,879	940,943	947,384	1,012,170
Other non-current assets				-	-	-	-	-	-	-
Total assets				827,456	842,063	857,864	930,879	940,943	947,384	1,012,170
Liabilities										
Borrowings – current portion				-	-	-	-	-	-	-
Other current liabilities				-	-	-	-	-	-	-
Borrowings – non-current portion				175,564	190,852	207,189	222,767	229,711	231,731	233,268
Other non-current liabilities				-	-	-	-	-	-	-
Total liabilities				175,564	190,852	207,189	222,767	229,711	231,731	233,268
Net assets				651,892	651,211	650,675	708,112	711,232	715,654	778,903
Equity										
Revaluation reserves				508,926	509,650	510,499	567,647	568,549	569,465	626,530
Other reserves				142,966	141,560	140,176	140,465	142,683	146,189	152,372
Total equity				651,892	651,211	650,675	708,112	711,232	715,654	778,903

Projected financial statements – Ruapehu, Whanganui Combined Drinking Water

Projected funding impact statement - Ruapehu, Whanganui Combined Drinking Water

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Sources of operating funding										
User Charges				15,873	16,260	16,554	17,474	18,870	19,498	20,672
Subsidies and grants for operating purposes				515	515	515	515	515	515	515
Local authorities fuel tax, fines, infringement fees and other				66	83	101	116	135	150	169
Other fees and charges				202	206	209	213	215	219	222
Total sources of operating funding				16,656	17,064	17,379	18,318	19,735	20,383	21,578
Applications of operating funding										
Payments to staff and suppliers				7,596	7,618	7,704	7,623	7,782	8,028	8,106
Finance costs				2,451	2,739	3,121	3,475	3,753	3,936	4,184
Internal charges and overheads applied				1,492	1,519	1,553	1,519	1,525	1,579	1,542
Other operating funding applications				-	-	-	-	-	-	-
Total applications of operating funding				11,539	11,876	12,379	12,617	13,060	13,543	13,832
Surplus/(deficit) of operating funding				5,118	5,188	5,000	5,702	6,674	6,839	7,746
Source of capital funding										
Subsidies and grants for capital expenditure				-	-	-	-	-	-	-
Development and financial contributions				70	70	70	70	70	70	70
Increase/(decrease) in debt				1,133	5,269	-88	196	-1,619	-1,879	-728
Gross proceeds from sales of assets				-	-	-	-	-	-	-
Other dedicated capital funding				27	27	27	27	27	27	27
Total sources of capital funding				1,229	5,365	8	292	-1,522	-1,782	-632
Applications of capital funding										
Capital expenditure - to meet additional demand				619	25	-	-	-	-	-
Capital expenditure - to improve levels of services				998	6,268	780	1,418	992	780	1,622
Capital expenditure - to replace existing assets				4,730	4,260	4,228	4,575	4,160	4,277	5,492
Increase/(decrease) in reserves				-	-	-	-	-	-	-
Increase/(decrease) in investments				-	-	-	-	-	-	-
Total applications of capital funding				6,347	10,554	5,009	5,994	5,152	5,057	7,114
Surplus/(deficit) of capital funding				-5,118	-5,188	-5,000	-5,702	-6,674	-6,839	-7,746
Funding balance				-	-	-	-	-	-	-

Projected statement of comprehensive revenue and expense - Ruapehu, Whanganui Combined Drinking Water

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Revenue										
Operating revenue				16,656	17,064	17,379	18,318	19,735	20,383	21,578
Other revenue				97	97	96	97	97	96	97
Total revenue				16,753	17,161	17,475	18,415	19,831	20,479	21,675
Expenses										
Operating expenses				7,596	7,618	7,704	7,623	7,782	8,028	8,106
Finance costs				2,451	2,739	3,121	3,475	3,753	3,936	4,184
Overheads and support costs				1,492	1,519	1,553	1,519	1,525	1,579	1,542
Depreciation & amortisation				5,944	6,356	6,527	6,646	7,063	7,188	7,305
Total expenses				17,483	18,232	18,906	19,263	20,124	20,731	21,137
Net surplus/(deficit)				-730	-1,071	-1,430	-848	-292	-252	537
Revaluation of infrastructure assets				14,510	259	300	14,512	284	272	14,257
Total comprehensive income				13,780	-812	-1,131	13,664	-8	19	14,794
Cash surplus/(deficit) from operations (ex non-cash items)				5,214	5,285	5,097	5,798	6,771	6,935	7,843

Projected statement of cashflows - Ruapehu, Whanganui Combined Drinking Water

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Cashflows from operating activities										
Cash surplus/(deficit) from operations				5,214	5,285	5,097	5,798	6,771	6,935	7,843
[Other items]				-	-	-	-	-	-	-
Net cashflows from operating activities				5,214	5,285	5,097	5,798	6,771	6,935	7,843
Cashflows from investing activities										
Capital expenditure – infrastructure assets				-6,347	-10,554	-5,009	-5,994	-5,152	-5,057	-7,114
[Other items]				-	-	-	-	-	-	-
Net cashflows from investing activities				-6,347	-10,554	-5,009	-5,994	-5,152	-5,057	-7,114
Cashflows from financing activities										
New borrowings				1,133	5,269	-88	196	-1,619	-1,879	-728
Repayment of borrowings				-	-	-	-	-	-	-
Net cashflows from financing activities				1,133	5,269	-88	196	-1,619	-1,879	-728
Net increase/(decrease) in cash and cash equivalents				-	-	-	-	-	-	-
Cash and cash equivalents at beginning of year				-	-	-	-	-	-	-
Cash and cash equivalents at end of year				-	-	-	-	-	-	-

Projected statement of financial position - Ruapehu, Whanganui Combined Drinking Water

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Assets										
Cash and cash equivalents				-	-	-	-	-	-	-
Other current assets				-	-	-	-	-	-	-
Infrastructure assets				229,225	233,681	232,463	246,323	244,695	242,836	256,902
Other non-current assets				-	-	-	-	-	-	-
Total assets				229,225	233,681	232,463	246,323	244,695	242,836	256,902
Liabilities										
Borrowings – current portion				-	-	-	-	-	-	-
Other current liabilities				-	-	-	-	-	-	-
Borrowings – non-current portion				48,501	53,769	53,681	53,877	52,258	50,380	49,651
Other non-current liabilities				-	-	-	-	-	-	-
Total liabilities				48,501	53,769	53,681	53,877	52,258	50,380	49,651
Net assets				180,724	179,912	178,781	192,445	192,437	192,456	207,251
Equity										
Revaluation reserves				147,719	147,978	148,277	162,790	163,074	163,345	177,602
Other reserves				33,005	31,934	30,504	29,656	29,363	29,111	29,649
Total equity				180,724	179,912	178,781	192,445	192,437	192,456	207,251

Projected financial statements – Ruapehu, Whanganui Combined Wastewater

Projected funding impact statement - Ruapehu, Whanganui Combined Wastewater

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Sources of operating funding										
				-	-	-	-	-	-	-
User Charges				20,161	21,513	22,562	24,096	25,285	26,174	27,358
Subsidies and grants for operating purposes				-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other				238	289	340	392	442	494	542
Other fees and charges				1,274	1,279	1,284	1,288	1,293	1,297	1,302
Total sources of operating funding				21,673	23,081	24,186	25,777	27,020	27,964	29,202
Applications of operating funding										
Payments to staff and suppliers				10,258	10,275	10,309	10,252	10,460	10,704	10,867
Finance costs				4,063	4,446	4,926	5,400	5,802	5,954	6,017
Internal charges and overheads applied				1,707	1,745	1,783	1,752	1,760	1,770	1,783
Other operating funding applications				-	-	-	-	-	-	-
Total applications of operating funding				16,028	16,466	17,018	17,404	18,021	18,429	18,667
Surplus/(deficit) of operating funding				5,645	6,615	7,168	8,373	8,999	9,536	10,535
Source of capital funding										
Subsidies and grants for capital expenditure				-	-	-	-	-	-	-
Development and financial contributions				182	182	182	182	182	182	182
Increase/(decrease) in debt				5,051	7,505	14,817	15,956	11,016	7,281	6,626
Gross proceeds from sales of assets				-	-	-	-	-	-	-
Other dedicated capital funding				-	-	-	-	-	-	-
Total sources of capital funding				5,233	7,687	14,999	16,138	11,197	7,463	6,808
Applications of capital funding										
Capital expenditure - to meet additional demand				1,564	201	37	2,367	2,357	-	-
Capital expenditure - to improve levels of services				5,874	9,301	18,883	18,837	14,564	12,978	13,013
Capital expenditure - to replace existing assets				3,440	4,800	3,247	3,306	3,275	4,021	4,330
Increase/(decrease) in reserves				-	-	-	-	-	-	-
Increase/(decrease) in investments				-	-	-	-	-	-	-
Total applications of capital funding				10,878	14,302	22,167	24,511	20,196	16,999	17,342
Surplus/(deficit) of capital funding				-5,645	-6,615	-7,168	-8,373	-8,999	-9,536	-10,535
Funding balance				-	-	-	-	-	-	-

Projected statement of comprehensive revenue and expense - Ruapehu, Whanganui Combined Wastewater

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Revenue										
Operating revenue				21,673	23,081	24,186	25,777	27,020	27,964	29,202
Other revenue				182	182	182	182	182	182	182
Total revenue				21,855	23,263	24,368	25,959	27,202	28,147	29,384
Expenses										
Operating expenses				10,258	10,275	10,309	10,252	10,460	10,704	10,867
Finance costs				4,063	4,446	4,926	5,400	5,802	5,954	6,017
Overheads and support costs				1,707	1,745	1,783	1,752	1,760	1,770	1,783
Depreciation & amortisation				6,577	7,188	7,409	7,627	8,329	8,510	8,608
Total expenses				22,605	23,653	24,427	25,031	26,350	26,938	27,275
Net surplus/(deficit)				-750	-390	-59	928	852	1,208	2,109
Revaluation of infrastructure assets				20,793	123	197	21,572	268	290	21,947
Total comprehensive income				20,043	-267	138	22,500	1,120	1,498	24,056
Cash surplus/(deficit) from operations (ex non-cash items)				5,827	6,797	7,350	8,555	9,180	9,718	10,717

Projected statement of cashflows - Ruapehu, Whanganui Combined Wastewater

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Cashflows from operating activities										
Cash surplus/(deficit) from operations				5,827	6,797	7,350	8,555	9,180	9,718	10,717
[Other items]				-	-	-	-	-	-	-
Net cashflows from operating activities				5,827	6,797	7,350	8,555	9,180	9,718	10,717
Cashflows from investing activities										
Capital expenditure – infrastructure assets				-10,878	-14,302	-22,167	-24,511	-20,196	-16,999	-17,342
[Other items]				-	-	-	-	-	-	-
Net cashflows from investing activities				-10,878	-14,302	-22,167	-24,511	-20,196	-16,999	-17,342
Cashflows from financing activities										
New borrowings				5,051	7,505	14,817	15,956	11,016	7,281	6,626
Repayment of borrowings				-	-	-	-	-	-	-
Net cashflows from financing activities				5,051	7,505	14,817	15,956	11,016	7,281	6,626
Net increase/(decrease) in cash and cash equivalents				-	-	-	-	-	-	-
Cash and cash equivalents at beginning of year				-	-	-	-	-	-	-
Cash and cash equivalents at end of year				-	-	-	-	-	-	-

Projected statement of financial position - Ruapehu, Whanganui Combined Wastewater

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Assets										
Cash and cash equivalents				-	-	-	-	-	-	-
Other current assets				-	-	-	-	-	-	-
Infrastructure assets				311,196	318,434	333,389	371,844	383,980	392,759	423,440
Other non-current assets				-	-	-	-	-	-	-
Total assets				311,196	318,434	333,389	371,844	383,980	392,759	423,440
Liabilities										
Borrowings – current portion				-	-	-	-	-	-	-
Other current liabilities				-	-	-	-	-	-	-
Borrowings – non-current portion				88,682	96,187	111,004	126,959	137,975	145,256	151,881
Other non-current liabilities				-	-	-	-	-	-	-
Total liabilities				88,682	96,187	111,004	126,959	137,975	145,256	151,881
Net assets				222,514	222,247	222,385	244,885	246,005	247,503	271,559
Equity										
Revaluation reserves				167,211	167,334	167,531	189,103	189,370	189,661	211,607
Other reserves				55,304	54,913	54,854	55,783	56,634	57,843	59,952
Total equity				222,514	222,247	222,385	244,885	246,005	247,503	271,559

Projected financial statements – Ruapehu, Whanganui Combined Stormwater

Projected funding impact statement - Ruapehu, Whanganui Combined Stormwater

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Sources of operating funding										
User Charges				9,550	9,682	10,016	10,224	12,073	13,014	13,899
Subsidies and grants for operating purposes				-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other				-	-	-	-	-	-	-
Other fees and charges				35	36	37	38	39	40	40
Total sources of operating funding				9,585	9,718	10,053	10,262	12,112	13,054	13,939
Applications of operating funding										
Payments to staff and suppliers				2,391	2,395	2,419	2,394	2,446	2,514	2,541
Finance costs				1,841	1,975	2,108	2,156	2,107	1,977	1,789
Internal charges and overheads applied				763	779	799	784	789	823	803
Other operating funding applications				-	-	-	-	-	-	-
Total applications of operating funding				4,994	5,149	5,326	5,334	5,342	5,313	5,133
Surplus/(deficit) of operating funding				4,591	4,569	4,726	4,928	6,770	7,741	8,806
Source of capital funding										
Subsidies and grants for capital expenditure				-	-	-	-	-	-	-
Development and financial contributions				280	280	280	280	280	280	280
Increase/(decrease) in debt				2,023	2,517	1,611	-570	-2,448	-3,378	-4,355
Gross proceeds from sales of assets				-	-	-	-	-	-	-
Other dedicated capital funding				-	-	-	-	-	-	-
Total sources of capital funding				2,303	2,796	1,891	-290	-2,168	-3,098	-4,075
Applications of capital funding										
Capital expenditure - to meet additional demand				2,819	3,667	2,665	-	-	-	-
Capital expenditure - to improve levels of services				2,767	2,374	2,612	3,282	3,530	3,559	3,626
Capital expenditure - to replace existing assets				1,307	1,325	1,340	1,356	1,073	1,083	1,105
Increase/(decrease) in reserves				-	-	-	-	-	-	-
Increase/(decrease) in investments				-	-	-	-	-	-	-
Total applications of capital funding				6,894	7,365	6,617	4,638	4,602	4,642	4,731
Surplus/(deficit) of capital funding				-4,591	-4,569	-4,726	-4,928	-6,770	-7,741	-8,806
Funding balance				-	-	-	-	-	-	-

Projected statement of comprehensive revenue and expense - Ruapehu, Whanganui Combined Stormwater

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Revenue										
Operating revenue				9,585	9,718	10,053	10,262	12,112	13,054	13,939
Other revenue				280	280	280	280	280	280	280
Total revenue				9,865	9,997	10,333	10,542	12,392	13,334	14,219
Expenses										
Operating expenses				2,391	2,395	2,419	2,394	2,446	2,514	2,541
Finance costs				1,841	1,975	2,108	2,156	2,107	1,977	1,789
Overheads and support costs				763	779	799	784	789	823	803
Depreciation & amortisation				4,384	4,795	4,904	5,002	5,397	5,475	5,554
Total expenses				9,378	9,944	10,230	10,337	10,739	10,789	10,687
Net surplus/(deficit)				487	53	103	205	1,653	2,545	3,532
Revaluation of infrastructure assets				20,896	342	352	21,064	351	354	20,862
Total comprehensive income				21,382	396	455	21,269	2,004	2,900	24,394
Cash surplus/(deficit) from operations (ex non-cash items)				4,871	4,848	5,007	5,208	7,050	8,021	9,086

Projected statement of cashflows - Ruapehu, Whanganui Combined Stormwater

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Cashflows from operating activities										
Cash surplus/(deficit) from operations				4,871	4,848	5,007	5,208	7,050	8,021	9,086
[Other items]				-	-	-	-	-	-	-
Net cashflows from operating activities				4,871	4,848	5,007	5,208	7,050	8,021	9,086
Cashflows from investing activities										
Capital expenditure – infrastructure assets				-6,894	-7,365	-6,617	-4,638	-4,602	-4,642	-4,731
[Other items]				-	-	-	-	-	-	-
Net cashflows from investing activities				-6,894	-7,365	-6,617	-4,638	-4,602	-4,642	-4,731
Cashflows from financing activities										
New borrowings				2,023	2,517	1,611	-570	-2,448	-3,378	-4,355
Repayment of borrowings				-	-	-	-	-	-	-
Net cashflows from financing activities				2,023	2,517	1,611	-570	-2,448	-3,378	-4,355
Net increase/(decrease) in cash and cash equivalents				-	-	-	-	-	-	-
Cash and cash equivalents at beginning of year				-	-	-	-	-	-	-
Cash and cash equivalents at end of year				-	-	-	-	-	-	-

Projected statement of financial position - Ruapehu, Whanganui Combined Stormwater

	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Assets										
Cash and cash equivalents				-	-	-	-	-	-	-
Other current assets				-	-	-	-	-	-	-
Infrastructure assets				287,035	289,947	292,013	312,712	312,268	311,789	331,827
Other non-current assets				-	-	-	-	-	-	-
Total assets				287,035	289,947	292,013	312,712	312,268	311,789	331,827
Liabilities										
Borrowings – current portion				-	-	-	-	-	-	-
Other current liabilities				-	-	-	-	-	-	-
Borrowings – non-current portion				38,388	40,904	42,515	41,945	39,497	36,119	31,763
Other non-current liabilities				-	-	-	-	-	-	-
Total liabilities				38,388	40,904	42,515	41,945	39,497	36,119	31,763
Net assets				248,648	249,043	249,498	270,767	272,771	275,670	300,064
Equity										
Revaluation reserves				193,996	194,338	194,691	215,754	216,105	216,459	237,321
Other reserves				54,652	54,705	54,808	55,013	56,666	59,211	62,743
Total equity				248,648	249,043	249,498	270,767	272,771	275,670	300,064

Water Services Delivery Plan: additional information

This section provides the required additional disclosures in relation to the projected expenditure on significant capital projects, and disclosure of risks and material assumptions for water services delivery and the financial modelling.

Significant capital projects – Ruapehu District

Significant capital projects – Drinking Water ($K)

Significant capital projects – drinking water	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Projects to meet additional demand										
Drinking Water Capital expenditure - to meet additional demand	0	0	0	0	0	0	0	0	0	0
Total investment to meet additional demand	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Projects to improve levels of services										
Ohura Water Treatment Plant Upgrade	1,563	0	0	0	0	0	0	0	0	0
Owhango Water Treatment Plant Upgrade	2,605	0	0	0	0	0	0	0	0	0
Waimarino National Park Water Treatment Plant Upgrade	0	0	0	0	2,049	0	0	0	0	0
Total investment to meet improve levels of services	**4,168**	**0**	**0**	**0**	**2,049**	**0**	**0**	**0**	**0**	**0**
Projects to replace existing assets										
Renewal of SCADA, PLC, and Communications	156	161	166	171	0	0	0	0	0	0
Watermain Renewals	0	0	1,049	2,216	2,280	2,341	2,715	2,528	2,590	2,650
Secure water supply for Ruatiti public toilets	0	0	275	286	0	0	0	0	0	0
Water - Universal metering - Taumarunui	0	0	280	288	297	306	0	0	0	0
Drinking Water Capital expenditure - to replace existing assets	**156**	**161**	**1,770**	**2,961**	**2,577**	**2,647**	**2,715**	**2,528**	**2,590**	**2,650**
Total projected investment for drinking water	**4,324**	**161**	**1,770**	**2,961**	**4,626**	**2,647**	**2,715**	**2,528**	**2,590**	**2,650**

Significant capital projects – Wastewater ($K)

Significant capital projects – wastewater	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Projects to meet additional demand										
Raetihi Wastewater Treatment Plant Desludge (20% growth)	0	54	111	57	0	0	0	0	0	0
Hikumutu Wastewater Treatment Plant Wetlands Desludge (20% growth)	209	107	0	0	0	0	0	0	0	0

Ohakune Wastewater Treatment Plant Desludge (20% growth)	104	215	0	0	0	0	0	0	0	0
Capital expenditure - to meet additional demand	**313**	**376**	**111**	**57**	**0**	**0**	**0**	**0**	**0**	**0**
Projects to improve levels of services										
Pipiriki Wastewater Treatment Plant	0	0	0	285	293	301	0	0	0	0
Hikumutu Wastewater Treatment Plant	52	54	166	171	937	1,082	1,111	1,264	0	0
Rangataua Wastewater Wetlands Upgrade	104	322	0	0	0	0	0	0	0	0
Wastewater Treatment Plant upgrades	**0**	0	0	1,000	5,000	12,000	12,000	12,000	12,000	12,000
Capital expenditure - to improve levels of services	**156**	**376**	**166**	**1,455**	**6,230**	**13,384**	**13,111**	**13,264**	**12,000**	**12,000**
Projects to replace existing assets										
Upgrade SCADA PLC and Comms	0	0	221	171	176	180	185	0	0	0
Rangataua Consultant and Consent Renewal	52	54	55	0	0	0	0	0	0	0
Raetihi WWTP Desludge (80%)	0	214	442	228	0	0	0	0	0	0
Pipiriki Catchment	260	0	0	0	0	0	0	0	0	0
Hikumutu Wetlands Desludge (80%)	833	429	0	0	0	0	0	0	0	0
Waimarino National Park WWTP Desludge	0	0	0	285	878	0	0	0	0	0
Asset Renewals	0	0	0	1,137	1,171	1,204	1,234	1,264	1,942	1,988
Pumping Station minor upgrades	156	161	166	285	293	301	308	316	324	331
Ohakune WWTP Desludge (80%)	418	858	0	0	0	0	0	0	0	0
Ohakune WWTP renewals	0	0	0	0	878	0	0	0	0	0
Capital expenditure - to replace existing assets	**1,719**	**1,716**	**884**	**2,106**	**3,396**	**1,685**	**1,727**	**1,580**	**2,266**	**2,319**
Total projected investment for wastewater	**2,188**	**2,468**	**1,161**	**3,619**	**9,626**	**15,068**	**14,838**	**14,844**	**14,266**	**14,319**

Significant capital projects – Stormwater ($K)

Significant capital projects – stormwater	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Projects to meet additional demand										
Stormwater capital projects to meet additional demand	0	0	0	0	0	0	0	0	0	0
Total investment to meet additional demand	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Projects to improve levels of services	0	0	0	0	0	0	0	0	0	0
Stormwater capital projects to improve levels of service	0	0	0	0	0	0	0	0	0	0
Total investment to meet improved levels of services	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Projects to replace existing assets	0	0	0	0	0	0	0	0	0	0
Stormwater Asset Renewals	0	0	0	171	176	180	185	189	194	199
Stormwater District-Wide Renewals	0	53	55	285	293	301	308	0	0	0
Total investment to replace existing assets for stormwater	**0**	**53**	**55**	**456**	**469**	**481**	**493**	**189**	**194**	**199**
Total projected investment for stormwater	**0**	**53**	**55**	**456**	**469**	**481**	**493**	**189**	**194**	**199**

Significant capital projects – Whanganui District

Significant capital projects – Drinking Water

Significant capital projects – Drinking Water	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Projects to meet additional demand										
Urban Reticulation	0	0	0	533	0	0	0	0	0	0
Zone metering	54	56	0	0	0	0	0	0	0	0
Fox Rd upgrade Sherwood Pl – Mosston Rd	0	0	170	0	0	0	0	0	0	0
Mannington Rd Pump Station upgrade				99	26					
Total investment to meet additional demand	**54**	**56**	**170**	**632**	**26**	**0**	**0**	**0**	**0**	**0**
Projects to improve levels of services										
Fordell booster pump & tank	250	255	0	0	0	0	0	0	0	0
Central City mains upgrade	325	204	0	0	272	0	0	231	0	0
Extension to cater for Marae	140	143	0	213	0	0	227	0	0	240
Mains	25	26	26	27	27	28	28	29	29	30
Meters & Backflows	100	102	104	107	109	111	113	116	118	120
Connections	100	102	104	107	109	111	113	116	118	120
City pump stations	15	15	16	16	16	17	17	17	18	18
Zone Remote Metering	50	51	52	53	54	56	57	58	59	60
Water source Investigations	0	0	0	0	22	22	0	0	0	0
UV disinfection & chlorination	400	1,887	261	0	0	0	0	0	0	0
Power generation	0	408	417	0	0	0	0	0	0	0
Water source security	0	306	156	213	326	0	453	0	0	0
Reservoir site UV & chlorination	44	47	48	49	71	69	77	73	74	77
Dublin St Bridge alternative main	0	0	0	0	0	0	0	0	0	600
Network resilience / adaption	0	0	0	224	272	389	396	404	412	468
New treatment facilities	0	153	156	0	0	0	0	0	0	0
Urban easements	10	10	10	11	11	11	11	12	12	12
Total investment to meet improve levels of services	**1,459**	**3,709**	**1,351**	**1,018**	**1,289**	**813**	**1,493**	**1,055**	**839**	**1,744**
Projects to replace existing assets										
Vehicle Repl.	61	62	63	65	66	68	69	70	72	73
Fordell Repl.	17	42	18	18	19	19	56	22	23	23
Fordell Timber Tank Repl.	152	0	0	0	0	0	0	0	0	0
Maxwell Repl.	4	4	4	4	4	5	5	5	5	5
Westmere Repl.	13	11	74	12	63	19	88	53	59	65
Mains	112	114	116	118	122	124	126	129	132	134
Valve & Hydrants	107	161	216	248	254	259	264	269	275	279
Meters & Backflows	56	57	58	59	61	62	63	64	66	67

Connections	203	312	423	540	662	676	688	703	716	726
City Pump Stations	10	10	11	11	11	11	11	12	12	12
SCADA	2	2	2	2	2	2	2	2	2	2
Roading Coordinated Projects	164	168	171	175	179	183	186	190	193	196
Spiral Welded Pipe Repl.	164	168	171	175	179	183	186	190	193	196
Bastia Tower Decommission	0	0	0	0	0	0	0	0	119	1,210
Ikitara Road Pump Station	0	0	63	0	0	0	0	0	0	0
Aramoho Bore Treatment Plant	44	34	12	220	51	0	69	47	0	123
Variable Speed Drives	51	52	106	0	0	0	0	0	0	0
Westmere Reservoir Pipework	0	00	158	0	0	0	0	0	0	0
Kai-Iwi Bores Pipework	101	104	211	216	143	147	287	141	143	145
Symes Road Pipe Repl.	507	0	0	0	0	0	0	0	0	0
Total investment to replace existing assets	**1,767**	**1,303**	**1,878**	**1,865**	**1,815**	**1,758**	**2,101**	**1,898**	**2,009**	**3,256**
Total investment in Drinking Water assets	**3,280**	**5,068**	**3,399**	**3,515**	**3,130**	**2,571**	**3,594**	**2,953**	**2,848**	**5,000**

Significant capital projects – Wastewater

Significant capital projects – Wastewater										
Significant capital projects – Wastewater	**FY2024/25**	**FY2025/26**	**FY2026/27**	**FY2027/28**	**FY2028/29**	**FY2029/30**	**FY2030/31**	**FY2031/32**	**FY2032/33**	**FY2033/34**
Projects to meet additional demand										
Urban reticulation growth	50	124	250	341	207	39	0	0	0	0
Fox Road Extension	0	186	0	0	0	0	0	0	0	0
Fox Rd to Fitzherbert Ave	350	0	0	0	0	0	0	0	0	0
Tregenna St Pump Station attenuation capacity	0	0	0	0	0	0	2,492	2,507	0	0
Mannington Road Pump Station	0	0	0	373	0	0	0	0	0	0
Manuka St & Mill Rd	0	0	0	826	0	0	0	0	0	0
Total investment to meet additional demand	**400**	**310**	**250**	**1,539**	**207**	**39**	**2,492**	**2,507**	**0**	**0**
Projects to improve levels of services										
CCTV critical assets	50	102	125	160	163	167	170	173	177	180
Backfill outstanding connections	10	10	10	11	11	11	11	12	12	12
Network improvements	200	1,020	1,564	1,598	1,632	1,666	1,699	1,733	1,766	1,800
Jones St pump station	0	0	0	0	4,351	4,442	4,531	0	0	0
Mowhanau connection to City	369	2,040	3,785	0	0	0	0	0	0	0
Ocean Outfall	270	275	0	0	0	0	306	312	0	0
Cogeneration Plant	50	102	208	1,438	326	0	0	0	0	0
Sludge disposal	0	408	2,606	533	0	0	0	0	0	0
Sludge pond capping	0	0	0	799	0	0	0	0	0	0

Ocean outfall consent	500	510	0	0	0	0	0	0	0	0
Total investment to meet improve levels of services	**1,449**	**4,468**	**8,299**	**4,538**	**6,483**	**6,286**	**6,718**	**2,230**	**1,955**	**1,992**
Projects to replace existing assets										
Vehicle Repl.	61	62	64	65	66	68	69	70	72	73
Urban reticulation	605	722	849	976	1,106	1,241	1,380	1,524	1,671	1,822
Inflow & Infiltration	50	52	53	54	55	56	58	59	60	61
Reactive replacement	121	144	170	184	188	192	196	199	203	206
Pump station Repl.	44	45	47	48	49	50	51	52	53	53
Beach Rd Pump Station electrical upgrade	1,312	670	0	0	0	0	0	0	0	0
Flyght pump service	0	0	0	76	88	90	0	0	0	0
Aeration tank refurbish	454	464		0	0	0	0	0	0	0
Dryer foul air improvement	0	0	212	0	0	0	0	0	0	0
Total investment to replace existing assets	**2,648**	**2,160**	**1,394**	**1,404**	**1,553**	**1,697**	**1,753**	**1,904**	**2,058**	**2,337**
Total investment in Wastewater assets	**4,497**	**6,938**	**9,943**	**7,481**	**8,243**	**8,022**	**10,963**	**6,641**	**4,013**	**4,327**

Significant capital projects – Stormwater

Significant capital projects – Stormwater										
Significant capital projects – Stormwater	**FY2024/25**	**FY2025/26**	**FY2026/27**	**FY2027/28**	**FY2028/29**	**FY2029/30**	**FY2030/31**	**FY2031/32**	**FY2032/33**	**FY2033/34**
Projects to meet additional demand										
Land acquisition	1,038	964	464	0	0	0	0	0	0	0
0Mill Rd drainage corridor	80	201	383	0	0	0	0	0	0	0
Watercourse upgrade	0	70	81	0	0	0	0	0	0	0
Swale construction	750	0	0	0	0	0	0	0	0	0
Wetland Expansion	0	202	206	213	218	0	0	0	0	0
Springvale 750mm main	0	125	0	0	0	0	0	0	0	0
Fox to Fitzherbert Ave main	1,500	0	0	0	0	0	0	0	0	0
Downstream improvements	0	404	412	0	0	0	0	0	0	0
Northwest land development	0	68		0	0	0	0	0	0	0
Northwest linking S/Water	0	25		0	0	0	0	0	0	0
Montgomery storage facility	0	0	619	0	0	0	0	0	0	0
Wetland Mill Rd	0	0	0	0	0	2,776	0	0	0	0
Wetland Titoki	0	0	0	2,663	0	0	0	0	0	0
Wetland Kokohuia	0	0	0	0	2719	0	0	0	0	0
Manuka St & Mill Rd upgrade	0	0	0	0	843	0	0	0	0	0
Total investment to meet additional demand	**3,368**	**2,059**	**2,165**	**2,876**	**3,780**	**2,776**	**0**	**0**	**0**	**0**
Projects to improve levels of services										

Attenuation	**0**	255	521	1,065	1,088	1,111	1,133	1,155	1,177	1,200
Integrated catchment management	150	153	156	160	163	167	170	173	177	180
Mill Road reticulation	0	0	0	0	0	0	680	0	0	0
Otamatea East pond	0	0	0	426	0	0	0	0	0	0
City-wide hotspots	100	102	104	107	109	111	113	116	118	120
Castlecliff pump stations	0	0	0	0	0	0	0	924	942	960
Separation completion	500	612	834	852	870	1,111	1,133	1,155	1,177	1,200
Inflow and infiltration	100	102	104	107	109	111	113	116	118	120
Watercourse condition investigations	10	10	10	11	11	11	11	12	12	12
Watercourse erosion control	60	71	83	96	98	100	102	104	106	108
Putiki climate adaption		31	21							
Total investment to meet improve levels of services	**920**	**1,336**	**1,833**	**2,824**	**2,448**	**2,722**	**3,455**	**3,755**	**3,827**	**3,900**
Projects to replace existing assets										
Network Repl.	524	637	755	878	897	915	934	952	971	989
Total investment to replace existing assets	**524**	**637**	**755**	**878**	**897**	**915**	**934**	**952**	**971**	**989**
Total investment in Stormwater assets	**4,812**	**4,032**	**4,753**	**6,578**	**7,125**	**6,413**	**4,389**	**4,707**	**4,798**	**4,889**

Assumptions

Creating a multi-council WS-CCO within the Local Water Done Well framework offers significant advantages in operational and capital efficiency. These benefits largely explain why councils prefer collaborative models instead of independent delivery.

Efficiency assumptions

Scale and consolidation is expected to bring efficiency in both capital and operational expenditure. The key drivers of this efficiency are:

- **Shared Expertise and Resources**. Pooling technical staff, management, and operational systems reduces duplication and improves service delivery quality.
- **Economies of Scale.** Consolidating assets and functions into unified entities reduces duplicate management, IT, and back-office roles, resulting in lower per-unit costs and faster procurement procedures. Larger entities can negotiate more favourable contracts for maintenance, chemicals, and equipment, thereby further decreasing their per-unit operating costs.
- **Operational Standardisation.** Integrated asset management systems and standardized maintenance routines promote proactive renewals, which extend asset lifespans and reduce emergency repair costs.
- **Improved Compliance Capacity.** A dedicated water entity is better positioned to comply with the standards set by Taumata Arowai and the Commerce Commission, due to focused governance and operational oversight.
- **Reduced Financing Costs.** The WS-CCO, which has higher credit ratings and stronger balance sheets, can secure long-term debt at lower interest rates compared to individual councils, thereby saving on financing costs.
- **Streamlined Procurement**. Bulk purchasing of pipes, chemicals, and professional services through centralized contracts reduces unit costs.
- **Enhanced Investment Planning.** Centralized forecasting and prioritization ensure that capital is allocated to projects offering the most significant service improvements or resilience benefits, avoiding cycles of under- or over-investment.
- **Innovation and Technology Uptake**. Aggregated entities can justify investing in advanced treatment technologies and real-time sensors, which optimize energy, chemical use, and environmental outcomes—investments that smaller councils alone cannot afford.

By leveraging these efficiencies, the WS-CCO are expected to save households thousands of dollars each year compared to the “business-as-usual” path, supporting both affordability and environmental resilience. The modelling assumes the following efficiency rates:

- Operational expenditure: rising from 2% to 10% over 5 years
- Capital expenditure: rising from 1% to 7% over 6 years;

These relatively conservative efficiency assumptions reflect the relatively smaller nature of the two council WS-CCO and the geographical reality of servicing a number of smaller, less dense, dispersed networks and the need for local operational staff to ensure response times and levels of service are maintained.

Whilst overhead consolidation is expected to be one of the key areas of opportunity for efficiency, the efficiency calculation has not been applied to overheads in the first few years, recognising that the councils will continue to provide these services and the costs currently included in Long Term Plans for overhead services are likely to be reasonably accurate.

Startup costs

During the appraisal process a desk-top exercise was carried out to identify the costs of establishing similar utility and CCO's. This identified that startup costs tended to be around 13% of the Operating expenditure of the new entity. This was then verified by a high-level breakdown of likely work areas and the resources required over an 18-month establishment period. The 13% benchmark was used to establish the likely startup costs for the three-council model which was preferred at consultation. The start-costs were then reduced to 85% of this figure, recognising that while some costs were proportionate to the number of councils participating, some costs would be the same regardless of the size of the WS-CCO.

Therefore in the model the startup costs are assumed to be $6.7m over 18 months, debt funded by the lead council and transferred to the WS-CCO upon its establishment. The high-level breakdown is as follows:

	$000's
Establishment / Transition Team (Exec Drtr/CE + 7x workstream leads)	2,100
Legal fees to establish WS-CCO ($120k for each council + $120k for WS-CCO)	360
Business Process Change	500
Staff, Public and Contractor Engagement and Comms	160
IT System Change and Integration	3,250
Office Establishment	330
Total	**6.700**

Further work to establish the detailed work streams, budgets and resource requirements will be done in the early part of the Establishment Phase.

Risks and material assumptions

The WSDP is based on the Long-Term Plans, Infrastructure Strategies and Asset Management Plans of each council and are underpinned by the following risks and material assumptions.

Disclosure of risks and material assumptions for Ruapehu District Water Services delivery

Disclosure of risks and material assumptions for Ruapehu District Water Services delivery

Parameters

Key Risks

- Future water service delivery
- Network performance
- Regulatory compliance
- Delivery of Capital Programme
- Organisational capacity
- Long-term issues, e.g. providing for growth, climate change

Drinking supply

KEY ISSUES

Key issues were identified for the 2024 AMP development through the Council's knowledge and asset planning. The key issues the Council is managing as part of the water supply activity are summarised in the table below.

Focus area	Key issues	Implications/management response	Refer to the AMP section
Governance model	Uncertainty with changes to legislation resulting from new Government policies and initiatives and how this impacts service delivery.	Maintain a watchful eye on the changes to the Government's Local Water Done Well policies and evaluate other options as information becomes available.	Section 2.3 Legislative framework

Wastewater

KEY ISSUES

Key issues were identified for the 2024 AMP development through Council's knowledge and asset planning. The key issues Council is managing as part of the wastewater activity are summarised in the table below.

Focus area	Key issues	Implications / management response	Refer to AMP section
Governance model	Uncertainty with changes to legislation resulting from new Government policies and initiatives and how this impacts service delivery.	Maintain a watching brief on the changes of Government's Local Water Done Well policies and evaluate other options as information becomes available.	Section 2.3 Legislative framework

Stormwater

Much of Ruapehu's urban developments are built in flood plains including Ohakune and Taumarunui (about half of the township for both).
Ohura township is built in a flood plain.
Mountain storms and flooding risk.

KEY ISSUES

Key issues were identified for the 2021 AMP development through Council's knowledge and asset planning. The key issues Council is managing as part of the stormwater activity are summarised in the table below.

Focus area	Key issues	Implications / management response	Refer to AMP section
Governance model	Uncertainty with changes to legislation resulting from new Government policies and initiatives and how this impacts service delivery.	Maintain a watching brief on the changes of Government's Local Water Done Well policies and evaluate other options as information becomes available.	Section 2.3 Legislative framework

Funding constraints	Increasing cost challenges with expenditure and associated debt required to bring the districts three waters systems in-line with Government legislation and debt allowance standards. Ruapehu District has a small rating base to share the costs of providing water services to meet the minimum standards.	The proposed 10-year capital works programme has been prioritised as part of the LTP process. Many important projects have been discounted through this process. The Wastewater AMP shows the important but unfunded projects for completeness Council will continue to seek external funding where appropriate to reduce the impact on Ruapehu's ratepayers.	Section 4.10 Asset Creation Plan; Section 6.4 Capital Expenditure Summary

Funding constraints	Increasing cost challenges with expenditure and associated debt required to bring the districts three waters systems in-line with Government legislation and debt allowance standards. Ruapehu District has a small rating base to share the costs of providing water services to meet the minimum standards. The stormwater network has historically been under invested.	programme has been prioritised as part of the LTP process. Many important projects have been discounted through this process. The Stormwater AMP shows the important but unfunded projects for completeness. Council will continue to seek external funding where appropriate to reduce the impact on Ruapehu's ratepayers.	Section 4.19 Asset Creation Plan; Section 6.4 Capital Expenditure Summary

Funding constraints	Increasing cost challenges with expenditure and associated debt required to bring the districts three waters systems in-line with Government legislation and debt allowance standards. Ruapehu District has a small rating base to share the costs of providing water services to meet the minimum standards.	The proposed 10-year capital works programme has been prioritised as part of the LTP process. Many important projects have been discounted through this process. The Water Supply AMP shows the important but unfunded projects for completeness. Council will continue to seek external funding where appropriate to reduce the impact on Ruapehu's ratepayers.	Section 4.10 Asset Creation Plan; Section 6.4 Capital Expenditure Summary
Resource constraints	Delivering water services is constrained by supply chain issues and staffing levels.	Sourcing plant and equipment can be challenging, particularly from overseas, given ongoing geopolitical issues and the reduced local presence. The works programme certainty allows adequate lead-in times for Council's service provider, Veolia NZ, and capital works contractors.	Section 4.10 Asset Creation Plan

Regulatory standards	There are multiple regulatory and compliance requirements to meet, including the new Drinking Water Assurance Rules and duty to supply enough drinking water as defined in the Water Services Act.	The Council continues to develop Water Safety Plans, Source Water Risk Management Plans, and Annual Compliance Reports in accordance with Taumata Arowai's requirements.	Section 2.3 Legislative framework Section 5.4 Water safety assurance
People: skills and capacity	Inadequate internal resourcing for the water supply activity. It is costly for a small rural district council to have sufficient staffing to manage its three water assets.	AM planning is not undertaken or ad hoc resulting in assets being managed reactively.	Section 7.7 AM Practices; Section 7.5 Improvement Plan

Resource constraints	Delivering water services is constrained by supply chain issues and staffing levels.	Sourcing plant and equipment can be challenging particularly from overseas with ongoing geopolitical issues, less locally now. Work programme certainty Section 4.10 Asset Creation Plan Ruapehu District Council Te Kaunihera-ā-Rohe o Ruapehu District Council Wastewater Asset Management Plan 2024-34 Page 13 Focus area Key issues Implications / management response Refer to AMP section allows adequate lead in times Council's service provider Veolia NZ and capital works contractors.	Section 4.10 Asset Creation Plan

Resource constraints	Delivering water services is constrained by supply chain issues and staffing levels.	Sourcing plant and equipment can be challenging particularly from overseas with ongoing geopolitical issues, less locally now. Work programme certainty allows adequate lead in times Council's service provider Veolia NZ and capital works contractors.	Section 4.19 Asset Creation Plan

Resilience	Increasing extreme weather patterns, characterized by storms of greater intensity and frequency, will also exacerbate the challenges of producing potable water from high-turbidity waters.	Continue to look for opportunities to strengthen infrastructure resilience at the scoping design stage for renewals and new work projects.	Section 5.5 Climate change and resilience

Regulatory standards	Upgrading wastewater treatment plants to meet higher environmental standards and future growth poses significant and complex challenges. Four of the six wastewater plants are under the resource consent renewal process during this AMP period. Council recognises and is managing increasing stakeholder expectations, localised areas of increased demand, and provincial commercial limitations	The Council continues to strengthen its partnerships with iwi/hapū and the HRC to achieve practical and environmentally suitable solutions. The budget for new treatment plants included in the WSDP is based on previous estimates that assume discharging treated wastewater into the water. The design requirements and therefore costs of disposal land (if that is the preferred option) are currently uncertain, but if that option was to come forward, the costs are expected to be higher than$66m; this would have to be balanced with the overall affordability of water	Section 2.3 Legislative framework; Section 3.5 Future wastewater capacity

Freshwater legislation changes	Horizons Regional Council is reviewing their Regional Freshwater Management Plans and the Regional Plan (One Plan) to give effect to the National Policy Statement for Freshwater Management (NPS-FM) 2020. Oranga Wai | Our Freshwater Future is the way Horizons is applying the National Policy Statement for Freshwater Management (NPS-FM) 2020 to the region. This will direct the territorial authorities, including RDC, through	This will require Council to be more proactive in stormwater quality management than our current practices, particularly for existing stormwater networks. Stormwater treatment will also be required with global consents.	Section 4.3 Asset performance

		services at the time.	
Cultural expectations	The future consent conditions for wastewater treatment plants and discharge are the primary drivers of wastewater activity and a significant challenge. There are cultural expectations for suitable treatment processes that must be met to uphold mana whenua values before discharging into streams or rivers.	The Council is exploring technology solutions to ensure treated wastewater meets high standards. Continue to develop our long-term vision for our wastewater treatment plant sites in partnership with Iwi.	Section 4.4 Asset performance
People: skills and capacity	Inadequate internal resourcing for the wastewater activity. It is costly for a small rural district council to have sufficient staffing to manage its three water assets.	AM planning is not undertaken or ad hoc, resulting in assets being managed reactively.	Section 7.4 AM Practices; Section 7.5 Improvement Plan

	Plan Changes.		
People: skills and capacity	Inadequate internal resourcing for the stormwater activity. It is costly for a small rural district council to have sufficient staffing for managing the three water assets.	AM planning is not undertaken or ad hoc, resulting in assets being managed reactively.	Section 7.4 AM Practices; Section 7.5 Improvement Plan
Resilience	Increasing extreme weather patterns with storms of increasing intensity and frequency will impact the capacity of the existing stormwater network.	Continue to look for opportunities to strengthening infrastructure resilience at scoping design stage for renewals and new works projects.	Section 5.4 Climate change and resilience

		Resilience	Increasing extreme weather patterns with storms of increasing intensity and frequency will impact the wastewater network capacity, resulting in overflows.	Continue to look for opportunities to strengthen infrastructure resilience at the scoping design stage for renewals and new work projects.	Section 5.4 Climate change and resilience	
Significant assumptions • Future water service delivery • Network performance • Regulatory compliance • Delivery of Capital Programme • Organisational capacity • Long term issues e.g. providing for growth, climate change	**GROWTH AND DEMAND ASSUMPTIONS** The key growth and demand assumptions are as follows: • Population forecasts based on Statistics New Zealand 2018 census data. • Council's growth planning analysis for the 2024 LTP has assumed that: – The total district peak population is set to decrease by up to -2.66% between 2024 to 2034. – The total District usually resident population is expected to increase by up to 3.5% between 2024 to 2034. • Future water supply consent conditions will be more restrictive and may cost more to comply with, implement and monitor. • Food production and tourist demand will continue in the district. • Ohakune will continue to experience significant population growth driven by new land development **FINANCIAL ASSUMPTIONS** The assumptions upon which the financial needs are based on the following: • Forecasts are uninflated. • Based on the draft LTP budget as of February 2024. • Based on existing information available. • Based on existing legislation and service levels. • The order of priority or call on funds by Council is generally: – operations and maintenance – renewals – new works for increased service level improvement – new works for growth • The application and level of user charges are all determined by the Council's Revenue and Financing Policy. **CONFIDENCE LEVELS**		**GROWTH AND DEMAND ASSUMPTIONS** The key growth and demand assumptions are as follows: • Population forecasts based on Statistics New Zealand 2018 census data. • Council's growth planning analysis for the 2024 LTP has assumed that: – The total district peak population is set to decrease by up to -2.66% between 2024 to 2034. – The total District usually resident population is expected to increase by up to 3.5% between 2024 to 2034. • Future wastewater consent conditions will be more restrictive, drive alternative solutions and may cost more to comply with, implement and monitor. • Food production and tourist demand will continue in the district. • Ohakune will continue to experience significant population growth driven by new land development **FINANCIAL ASSUMPTIONS** The assumptions upon which the financial needs are based on the following: • Forecasts are uninflated. • Based on draft LTP budget as of February 2024. • Based on existing information available. • Based on existing legislation and service levels. • The order of priority or call on funds by Council is generally: – operations and maintenance – renewals – new works for increased service level improvement – new works for growth		**GROWTH AND DEMAND ASSUMPTIONS** The key growth and demand assumptions are as follows: • Population forecasts based on Statistics New Zealand 2018 census data. • Council's growth planning analysis for the 2024 LTP has assumed that: – The total district peak population is set to decrease by up to -2.66% between 2024 to 2034. – The total District usually resident population is expected to increase by up to 3.5% between 2024 to 2034. • Food production and tourist demand will continue in the district. • Ohakune will continue to experience significant population growth driven by new land development **FINANCIAL ASSUMPTIONS** The assumptions upon which the financial needs are based on the following: • Forecasts are uninflated. • Based on draft LTP budget as at February 2024. • Based on existing information available. • Based on existing legislation and service levels. • The order of priority or call on funds by Council is generally: – operations and maintenance – renewals – new works for increased service level improvement – new works for growth • The application and level of user charges are all determined by the Council's Revenue and Financing Policy.

Considering the assumptions made in deriving the future financial needs of the service, asset needs and the historical levels of expenditure for the water supply activity, the reliability of the financial forecast to deliver the current level of service is assessed as follows:

Table 50 Confidence in financial forecasts

Information type	Degree of confidence	Comments
Expenditure projections	Medium	• The operational projections are largely based on historical operational budgets and asset condition surveys where this is available. • Renewals are based on preliminary analysis, but further asset analysis is required to develop a risk-based renewal programme as identified in the Improvement Programme. • There is a degree of confidence that the projections are based on appropriate budgeting and approval processes and represent the best available information.
Asset values	High	• Asset values are based on the asset valuation as of 30 June 2022. These are revalued every three years.
Depreciation	Medium	• The assessment of useful lives and the calculation of depreciation expenses are undertaken every three years with the valuation.
Funding sources	High	• Capital expenditure will be funded by loans.

DATA

• The application and level of user charges are all determined by the Council's Revenue and Financing Policy.

CONFIDENCE LEVELS

Considering the assumptions made in deriving the future financial needs of the service, asset needs and the historical levels of expenditure for the water supply activity, the reliability of the financial forecast to deliver the current level of service is assessed as follows:

Table 47 Confidence in financial forecasts

Information type	Degree of confidence	Comments
Expenditure projections	Medium	• The operational projections are largely based on historical operational budgets and asset condition surveys where this is available. • Renewals are based on preliminary analysis, but further asset analysis is required to develop a risk-based renewal programme as identified in the Improvement Programme. • There is a degree of confidence that the projections are based on appropriate budgeting and approval processes and represent the best available information.
Asset values	High	• Asset values are based on the asset valuation as of 30 June 2022. These are revalued every three years.
Depreciation	Medium	• The assessment of useful lives and the calculation of depreciation expense are undertaken every three years with the valuation.
Funding sources	High	• Capital expenditure will be funded by loans.

DATA

CONFIDENCE LEVELS

Considering the assumptions made in deriving the future financial needs of the service, asset needs and the historical levels of expenditure for the water supply activity, the reliability of the financial forecast to deliver the current level of service is assessed as follows:

Table 38 Confidence in financial forecasts

Information type	Degree of confidence	Comments
Expenditure projections	Medium	• The operational projections are largely based on historical operational budgets and asset condition surveys where this is available. • Renewals are based on preliminary analysis, but further asset analysis is required to develop a risk-based renewal programme as identified in the Improvement Programme. • There is a degree of confidence that the projections are based on appropriate budgeting and approval processes and represent the best available information.

Data quality is important for end users so that they can have confidence in making an analysis using that data. Ongoing data collection and validation, in terms of the physical attribute accuracy and spatial data, are part of Council's ongoing improvement programme. The overall data confidence has been assessed as reliable for the water supply activity as shown in the table below.

Activity	Asset register	Asset condition	Overall
Water supply	B	B	B

Source: RDC Addendum (2023).

Key:
• A: the data is accurate (±5%) and based on reliable documentation
• B: data is based on some supporting documentation but is less certain (±15%)
• C: uncertain data, fair amount of assumptions and local knowledge used to reach the conclusions (±30%)
• D: very uncertain data where there is no formal documentation to base an assessment on (±40%)
• E: Unknown.

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Asset values	High	• Asset values are based on the asset valuation as at 30 June 2022. These are revalued every three years.
Depreciation	Medium	• The assessment of useful lives and the calculation of depreciation expense are undertaken every three years with the valuation.
Funding sources	High	• Capital expenditure will be funded by loans.

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Data quality is crucial for end users, enabling them to have confidence in their analysis using that data. Ongoing data collection and validation, in terms of the physical attribute accuracy and spatial data, are part of Council's ongoing improvement programme. The overall data confidence has been assessed as reliable for the water supply activity as shown in the table below.

Activity	Asset register	Asset condition	Overall
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• C: uncertain data, fair amount of assumptions and local knowledge used to reach the conclusions (±30%)
• D: very uncertain data where there is no formal documentation to base an assessment on (±40%)
• E: Unknown.

Most of the wastewater treatment plants in the Ruapehu District Council have resource consents that are either expired or close to expiring. To meet the legal responsibilities of the WS-CCO, the WSDP has allocated the $66 million designated for years 11 through 30 of the 30-Year Infrastructure Strategy to fund upgrades intended to improve treatment processes during years 4 to 10 of the WSDP. This estimate assumes that building an upgraded conventional wastewater treatment plant discharging treated water to wetlands and downstream will be acceptable to iwi and regulators.

There is a known risk that the new consents might require disposal to land instead of the planned disposal of treated wastewater to wetlands and downstream water bodies. However, the final form of the new standards remains unknown, as does the likely cost of the approved modular wastewater solutions or their suitability for the Ruapehu context. These issues will all be addressed during the design and consenting process, and additional revisions to the construction budget may be necessary. Nonetheless, these decisions will be made by the WS-CCO within the framework of balancing regulatory and investment requirements, while also ensuring affordability for bill payers. It has previously been suggested that land disposal could cost as much as $200 million. As a sensitivity test, this was modelled to assess the impact on the finances of the WS-CCO and bill payers, and it was considered unsustainable – it would require a steep, unaffordable increase in charges for users. It would use all of the available debt capacity of the WS-WS-CCO, limiting its flexibility to address other challenges. Given the uncertainty about the actual costs and requirements for land disposal, the WSDP assumes a budget of $66 million.

Disclosure of risks and material assumptions for Whanganui District Water Services delivery

Disclosure of risks and material assumptions for Whanganui District Water Services delivery			
Parameters	**Drinking supply**	**Wastewater**	**Stormwater**
Key Risks • Future water service delivery • Network performance • Regulatory compliance • Delivery of Capital Programme • Organisational capacity • Long term issues e.g. providing for growth, climate change	There is a risk that by using a risk-based approach we may inadvertently be running down our assets by not replacing them at the end of their design life. This could result in reduced performance. Risk of uncertain higher compliance/consenting standards in future years, and its impacts on financial forecasting. Prosecution due to non-compliance with Health and Safety at Work (Hazardous Substances) Regulations	There is a risk that by using a risk-based approach we may inadvertently be running down our assets by not replacing them at the end of their design life. This could result in reduced performance. Risk of uncertain higher compliance/consenting standards in future years, and its impacts on financial forecasting. Risk of discharge to land being imposed in future by a change of regulations. Risk losing control over wet weather performance management, if the Stormwater activity was to be retained by the local authority and wastewater delivered by an external entity. Risks of future prosecution in the possible case of significant non-compliance uncertain and unquantified. Risk arising from possible future third party legal action arising from historic private separation completion having been found to be non-compliant by any new service delivery entity. The risk may ultimately belong to the Council. Risks to key asset bases in the face of long term projected sea-level rise.	There is a risk that by using a risk-based approach we may inadvertently be running down our assets by not replacing them at the end of their design life. This could result in reduced performance. Risk of uncertain higher compliance/consenting standards in future years, and its impacts on financial forecasting. Financial risks to Council, if Stormwater Activity was to be retained by local authority (i.e. pressure on debt servicing, and access to capital). Risk of uncertainties around the effects of long-term projected climate change. Risks to key asset bases in the face of long term projected sea-level rise.

Significant assumptions • Future water service delivery • Network performance • Regulatory compliance • Delivery of Capital Programme • Organisational capacity • Long term issues e.g. providing for growth, climate change	The population of the Whanganui district is expected to grow to 53,000 by 2034. Development Contributions – Growth will occur at the projected rate and in the projected order. Water Services regulator – we expect that an increasing level of service for all three water services will be required over time. Whanganui's potential climate change impacts are in line with our Climate Change Strategy. That capital projects will be completed within projected timeframes and budget cost estimates. Investment planning for Urban Growth and expansion projected as per the Development Contribution Policy of 2024. This precedes the District Plan Review, which may consider further intensification through introducing purposeful medium-density zoning.	The population of the Whanganui district is expected to grow to 53,000 by 2034. Development Contributions – Growth will occur at the projected rate and in the projected order. Water Services regulator – we expect that an increasing level of service for all three water services will be required over time. Whanganui's potential climate change impacts are in line with our Climate Change Strategy. That capital projects will be completed within projected timeframes and budget cost estimates The likely trend of long-term projected climate change (including Sea-Level Rise) is approximately as per the RCP6.0 scenario as published by MfE. Investment planning for Urban Growth and expansion projected as per the Development Contribution Policy of 2024. This precedes the District Plan Review, which may consider further intensification through introducing purposeful medium-density zoning. Future liability arising from non-compliant properties which have been accepted as being separated based on an obsolete compliance framework is poorly understood. No immediate effective compliance framework in place for ensuring private property separation. Large Trade waste users to achieve compliance with the Trade Waste Bylaw over the planning period. The soon to be released wastewater discharges standards will be similar to the existing limits we have in our discharge consent.	The population of the Whanganui district is expected to grow to 53,000 by 2034. Development Contributions – Growth will occur at the projected rate and in the projected order. Water Services regulator – we expect that an increasing level of service for all three water services will be required over time. Whanganui's potential climate change impacts are in line with our Climate Change Strategy. That capital projects will be completed within projected timeframes and budget cost estimates. The likely trend of long-term projected climate change (including Sea-Level Rise) is approximately as per the RCP6.0 scenario as published by MfE. Investment planning for Urban Growth and expansion projected as per the Development Contribution Policy of 2024. This precedes the District Plan Review, which may consider further intensification through introducing purposeful medium-density zoning.