



Te Kaunihera-ā-Rohe o Taratahi

CARTERTON
DISTRICT COUNCIL

AGENDA

Ordinary Council Meeting

Date: Thursday, 30 October 2025

Time: 5:15 pm

**Location: Carterton Events Centre
50 Holloway St
Carterton**

Mayor S Cretney

Cr B Deller

Cr S Laurence

Cr G Ayling

Cr L Newman

Cr S Gallon

Cr S Casey

Cr J Burns

Cr R Round

Notice is hereby given that an Ordinary Meeting of Council of the Carterton District Council will be held in the Carterton Events Centre, 50 Holloway St, Carterton on:

Thursday, 30 October 2025 at 5:15 pm

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1 KARAKIA TIMATANGA

Mai i te pae maunga, raro ki te tai

Mai i te awa tonga, raro ki te awa raki

Tēnei te hapori awhi ai e Taratahi.

Whano whano, haramai te toki

Haumi ē, hui ē, tāiki ē!

2 APOLOGIES

3 CONFLICTS OF INTERESTS DECLARATION

4 PUBLIC FORUM

5 DISCUSSION OF THE PUBLIC FORUM

6 YOUTH COUNCIL VIEWS ON AGENDA ITEMS

7 CONFIRMATION OF THE MINUTES

Nil

VIDEOCONFERENCE LINK

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8 REPORTS



8.1 ADOPTION OF 2025 ANNUAL REPORT

1. PURPOSE

For the Council to adopt the Annual Report for the year ended 30 June 2025.

2. SIGNIFICANCE

The matters for decision in this report are not considered to be of significance under the Significance and Engagement Policy.

3. BACKGROUND

Under section 98 of the Local Government Act 2002, the Council must prepare an Annual Report. The purpose of the Annual Report is to:

- compare its actual activities and the actual performance in the year with the intended activities and intended level of performance as set out in the Long-Term plan and the Annual Plan; and
- promote the Council's accountability to the community for the decisions made throughout the year.

The audited Annual Report must be adopted by 31 October 2025, and together with a Summary Report, be made publicly available within one month of the adoption.

4. DISCUSSION

This year consideration and adoption have been affected by the Local Body Election held on 11 October 2025. The previous Council's final meeting was held on 24 September, prior to the completion of the Annual Report, therefore it is incumbent on the new Council to consider adoption at this first Ordinary Meeting.

A draft of the Annual Report was endorsed for adoption by the previous Risk and Assurance Committee at an Extra-ordinary Meeting on 1 October 2025. Feedback from the Committee has been incorporated into the final Annual Report document.

Other changes have been made as a result of audit feedback and finalising other work. Key changes to the version reviewed by the Risk and Assurance Committee are:

- 'Your rates at work page' reformatted to reflect Council's \$100 spend rather than ratepayers \$100 spend to reflect external funding inclusion
- Additional non-financial performance measures footnotes

- Additional explanations for Key Performance Measures not achieved or, if achieved there was significantly lower performance
- Note 9 Intangible Assets has been updated to include the prior year comparatives table
- Note 10a has been created to separate non-current assets held for sale from normal property plant and equipment
- Internal borrowings schedule included in Note 13 Borrowings has been removed as it is not required under our PBE Standards Reduced Disclosure Regime
- Further updates have been furnished in Note 18 Events after balance date as information has come to hand
- The Sensitivity Analysis 2025/2024 schedules reflected in Other Legislative Disclosures have been relocated below Note 20

Prior Year Qualifications

Officers have worked closely with Audit NZ and PriceWaterhouseCoopers (PWC) to address the three audit qualifications made in the 2024 Annual Report:

1. Annual residents survey
2. Road smoothness performance data
3. Castlerock investment valuation.

At the time of writing, clearance of these qualifications for the 2025 Annual Report are still undergoing review by the Audit New Zealand technical committee. We are awaiting their final decision, however initial feedback has been positive. A verbal update will be provided at the Council meeting.

We expect Audit NZ to issue their audit opinion on or before 30 October 2025.

Emphasis Of Matter

The audit opinion includes an emphasis of matter paragraph regarding the Council's response to the Government's Local Water Done Well reforms. An emphasis of matter is not a negative finding but draws attention to the financial uncertainty that exists as a result of the proposed formation of the Wairarapa-Tararua joint entity to deliver water, wastewater and stormwater services from 1 July 2027. The financial impact of this decision is unknown because details of the exact arrangements are still being considered. In addition, there is some uncertainty as the proposal is yet to be accepted by the Secretary for Local Government.

5. NEXT STEPS

It is recommended the Mayor and Chief Executive are delegated the authority to approve any final editorial changes to the 2025 Annual Report before publication.

The Annual Report and Summary Annual Report will be published on the CDC website within one month of adoption.

6. CONSIDERATIONS

6.1 Climate change

There are no specific climate change considerations regarding the decision to adopt the 2025 Annual Report.

6.2 Tāngata whenua

There are no specific tāngata whenua considerations regarding the decision to adopt the 2025 Annual Report.

6.3 Financial impact

There are no specific financial considerations regarding the decision to adopt the 2025 Annual Report.

6.4 Community Engagement requirements

The 2025 Annual Report and Summary Annual Report will be published on the CDC website within one month of adoption as required by legislation.

6.5 Risks

Council has a legislative obligation to adopt the Annual Report by 31 October 2025 therefore there may be a significant reputational and financial risk should this not occur.

There is also a risk that errors or non-compliance with legislation and accounting standards could occur in preparing the Annual Report. To mitigate this risk, officers have worked closely with PWC to prepare the report and provide quality assurance reviews on the results and commentary. Other external specialist advice has been sought where deemed necessary including specialist support for revaluations.

6.6 Community Wellbeings

There are no additional Community Wellbeings considerations required for the decision to adopt the 2025 Annual Report.

7. RECOMMENDATION

That the Council:

1. **Receives** the report.
2. **Adopts** the Carterton District Council Annual Report for the year ended 30 June 2025.
3. **Delegates** the Mayor and Chief Executive the authority to approve any final editorial changes to the 2025 Annual Report prior to publication.
4. **Notes** that the Annual Report and a Summary Annual Report must be published within one month of adoption.

File Number: 480943

Author: Geri Brooking, Group Manager People and Corporate

Attachments: 1. Annual Report 2024_25 FINAL [📄](#)

2024/25

Annual Report



Te Kaunihera-ā-Rohe o Taratahi
CARTERTON
DISTRICT COUNCIL

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Cover photo by Alex Barrass, Waiohine Gorge.

Welcome | Nau mai haere mai

Welcome to the 2024/25 Carterton District Council Annual Report.

Our Annual Report provides an overview of Carterton District Council activities over the last financial year, as we work to achieve our vision of being a welcoming and vibrant community where people like to live.

Driven by the services we provide, this report showcases our achievements through an in-depth look at the work carried out across the 2024/25 financial year. It includes the public-facing elements of the work Council does, our financial performance, and encompasses the governance and statutory regulations by which we operate.



Why report?

The Local Government Act 2002 requires all Councils to adopt an audited Annual Report within four months after the end of the financial year. It then must be published within one month of that adoption date.

This Annual Report tells our community how we have performed against the goals we set in the 2024/25 Annual Plan (Year 1 of our 2024-34 Long-Term Plan). Reporting back to our community on our performance is part of our Council planning and reporting cycle and one of the ways we ensure we are accountable to, and transparent with, our residents.

Here's how our planning and reporting cycles fit together:

- **Long-Term Plan:** Every three years we produce a Long-Term Plan. This outlines what we intend to deliver over the next 10 years as we work toward our long-term vision and community outcomes. It includes what services and projects we'll deliver, how much they will cost and how we'll pay for it. It also outlines how we will measure our performance as a Council.
- **Annual Plan:** In the two years following the Long-Term Plan, we develop an Annual Plan. This details our budget and work programme for the coming year and will align closely with Years 2 and 3 of the current Long-Term Plan.
- **Annual Report:** At the end of every financial year, we produce an Annual Report like this one. In this document we report back on our progress against what we said we would do.

Our 2024-34 Long-Term Plan is focused on resilience, and that has been the cornerstone of the work carried out this past year.

The Carterton District Council Annual Report is a public document that provides those disclosure requirements outlined in the Local Government Act 2002. An electronic version of this report is available on the Carterton District Council website: cdc.govt.nz.

Mayor’s Report for year ended June 30, 2025

Kia ora koutou,

This year has been one of delivery, reflection, and recalibration. As we close out the final year of this Council term, I’m proud of the work we’ve done – but equally aware of the opportunities that remain unrealised.

We’ve made strong progress on infrastructure – completing key upgrades to our water and wastewater networks, commissioning the Gallon Road Solar Farm, and advancing the Waingawa Water Storage Project. These investments are about future-proofing Carterton, ensuring our district remains resilient in the face of climate change and economic uncertainty.

But we’ve also had to navigate a shifting political landscape. Central government policy changes – particularly around water reform and local government funding – have created uncertainty and placed additional pressure on councils. We’ve done our best to respond pragmatically, but the pace and complexity of reform has made significant impacts on our ability to create long-term planning.

One of the biggest missed opportunities this term has been the lack of progress on Wairarapa council amalgamation. The case for a unified council remains strong – economically, operationally, and democratically. Yet despite clear

benefits and community interest, we’ve been unable to move the conversation forward in a meaningful way. I continue to believe that a single Wairarapa Unitary Authority that replaces all four councils in the Wairarapa and which brings all decisions on the management of the Wairarapa’s natural resources back to the people of the Wairarapa would far better serve the Wairarapa region, and I urge future leaders to keep this vision alive.

Throughout the year, we’ve engaged widely with our community – on speed management, climate strategy, water services, and more. Your feedback has shaped our decisions, and your expectations have kept us accountable. We know there’s more to do – especially around transparency, town centre revitalisation, and infrastructure delivery – but we remain committed to continuous improvement.

As I prepare to step away from this role, I do so with pride in our achievements and hope for what comes next. Carterton is a district with heart, grit, and potential. Thank you for your trust, your feedback, and your belief in our shared future.

Ngā mihi nui,



Hon. Ron Mark
Mayor as at 30 June 2025
Carterton District Council



Chief Executive’s Report

Kia ora,
The 2024/25 year has been one of delivery, adaptation, and momentum. Across the organisation, our teams have worked hard to deliver on the commitments set out in our Annual Plan, while navigating the complexities of a changing operating environment

We completed several major infrastructure projects, including the Lincoln Road sewer renewal and we have advanced the Waingawa Process Water Plant – both of which required technical precision, community coordination, and resilience in the face of unexpected challenges. The Gallons Road Solar Project was another milestone, demonstrating our ability to deliver sustainable solutions that benefit both the environment and our ratepayers.

We also continued to invest in our community assets, with strong performance across our facilities, ongoing improvements to our parks and reserves, and the delivery of essential maintenance and repairs along our 441km roading network.

These achievements are a credit to the dedication of our staff, contractors, and community partners. But we know the work doesn’t stop here. The pressures on local government are real – financial constraints, regulatory reform, and climate adaptation all require us to think differently and act decisively.

As we look ahead to the next Long-Term Plan, we remain focused

on delivering value and ensuring Carterton continues to be a place where people and businesses can thrive.

Thank you to everyone who has contributed to this year’s progress. We look forward to continuing this important work together.
Ngā mihi,



Geoff Hamilton
Chief Executive
Carterton District Council



Māori participation in decision-making

As a Council, we continue to recognise and respect the responsibility of the Crown to acknowledge and honour the principles of Te Tiriti o Waitangi.

We have obligations set out under the Local Government Act 2002 and work and continue to collaborate alongside local iwi, hapū and hapori Māori ensuring regional perspectives and aspirations are reflected in planning and decision-making.

Mana whenua, Hurunui-o-Rangi Marae and hapū Ngāti Kahukuraawhitia, continue to provide valued guidance across Council’s governance and decision-making spaces. Their representation across committees, advisory groups, and workshops ensures that kaupapa are considered through a Te Ao Māori lens, strengthening partnerships and supporting locally grounded outcomes. This ongoing involvement reflects a commitment to Kotahitanga (unity) and upholding the mana of tangata whenua in the Wairarapa.

Throughout 2024/25, iwi held representative positions on the review of the Wairarapa Combined District Plan and Local Water Done Well governance and project teams.

This work is further cemented in our Māori Responsiveness Action Plan (MRAP), with our progress this year demonstrating our commitment to upholding Te Tiriti o Waitangi and incorporating Te Ao Māori across Council operations.

Together with this year’s progress, more than 61% of MRAP objectives have been delivered or embedded as ongoing activities across four focus areas; relationships and participation, organisational knowledge and understanding, organisational capability and capacity, and community engagement and participation.

Guided by the whakataukī ‘**Te titiro whakamuri hei arahi i te huarahi whakamua**’, meaning ‘We must look back to guide the way forward’, Council continues to support work led by mana whenua and local Māori communities.

A key initiative this year included the collaborative restoration efforts with Ngāti Maahu at Ngā Tawhai Reserve, resulting in the installation of a magnificent tomokanga (entranceway) that stands as a powerful expression of the site’s cultural identity and deep historical significance.

Council staff have shown increased awareness and understanding of Te Tiriti principles – many feel confident integrating these values into their work, and actively seek support when needed. This approach that has helped ensure meaningful consultation in recent projects.

Te Reo Māori is becoming more visible and widely used with staff continuing to participate in training and cultural activities, and weekly karakia and waiata sessions seeing a 50% boost in attendance.



Celebrations like Matariki and Te Wiki o Te Reo Māori have helped build unity and deepen understanding of Māori language and traditions.

The integration of tikanga Māori has become a valued and visible part of everyday practice across Council, reflecting a deep and enduring commitment to upholding Te Tiriti. Te Ao Māori is increasingly embedded in community-facing events, from the earliest planning stages through to delivery. Tikanga is not treated as an add-on, but intentionally woven into our foundations.

This commitment is clearly reflected in Council’s civic citizenship

ceremonies and in community events and festivals such as the Wairarapa Arts Festival, Kākano – where the name itself speaks to new beginnings and growth. The seed for this festival was planted to nurture emerging voices and celebrate diverse expressions of identity through the arts.

The continued development of bilingual signage and messaging rounds out these foundations, further promoting inclusivity and reflecting the district’s rich and diverse cultural identity.

Statement of compliance and responsibility

Compliance

- 1. The Council and management of the Carterton District Council certify that all the statutory requirements in relation to the annual report, as outlined in the Local Government Act 2002, have been complied with.

Responsibility

- 1. The Council and management of the Carterton District Council accept responsibility for the preparation of the annual Financial Statements and Statement of Service Performance and the judgements used in them.
- 2. The Council and management for the Carterton District Council accept responsibility for the establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of the financial and service performance report.
- 3. In the opinion of the Council and management of the Carterton District Council, the annual Financial Statements of the year ended 30 June 2025 fairly reflect the financial position and operations of Carterton District Council.



Steve Cretney
Mayor
20 October 2025



Geoff Hamilton
Chief Executive
20 October 2025





Independent Auditor’s Report

To the readers of Carterton District Council’s annual report
for the year ended 30 June 2025

The Auditor-General is the auditor of Carterton District Council (the Council). The Auditor-General has appointed me, Sefton Vulii, using the staff and resources of Audit New Zealand, to carry out the audit on his behalf.

We have audited the information in the annual report of the Council that we are required to audit in accordance with the Local Government Act 2002 (the Act). We refer to this information as “the audited information” in our report.

We are also required to report on:

- whether the Council has complied with the requirements of Schedule 10 of the Act that apply to the annual report; and
- the completeness and accuracy of the Council’s disclosures about its performance against benchmarks that are required by the Local Government (Financial Reporting and Prudence) Regulations 2014 (the Regulations).

We refer to this information as “the disclosure requirements” in our report.

Opinion on the audited information

In our opinion:

- the financial statements of the Council on pages 108 to 111 and 113 to 159:
 - present fairly, in all material respects:
 - its financial position as at 30 June 2025;
 - the results of its operations and cash flows for the year ended on that date; and
 - comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Reporting Standards Reduced Disclosure Regime;
- the Council’s statement of service performance for the year ended 30 June 2025 on pages 44 to 49, 52 to 57, 60 to 61, 64 to 66, 68 to 72, 74 to 76, 78 to 79, 82 to 86, and 88 to 91 (included within the “Council’s activities and services” section):

- provides an appropriate and meaningful basis to enable readers to assess the Council’s actual service provision for each group of activities; determined in accordance with generally accepted accounting practice in New Zealand;
- fairly presents, in all material respects, the Council’s actual levels of service for each group of activities, including:
 - the levels of service achieved compared with the intended levels of service and whether any intended changes to levels of service were achieved; and
 - the reasons for any significant variation between the levels of service achieved and the intended levels of service; and
- complies with generally accepted accounting practice in New Zealand in accordance with Public Benefit Reporting Standards Reduced Disclosure Regime;
- the statement comparing actual capital expenditure to budgeted capital expenditure for each group of activities of the Council for the year ended 30 June 2025 on pages 50, 58, 62, 67, 73, 77, 80, and 87, has been prepared, in all material respects, in accordance with clause 24 of Schedule 10 to the Act;
- the funding impact statement for each group of activities¹ of the Council for the year ended 30 June 2025 on pages 50, 58, 62, 67, 73, 77, 80, and 87, has been prepared, in all material respects, in accordance with clause 26 of Schedule 10 to the Act;
- the funding impact statement of the Council for the year ended 30 June 2025 on page 112, has been prepared, in all material respects, in accordance with clause 30 of Schedule 10 to the Act.

Report on the disclosure requirements

We report that:

- the Council has complied with the information disclosure requirements of Part 3 of Schedule 10 to the Act for the year ended 30 June 2025; and
- the Council’s disclosures about its performance against benchmarks required by Part 2 of the Regulations for the year ended 30 June 2025 are complete and accurate.

Date

We completed our work on 30 October 2025. This is the date on which we give our opinion on the audited information and our report on the disclosure requirements.

¹ Prepared under clause 26 of Schedule 10 to the Act and required to be audited.

Emphasis of matter – Future of water delivery

Without modifying our opinion, we draw attention to note 19 on pages 155 to 156, which outlines that in response to the Government’s Local Water Done Well reforms, the Council has decided to establish a multi-owned organisation with South Wairarapa, Masterton, and Tararua District Councils to deliver water, wastewater and stormwater services from 1 July 2027. The financial impact of this decision is unknown because the details of the exact arrangements are still being considered. In addition, there is some uncertainty as the proposal is yet to be accepted by the Secretary for Local Government.

We carried out our audit in accordance with the Auditor-General’s Auditing Standards, which incorporate the Professional and Ethical Standards, the International Standards on Auditing (New Zealand), and New Zealand Auditing Standard 1 (Revised): The Audit of Service Performance Information issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor for the audited information and the disclosure requirements section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General’s Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the audited information and our report on the disclosure requirements.

Responsibilities of the Council for the audited information and the disclosure requirements

The Council is responsible for preparing the audited information and the disclosure requirements in accordance with the Act.

The Council is responsible for such internal control as it determines is necessary to enable it to prepare the audited information and the disclosure requirements that are free from misstatement, whether due to fraud or error.

In preparing the audited information and the disclosure requirements the Council is responsible for assessing its ability to continue as a going concern.

Responsibilities of the auditor for the audited information and the disclosure requirements

Responsibilities for the audited information

Our objectives are to obtain reasonable assurance about whether the audited information, as a whole, is free from material misstatement, whether due to fraud or error, and to issue a report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor General’s Auditing Standards will always detect a material misstatement

when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of this audited information.

For the budget information reported in the audited information, our procedures were limited to checking that the budget information agreed to the Council’s long-term plan.

We did not evaluate the security and controls over the electronic publication of the audited information.

As part of an audit in accordance with the Auditor-General’s Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the audited information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council’s internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.
- We evaluate whether the statement of service performance includes all groups of activities that we consider are likely to be material to the readers of the annual report.
- We evaluate whether the measures selected and included in the statement of service performance for groups of activities present an appropriate and meaningful basis that will enable readers to assess the Council’s actual performance. We make our evaluation by reference to generally accepted accounting practice in New Zealand.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Council.
- We evaluate the overall presentation, structure and content of the audited information, including the disclosures, and whether the audited information represents, where applicable, the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Responsibilities for the disclosure requirements

Our objective is to provide reasonable assurance about whether the Council has complied with the disclosure requirements. To assess whether the Council has met the disclosure requirements we undertake work to confirm that:

- the Council has made all of the disclosures required by Part 3 of Schedule 10 to the Act and Part 2 of the Regulations; and
- the disclosures required by Part 2 of the Regulations accurately reflect information drawn from the Council’s audited information and, where applicable, the Council’s long-term plan and annual plans.

Our responsibilities for the audited information and for the disclosure requirements arise from the Public Audit Act 2001.

Other information

The Council is responsible for the other information included in the annual report. The other information comprises all the information included in the annual report other than the audited information and the disclosure requirements, and our auditor’s report thereon.

Our opinion on the audited information and our report on the disclosure requirements do not cover the other information, and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the audited information and our report on the disclosure requirements, our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the audited information and the disclosure requirements, or our knowledge obtained during our work, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

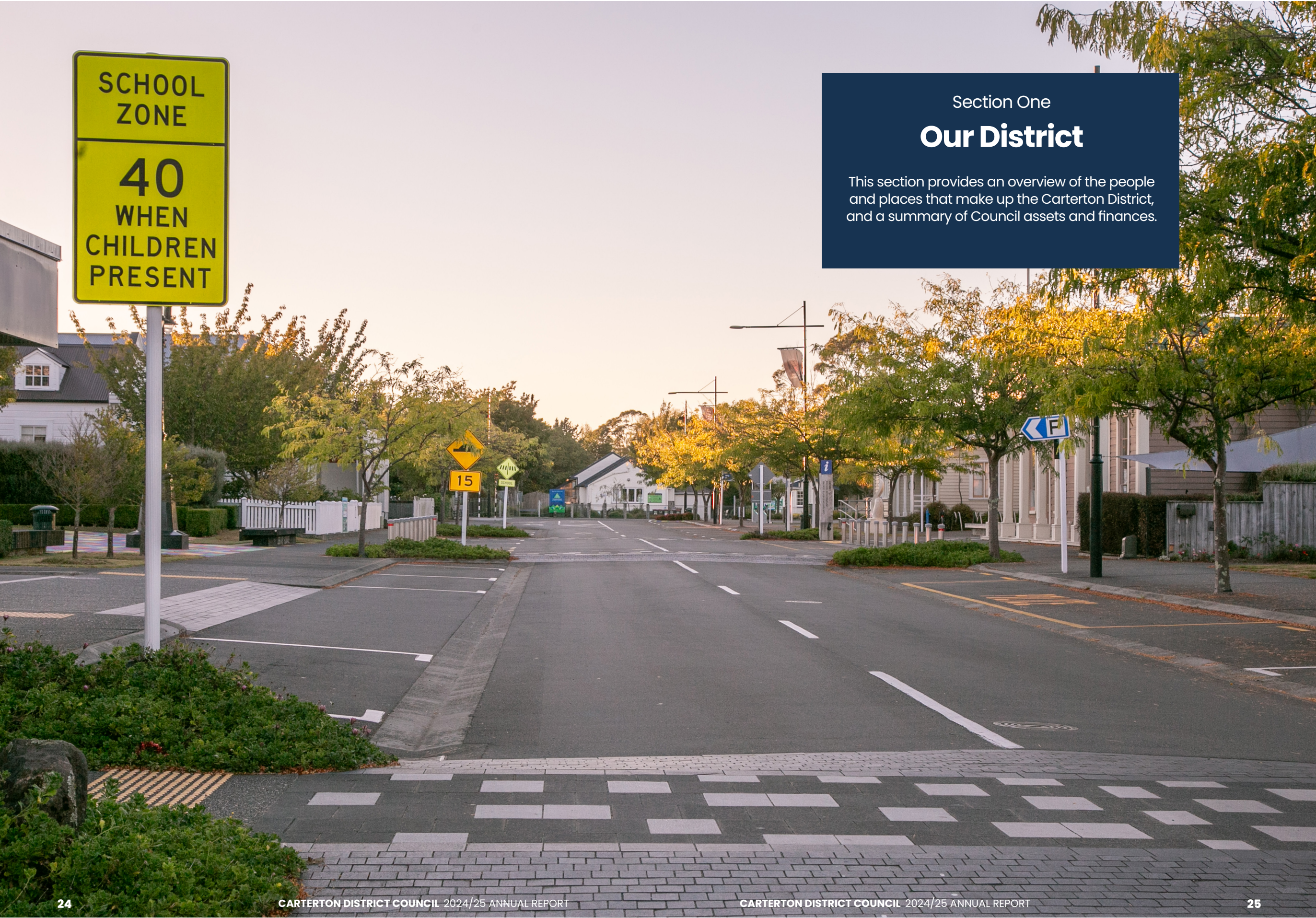
We are independent of the Council in accordance with the Auditor-General’s Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

In addition to the audit and our report on the disclosure requirements we have audited the Council’s 2024-2034 Long-term plan. We also performed a limited assurance engagement related to the Council’s debenture trust deed. These engagements are compatible with the independence requirements. Other than the audit, our report on the disclosure requirements, and these engagements, we have no relationship with or interests in the Council.

Sefton Vuli
Audit New Zealand
On behalf of the Auditor-General
Wellington, New Zealand







Section One

Our District

This section provides an overview of the people and places that make up the Carterton District, and a summary of Council assets and finances.

District profile

Carterton sits in the heart of the Wairarapa valley, and is characterised by a diverse blend of rural and urban communities, natural landscapes, and fit-for-purpose amenities.

The district supports a range of industries, including farming, food production and hospitality, contributing to regional economic resilience and employment.

Carterton is bounded by Masterton to the north, South Wairarapa to the south, the Tararua Ranges to the west and the Pacific Ocean to the east.

History of Council

The Carterton District Council was established in 1989 as part of New Zealand’s nationwide local government reforms, amalgamating smaller borough and county councils into larger district councils.

Prior to this, Carterton was governed by the Carterton Borough Council, formed in 1887, which managed the town’s affairs for more than a century.

Since its formation, the Carterton District Council has overseen significant infrastructure development, environmental stewardship, and community engagement. It has played a key role in regional collaboration, including the development of shared services with neighbouring councils.

Carterton has always been known for its progressive leadership and today Council continues to evolve,

balancing rural character with modern governance, and remaining committed to transparent decision-making and sustainable growth for our community.

Our future

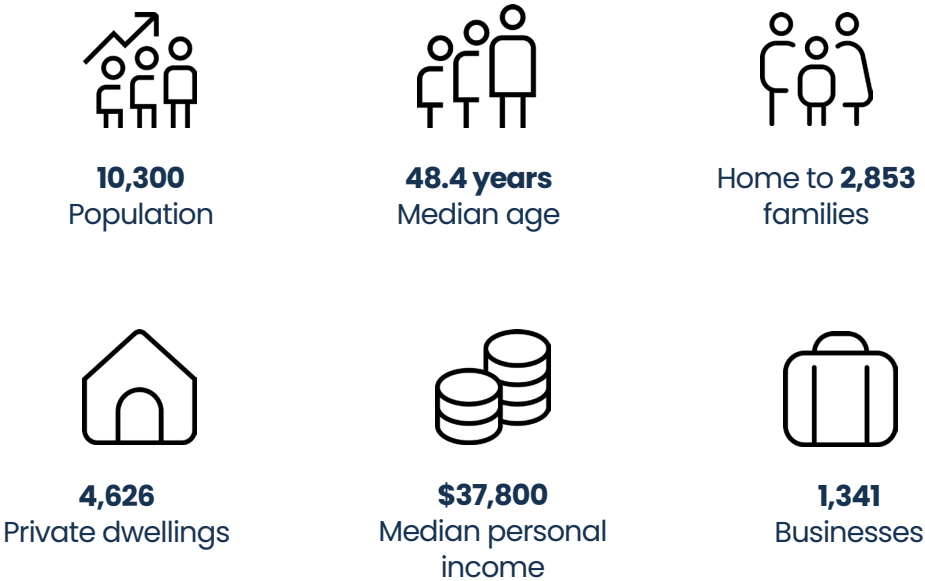
Carterton is a small community, with big promise and we’re excited by the opportunities that lie ahead of us. As a team, we are committed to building a district that is resilient, vibrant, and celebrates its unique character. Carterton should always be a great place to live, that proactively responds to the evolving needs of our residents.

As a Council, our focus is on delivering value, enabling strong community connections, and ensuring Carterton continues to be a place where people and businesses can thrive.

We know there are challenges ahead – from climate change to cost-of-living, employment opportunities and an ageing population. But by investing in smart solutions, nurturing local partnerships, and amplifying community voices, we are laying the foundation for a Carterton that thrives.

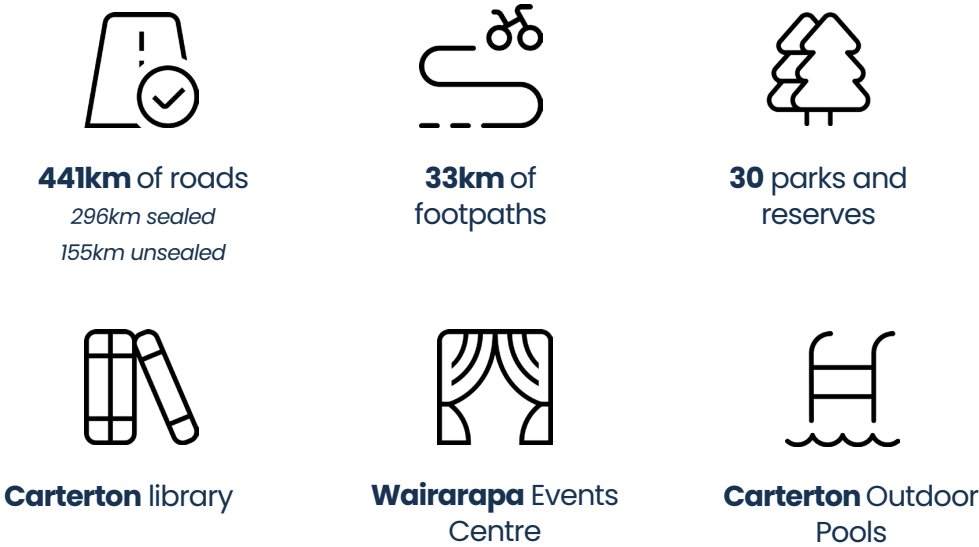
Demographics

Information taken from Stats NZ data.



Community

Carterton is home to a vibrant and diverse community made up of young families, working professionals and retired older persons. Council provides fit-for-purpose amenities and services to support residents.



2024/25 in numbers

Processed waste

- 

177,865kg of waste accepted at transfer station
- 

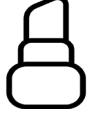
226,480kg collected for general recycling
- 

289,180kg of glass collected for recycling
- 

22,870kg of e-waste collected for recycling

Planning and regulatory

- 

22 food premise inspections carried out
- 

12 hair and beauty premise inspections carried out
- 

13 nuisance complaints investigated
- 

2,627 dogs registered

Wairarapa Events Centre

- 

8,330 tickets sold
- 

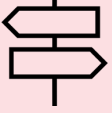
22% increase in auditorium use
- 

80% booking capacity filled at Carterton Community Courthouse
- 

6,600 hours of community, creativity and connection

Roading and water services

- 

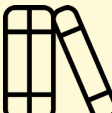
758km of unsealed road grading
- 

100% of regulatory signs repaired or replaced within 2 days
- 

212 water service requests attended
- 

100% compliance with household water supply resource consent conditions

Carterton Library

- 

119,491 library print items issued and returned
- 

21,365 e-books, 15,466 audiobooks, and 15,998 e-magazines issued through the Libby App
- 

732 new members signed up

- 

214 building consents issued
- 

1,978 building inspections carried out
- 

81 subdivision consents granted

Local Government Official Information and Meetings Act

- 57

Requests received
- 

52 responses provided in under 20 working days
- 1

Number of LGOIMA's referred to Ombudsman

Finances at a glance

Carterton District Council ends the 2024/25 financial year with **\$27,100,000** debt and **\$170,375,000** in reserves.

The Statement of Comprehensive Revenue and Expenses on page 98 provides a summary of Carterton District Council's position for 2024/25. Including capital income, the 2024/25 operating result was a surplus of **\$3,140,015**.

Council recorded a surplus due to several contributing factors, including higher-than-anticipated interest income, additional grants and subsidies, and variances in the NZTA subsidy. Miscellaneous revenue also exceeded expectations, largely due to an upfront payment for the Wairarapa Organics Feasibility Study and reinvested fund rebates.

Community Survey

- 726

Responses received
- 

67.9% overall score
- 

Carterton Library #1

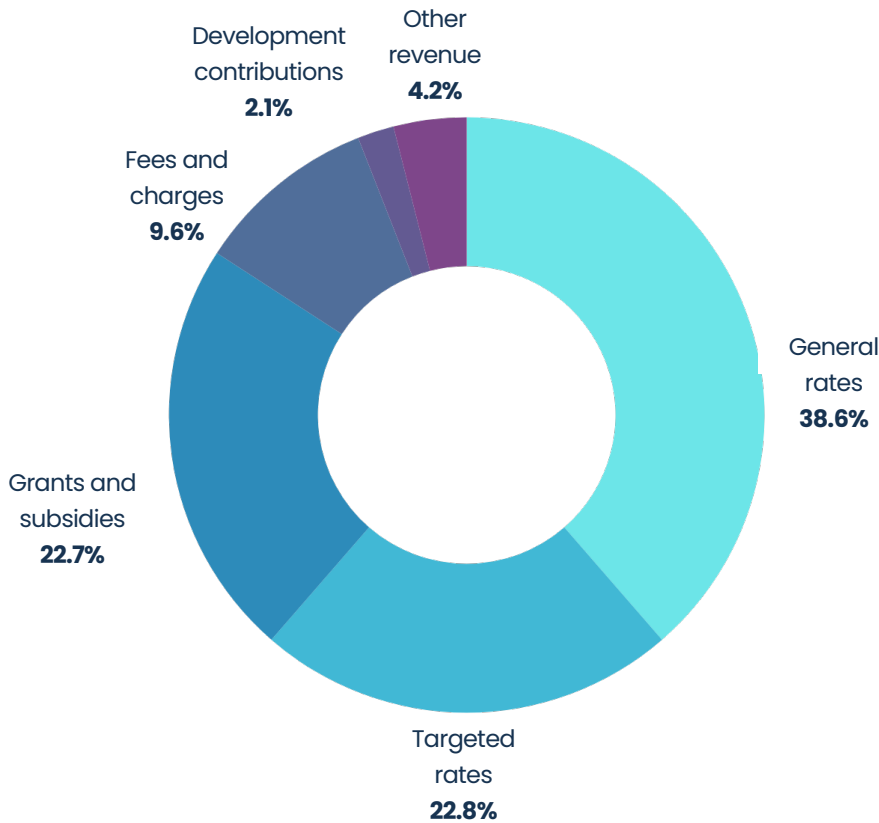
Your rates at work

Carterton District Council provides important services, amenities and facilities to our community each year. This includes capital works to ensure our amenities are future-proofed and resilient.

Below is a summary of where Carterton District Council gets its revenue and how it is spent to ensure the best outcomes for residents.

Where does Carterton District Council get its money?

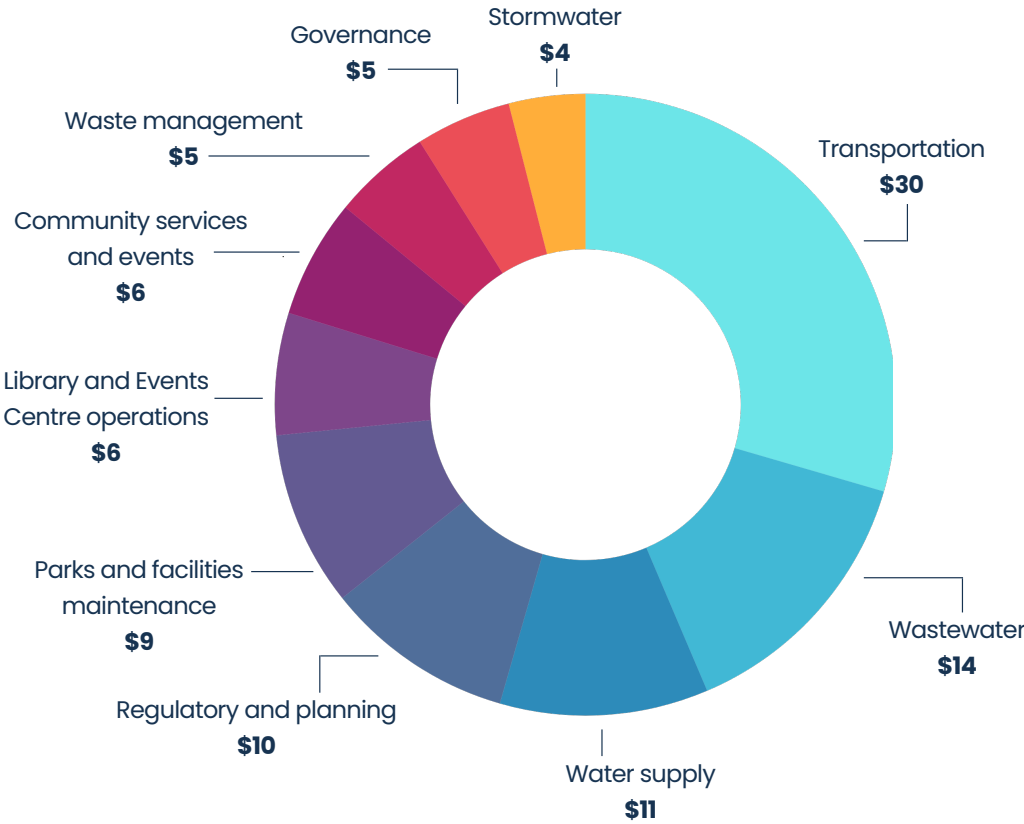
Our total operating revenue for 2024/25 was \$32,217,000 which came from the following sources:



39% of our operating income is sourced outside of rates.

Where does Council spend its money?

In broad terms, here is how \$100 of Council funds are spent across services:



78% of rates funds are spent on delivery of core services.

This 78% includes:

- Operating and upgrading water networks.
- Rubbish and recycling collection and disposal.
- Building and maintaining roads and footpaths.
- Regulating and planning for growth.

The remaining 22% includes:

- Community services, programs and events.
- Maintenance of community parks, reserves and facilities.
- Operation of Carterton Library and Wairarapa Events Centre.

Supporting our stakeholders

Why are our stakeholders important to us?

Our stakeholders provide feedback, engagement, knowledge and guidance on Council projects and services, helping us to create strong and mutually beneficial relationships that deliver improved services and facilities for our community.

Why are we important to our stakeholders?

Council provides services, resources and amenities that contribute to making Carterton a great place to live, work and visit. From community support through grants funding to kerbside recycling collections and parks and gardens maintenance.



Supporting our volunteers

Carterton District Council supports volunteering in our local community and has a number of guidelines in place to ensure employees and residents can be successful in their activities. Each year our Community Services and Facilities team assist a number of local community and volunteer groups, including a key relationship with Keep Carterton Beautiful Group.

National Volunteer Week is held each June and in 2025 we acknowledged this with a special morning tea for all those who volunteer in our community. More than 150 volunteers attended, each receiving a drink bottle and the opportunity to sign up for Wellington Free Ambulance Heartbeat training.



Council events

Major events delivered by Council

September 2024



Carterton Daffodil Festival
An Evening with Bex Chapman

March 2025



Wairarapa Arts Festival, Kakano
Holloway Hoopla
Pedal Ready Training for older persons

May 2025



Citizenship Ceremony
Funders Forum

December 2024



Citizenship Ceremony

April 2025



ANZAC Day Service

June 2025



Volunteer Week Morning Tea
Tomokanga Unveiling at Nga Tawhai

Additional events supported by Council:

2024

- JulyWairarapa Times Age Sports Awards
- OctoberSpace Week, Aging with Attitude Expo
- NovemberWairarapa Walking Festival
- DecemberCarterton Rotary Christmas Parade and A Very Carterton Christmas

2025

- MarchWhat’s the Buzz (Pollinator Project)





Carterton Daffodil Festival

The 2024 Daffodil Festival once again proved to be a vibrant celebration of our town and those that call Carterton home.

More than 10,000 attendees explored the 150 stalls that lined the main street, with many jumping on a bus to enjoy the famous Middle Run daffodil fields.

Ja 1271, Steam Inc.'s cherished steam locomotive, pulled a full train of 635 passengers over from Wellington, before completing a round trip from Carterton to Masterton for local enthusiasts.

Live music, food and street performances added to the atmosphere, and the Wai Art Show at the Wairarapa Events Centre was once again a success.

The festival continues to be much-loved by visitors and residents and will continue to be a focal point on the regional event calendar.

Section Two

Achievements

This section provides an in-depth look at the work Council carried out in the 2024/25 year.
It outlines, what we did, how we did it and the challenges we overcame to get the job done.





Our vision

A welcoming and vibrant community where we all enjoy living.

Community outcomes

Council has responsibilities under the Local Government Act 2002 to promote the social, economic, environmental, and cultural wellbeing of communities in the present and for the future.

Each group of activities carried out by Council contributes in some way to one or more of these community wellbeings, and our Long-Term Plan outlines specific contributions.

Cultural wellbeing:

- Te Ao Māori/Māori aspirations and partnerships are valued and supported.
- A community that embraces and encourages our cultural diversity and heritage.
- A community that fosters and promotes our character and creativity.

Environmental wellbeing:

- Safe and resilient water supply, wastewater, and stormwater systems.
- Healthy, sustainable waterways.
- An environmentally responsible community committed to reducing our carbon footprint and adapting to the impacts of climate change.
- A resilient community capable of responding and recovering from environmental shocks.

Economic wellbeing:

- Quality, fit for purpose infrastructure and services that are cost-effective and meet future needs.
- A vibrant and prosperous business and primary sector investing in, and supported by, the community.
- A community that is productively engaged in employment, education, and community service.

Social wellbeing:

- A strong and effective council providing trusted leadership.
- A caring community that is safe, healthy, happy and connected.
- An empowered community that participates in Council and community-based decision making.
- Fit for purpose public facilities, spaces, parks, and rural reserves.

Climate change action

In 2024/25, Carterton District Council continued to operate under the Ruamāhanga Climate Change Strategy, a joint initiative with South Wairarapa District Council aimed at reducing emissions, increasing carbon sequestration, and cutting biogenic methane.

While greenhouse gas inventories from 2022 and 2023 showed that gross emissions had returned to pre-COVID levels, the district remained net carbon negative due to ongoing forest expansion. Key initiatives during the year included the commissioning of a small scale solar project at our Dalefield Road wastewater treatment facility and a feasibility study into kerbside food waste recycling.

Throughout the year we also independently reviewed and redeveloped our climate change approach, undertaking a comprehensive community consultation process in February and March to gather feedback and shape direction. This work culminated in the development of the Climate Change Strategy 2025–35 and an accompanying implementation plan, which will guide Council’s climate action moving forward.

The new strategy reflects updated community priorities and provides a clearer, more targeted framework for reducing emissions and building resilience. It includes the development of a Council emissions reduction plan and a renewed focus on transparency, measurable outcomes, and integration of sustainability across all areas of Council activity.

While challenges remain, this transition marks a significant milestone in Carterton’s climate journey and reaffirms Council’s commitment to long-term environmental stewardship.



Fuel use **down**
by **9,448 litres**



Carbon neutral

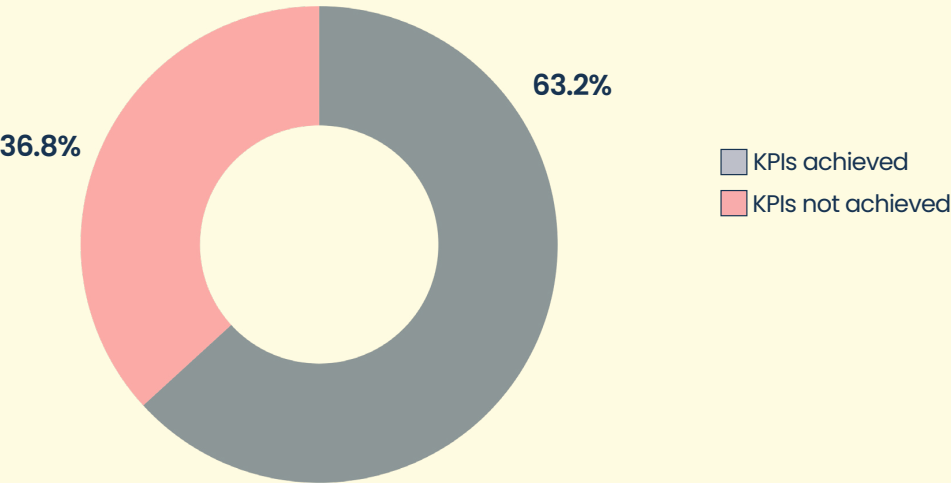
In 2024/25 our fuel use decreased by 9,448 litres, which equates to a 26 tonne reduction in greenhouse gas emissions and a \$27,800 (ex GST) reduction in fuel costs compared with 2023/24.

Carterton District Council remains a carbon neutral organisation.

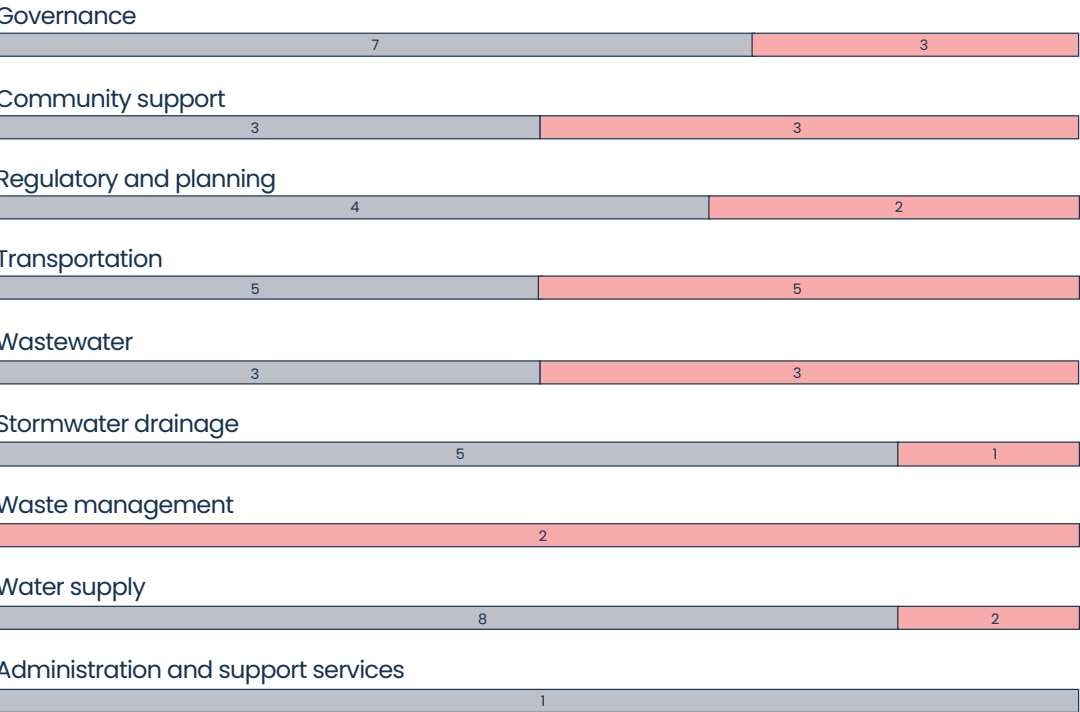
Activities and services

This is where we outline our non-financial performance in each of our activity and service areas. These are organised into nine different groups and reported on in line with the Key Performance Indicators identified in our 2024-34 Long-Term Plan.

Overall non-financial performance in 2024/25



Our performance broken down by activity groups:



Governance | Te Kāwanatanga

What we did

Over the 2024/25 financial year our Governance service ensured transparent and democratic decision-making that reflected the interests of our community. We strengthened our approach to community engagement, maintained transparency in decision-making processes, and guided Carterton’s long-term direction toward a sustainable and vibrant future.

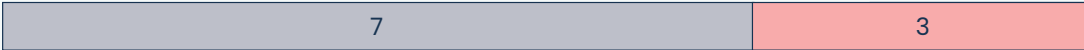
How we measure our success

Key Performance Indicators (KPIs)	Target	2025	2024
Residents’ satisfaction with the Council’s overall governance and reputation. ¹	≥65% Rate 7–10	51% Not achieved	Not measured
Percentage of official information requests responded to within statutory timeframes. ²	≥95%	100% Achieved	New measure
Annual Report is adopted within statutory timeframes.	On time and unmodified	On time and unmodified Achieved	On time and modified
Net cash flow from operations: actual-planned variance from budgeted.	≤10%	1% Achieved	1%
Appropriate risk management systems are in place. ³	Yes	Yes Achieved	Yes
Across all activities service requests are acknowledged within one working day.	≥95%	39% Not achieved	41%
Council agendas are always publicly available three working days or more before the meeting. ⁴	≥90%	100% Achieved	100%
Local Government election turnout. ⁵	≥50%	61% Achieved	New measure
Number of Council meetings with Māori representation.	25%	17% Not achieved	New measure
Council engagement plans include specific actions for engagement with Māori.	100%	100% Achieved	100%

¹This figure was captured through the 2025 Community Survey where residents were asked to score satisfaction between 1 and 10, 1 being not satisfied at all and 10 being very satisfied. Only scores between 7 and 10 (inclusive) are considered within the high satisfaction range and make up the ‘satisfied’ statistic, as outlined in the 2024–34 Long-Term Plan.

²The statutory timeframe for providing a response under the Official Information Act is 20 working days.
³Risk management plans are in place with regular reporting to the Risk and Assurance Committee.
⁴In this instance, publicly available refers specifically to being accessible to all interested parties having been published to the website: Meetings | Carterton District Council – <https://cdc.govt.nz/your-council/meetings/>
⁵Result of last Local Government Election (2022).

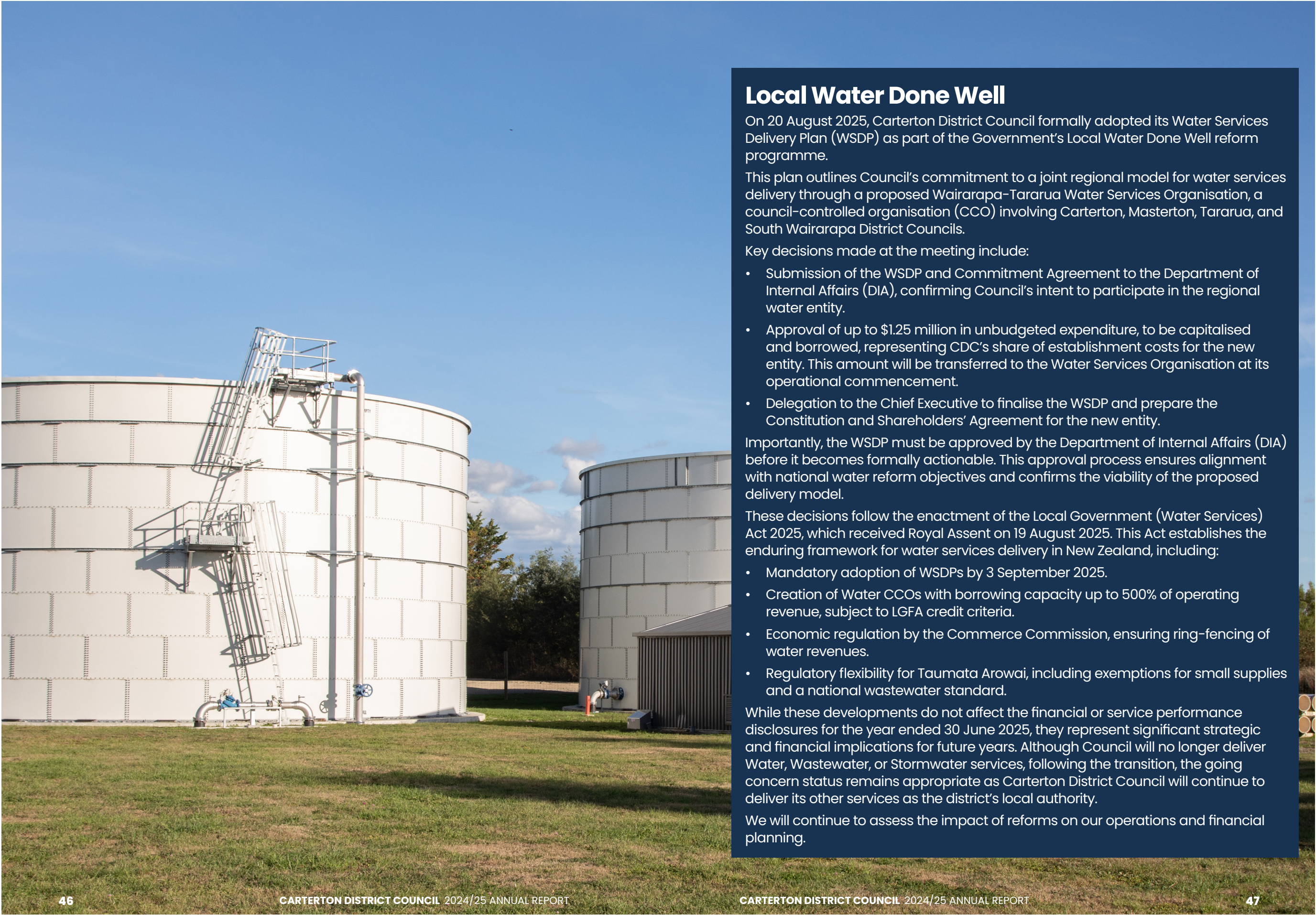
At a glance:



■ KPIs achieved
■ KPIs not achieved

Highlights

- Our Community Survey was re-introduced in 2025 and delivered in-house to reduce costs, improve accessibility and strengthen engagement. A total of 726 residents completed the survey over the three-week period, providing Council an overall satisfaction rating of 67.9%. The survey explored a wide range of topics including infrastructure provision, delivery of council services, community wellbeing, and environmental concerns, with results suggesting a generally positive outlook.
- Areas highlighted for improvement included the appearance of the town centre, rates and value for money, the pace of infrastructure development in comparison with housing growth, as well as some concern around Council governance and transparency. Council voted in May 2025 to hold this survey on an annual basis.
- Council reviewed the non-financial performance measures as part of the Long-Term Plan, and included ten additional measures to better monitor and report on performance outcomes. The new measures are highlighted in the Key Performance Indicators tables for each activity.
- Local Water Done Well required significant community consultation and saw Council engage with residents in new and innovative ways. Councillors and council staff were on hand throughout the consultation period as subject-matter-experts, attending local cafes and establishments, hosting a lunch ‘n’ learn-style question and answer session, and encouraging participation through interactive public displays. A total of 142 residents provided a Local Water Done Well submission.



Local Water Done Well

On 20 August 2025, Carterton District Council formally adopted its Water Services Delivery Plan (WSDP) as part of the Government's Local Water Done Well reform programme.

This plan outlines Council's commitment to a joint regional model for water services delivery through a proposed Wairarapa-Tararua Water Services Organisation, a council-controlled organisation (CCO) involving Carterton, Masterton, Tararua, and South Wairarapa District Councils.

Key decisions made at the meeting include:

- Submission of the WSDP and Commitment Agreement to the Department of Internal Affairs (DIA), confirming Council's intent to participate in the regional water entity.
- Approval of up to \$1.25 million in unbudgeted expenditure, to be capitalised and borrowed, representing CDC's share of establishment costs for the new entity. This amount will be transferred to the Water Services Organisation at its operational commencement.
- Delegation to the Chief Executive to finalise the WSDP and prepare the Constitution and Shareholders' Agreement for the new entity.

Importantly, the WSDP must be approved by the Department of Internal Affairs (DIA) before it becomes formally actionable. This approval process ensures alignment with national water reform objectives and confirms the viability of the proposed delivery model.

These decisions follow the enactment of the Local Government (Water Services) Act 2025, which received Royal Assent on 19 August 2025. This Act establishes the enduring framework for water services delivery in New Zealand, including:

- Mandatory adoption of WSDPs by 3 September 2025.
- Creation of Water CCOs with borrowing capacity up to 500% of operating revenue, subject to LGFA credit criteria.
- Economic regulation by the Commerce Commission, ensuring ring-fencing of water revenues.
- Regulatory flexibility for Taumata Arowai, including exemptions for small supplies and a national wastewater standard.

While these developments do not affect the financial or service performance disclosures for the year ended 30 June 2025, they represent significant strategic and financial implications for future years. Although Council will no longer deliver Water, Wastewater, or Stormwater services, following the transition, the going concern status remains appropriate as Carterton District Council will continue to deliver its other services as the district's local authority.

We will continue to assess the impact of reforms on our operations and financial planning.

Challenges

- Governance and reputation satisfaction levels did not meet our KPI measure and this is likely due to challenges we experienced during the Long-Term Plan process and a number of significant consultations such as the representation review and rating review. Additionally, many concerns from the Community Survey feedback were related to rates increases which is likely reflective of the economic challenges.
- We didn’t achieve our service request targets however the result remains consistent with 2024. We are committed to significantly lifting this performance result through staff training and development of our service request processes.
- Māori representation at Committee meetings, consultations and community engagement such as Local Water Done Well has been successful. Unfortunately this was not reflected in Māori representation at Ordinary Council meetings and will be a focus for the new Triennium.
- During the Long-Term Plan 2024-34 process, Council experienced a series of compounding issues that resulted in its delayed adoption. Council thoroughly investigated and have implemented actions to address issues and minimise the possibility of a repeat experience.
- Local Water Done Well, economic pressures, and changes in government direction and legislation have made for a challenging year for elected members and staff. However, we have been agile, pragmatic and decisive in our decision making, and believe we have set a positive path forward for the new Council in October 2025.



Looking to the future

We remain committed to delivering strong, transparent governance that reflects the values and aspirations of our community. As we build on the foundations laid in 2024/25, our focus will be on:

- Improving community trust and satisfaction by acting on feedback from our Community Survey and continuing to refine our engagement practices.
- Embedding resilience into our governance systems to better respond to emerging challenges, including climate-related events and infrastructure pressures.
- Expanding inclusive engagement practises, particularly with Māori, through more targeted and culturally responsive consultation approaches.
- Maintaining transparency and accessibility, with continued delivery of timely agendas, responses to official information requests, and open channels for public input.
- Elevating our customer service standards, with a focus on responding to service requests promptly and consistently meeting expectations

Council will also continue to explore innovative ways to connect with residents, building on those successful survey and consultation approaches held in 2024/25.

This work contributed to the following community outcomes:

Social Wellbeing

- A strong and effective council providing trusted leadership.
- An empowered community that participates in Council and community-based decision making.

Cultural wellbeing:

- Te Ao Māori/Māori aspirations and partnerships are valued and supported.

Funding Impact Statement

For the year ended 30 June 2025	LTP	Annual Report	LTP	Annual Report
Governance	30 June 2024	30 June 2024	30 June 2025	30 June 2025
	\$000	\$000	\$000	\$000
Sources of operating funding				
General rates, UAGC, rates penalties	951	936	905	980
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	-	-	-	-
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other	14	1	-	-
Total sources of operating funding	965	937	905	980
Applications of operating funding				
Payments to staff and suppliers	757	557	728	636
Finance costs	6	-	-	-
Internal charges & overheads	201	266	175	170
Other operating funding applications	-	-	-	-
Total applications of operating funding	964	824	903	806
Surplus/(deficit) of operating funding	1	112	2	174
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase / (decrease) in debt	(20)	-	-	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding	(20)	-	-	-
Applications of capital funding				
Capital expenditure				
• to meet additional demand	-	-	-	-
• to improve level of service	-	-	-	-
• to replace existing assets	21	-	-	-
Increase / (decrease) in other reserves	(40)	112	2	174
Increase / (decrease) of investments	-	-	-	-
Total applications of capital funding	(19)	112	2	174
Surplus/(deficit) of Capital Funding	(1)	(112)	(2)	(174)
Funding balance	-	-	-	-



Community support | Ngā Tautoko Hapori

What we did

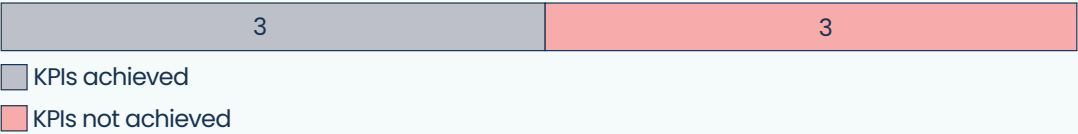
Our work to enhance what we offer our community continued with the maintenance and provision of high-quality facilities, community programmes and funding, library and events services. This support is critical to creating a resilient, culturally diverse and environmentally responsible community.

How we measure our success

Key Performance Indicators (KPIs)	Target	2025	2024
Residents sense of belonging to the area. ¹	≥65%	69% Achieved	New measure
Residents feel connected with family and community.	≥65%	64% Not achieved	New measure
Residents feel safe in public spaces.	≥65%	79% Achieved	New measure
Residents level of satisfaction with public facilities including public toilets.	≥75% Rate 7-10	73% Not achieved	Not measured
Residents level of satisfaction with Events Centre, Library, Swimming Pool.	≥75% Rate 7-10	74% Not achieved	Not measured
Residents level of satisfaction with provision of open spaces, parks and gardens.	≥75% Rate 7-10	76% Achieved	Not measured

¹This figure was captured through the 2025 Community Survey where residents were asked to score satisfaction between 1 and 10, 1 being not satisfied at all and 10 being very satisfied. Only scores between 7 and 10 (inclusive) are considered within the high satisfaction range and make up the 'satisfied' statistic, as outlined in the 2024-34 Long-Term Plan.

At a glance:



Highlights

- In 2024/25, we strengthened our support for local initiatives through targeted grant funding aimed at enabling positive, community-led change across the district. This included the introduction of a new in-kind grant to provide non-financial support to eligible community projects.
- We developed the Community Grants and Funding Framework and Policy – a dedicated resource to improve access to funding information and guidance.
- We cemented our holistic approach to community development through the alignment of our Climate Change, Youth and Positive Ageing strategies. All share a common purpose – to create a sustainable, inclusive and resilient community for all ages.
- The Mayor’s Taskforce for Jobs (MTFJ) Wairarapa programme exceeded target outcomes with 66 people placed into permanent employment (target of 58). Overall, 114 people were placed into employment over the 2024/25 financial year.
- Carterton Library began implementing Radio Frequency Identification (RFID) processing. RFID uses electromagnetic fields to automatically identify and track tags attached to items, providing an enhanced experience for patrons and staff. The team also continued the delivery of popular weekly preschool story time sessions as well as support for Wai Word, Divine River and Ngaio Marsh Award programming.
- Wairarapa Arts Festival, Kakano, was launched in March 2025 boasting a program of six events, including free, community showcase, Holloway Hoopla.
- Carterton Events Centre was renamed Wairarapa Events Centre (with a Te Reo name to be confirmed), more closely reflecting its role as the premiere performance venue in the heart of the region.
- We introduced an Artist Residency Program at the Wairarapa Events Centre, offering local artists the opportunity to work and create in a professional production environment.
- We brought more quality events and performing arts companies to the region, including Trick of the Light Theatre, The Warratahs, The New Zealand Symphony Orchestra, Showtime Australia and Arts on Tour.
- A StoryWalk® was installed at Carrington Park in October. The project displays the pages of a children’s book to be progressively read along the Carrington Oval walking route.
- The car park at Sparks Park was extended in April to more suitably accommodate users of the popular nature space.



Nga Tawhai Reserve unveiling

We gathered with hapu members at Nga Tawhai Reserve at dawn over Matariki weekend to unveil Te Tātāu o Ngā Pekapeka o Te Wharau, a new tomokanga [entrance] to the area.

Pou Whakairo [carver] Wayne Pitau [Ngāti Maahu] led the dawn, with a call to the manu [birds] and to all manuhiri [guests], followed by a whaikōrero [ceremonial speech].

This Tomokanga embodies the enduring presence of the many hapū who share ancestral ties to Te Wharau, and whose legacies remain woven through Te Taiao [the natural world].

Following the unveiling, the Te Wharau community, hapū representatives from Ngāi Tāneroa, Ngāti Hinewaka, Ngāi Tumapuhiarangi, Ngāti Rongomaiaia, and Council staff all came together for shared kai at the Community Hall.

The unveiling and revitalisation of the whenua stands as a powerful representation of the collaborative effort between hapū and Council, with the kaupapa having restored life, visibility, and wairua [spiritual essence] to the space.



Challenges

Sparks Park is a well-loved community resource, popular with dog-owners and walkers. Consisting of lawn, plantings and natural water features, there is significant and regular maintenance required in order to ensure the reserve remains fit-for-purpose.

Throughout 2023/24, Council staff and Sparks Park users were crossing paths throughout mowing and maintenance tasks, causing unexpected interruptions for both parties. To combat this, a decision was made by Council in July 2024 to set a weekly, regular closure period (Monday 7.30am to 9.30am) for all works to take place.

While the closure period required adjustment for some users, the operational change was well-received and appreciated by residents, who are now able to enjoy the space in full at any time outside of those two hours each week.



Looking to the future

We'll keep working to make our district a vibrant place to live by supporting the things that help our residents feel connected, safe, and proud.

We'll continue to invest in our facilities, events, and programmes, making sure they're accessible, inclusive, and reflect the needs of our community. Our goal is to support a community that's resilient and ready for the future.

We're focusing on:

- Making funding easier to access, with clearer guidance and more flexible support options.
- Bringing people together, through events, arts, and activities that celebrate our local identity.
- Supporting wellbeing and inclusion, by aligning our strategies for youth, aging, and climate change.
- Improving public spaces, like we did with Sparks Park, through practical changes that make them easier to enjoy.
- We'll keep building on what's working, like the success of the Mayor's Taskforce for Jobs and the growing popularity of our Carterton Library and Wairarapa Events Centre.

This work contributed to the following community outcomes:

Cultural Wellbeing • Te Ao Māori/Māori aspirations and partnerships are valued and supported. • A community that embraces and encourages our cultural diversity and heritage. • A community that fosters and promotes our character and creativity.	Economic Wellbeing • Quality, fit-for-purpose infrastructure, and services that are cost-effective and meet future needs. • A vibrant and prosperous business and primary sector investing in and supported by the community. • A community that is productively engaged in employment, education and community service.
Environmental Wellbeing • An environmentally responsible community committed to reducing our carbon footprint and adapting to the impacts of climate change.	Social Wellbeing • Fit for purpose public facilities, spaces, parks, and rural reserves.

Funding Impact Statement

For the year ended 30 June 2025	LTP	Annual Report	LTP	Annual Report
Community support	30 June 2024	30 June 2024	30 June 2025	30 June 2025
	\$000	\$000	\$000	\$000
Sources of operating funding				
General rates, UAGC, rates penalties	4,514	5,547	5,891	5,253
Targeted rates	-	-	23	149
Subsidies and grants for operating purposes	24	702	33	600
Fees and charges	70	217	217	225
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other	224	529	597	430
Total sources of operating funding	4,832	6,993	6,760	6,656
Applications of operating funding				
Payments to staff and suppliers	1,994	2,805	3,380	2,867
Finance costs	33	11	20	15
Internal charges & overheads	1,923	2,554	2,269	2,295
Other operating funding applications	266	862	250	677
Total applications of operating funding	4,216	6,232	5,919	5,854
Surplus/(deficit) of operating funding	616	761	841	802
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	196	295	220	257
Increase / (decrease) in debt	(177)	61	279	2
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding	19	356	499	259
Applications of capital funding				
Capital expenditure				
• to meet additional demand	11	36	-	-
• to improve level of service	53	4	211	216
• to replace existing assets	236	249	397	338
Increase / (decrease) in other reserves	336	828	732	507
Increase / (decrease) of investments	-	-	-	-
Total applications of capital funding	635	1,117	1,340	1,061
Surplus/(deficit) of Capital Funding	(616)	(761)	(841)	(802)
Funding balance	-	-	-	-



Regulatory and planning | Ngā Ture me te Rautaki

What we did

Regulatory and planning services work to ensure Carterton’s growth remains safe, sustainable, and aligned with wider regional objectives. Throughout 2024/25 the service managed resource and building consents, upheld public health standards, and ensured bylaw compliance to support a well-planned, thriving district.

How we measure our success

Key Performance Indicators (KPIs)	Target	2025	2024
LIMs processed within 10 working days.	100%	99% Not achieved	100%
Non-notified and notified resource consents processed within statutory timeframes. ¹	100%	100% Achieved	98%
PIMs and building consents processed within statutory timeframes. ²	100%	99% Not achieved	100%
Building Consent Authority (BCA) Accreditation retention.	Retained	Retained Achieved	New measure
Known food premises in the district have food control measures in place. ³	100%	100% Achieved	100%
Known liquor outlets in the district have appropriate licenses and certificates in place. ⁴	100%	100% Achieved	100%

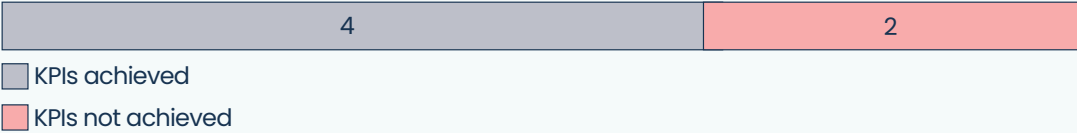
¹Non-notified consents statutory timeframes are 20 working days, a decision on a limited notified consent should be issued within 100 working days if a hearing is held (60 working days if no hearing). A decision on a publicly notified resource consent should be issued within 130 working days if a hearing is held (60 working days if no hearing). All time is calculated from the date the application was first lodged.

²PIMs and building consents statutory timeframes are 20 working days.

³Known food premises are verified annually at a minimum, with regularity of physical inspections varying between premises based on adherence to regulation.

⁴Licensing reminders are sent annually ahead of renewal due date. Premises are responsible for ensuring they comply with all legislation.

At a glance:



Highlights

- Development of Wairarapa Combined District Plan continued with 14 hearings held over a ten-month period (August 2024 to May 2025). Speakers included submitters, Council officers and consultants.

- Two new hairdressing premises were established in Carterton over the financial year as well as four new food outlets.
- Our building consent delivery received national media recognition, listed as second in the country in terms of efficient processing times.
- Our quarterly ‘Building Newsletter’ remains one of our most well-received mailouts, consistently achieving a more than 50% open rate. Key to its success is the provision of relevant and useful information to an engaged audience.

Challenges

Despite strong performance in consent processing, our services faced challenges in public perception, particularly in Community Survey results related to building, regulation and the appearance of commercial buildings in the town centre. Central to this challenge is the number of earthquake prone, privately owned commercial buildings along High Street.

This highlights the complexity of delivering highly regulated services in a way that is both efficient and well understood by the community. It also underscores the importance of ongoing communication and engagement to build trust and awareness around regulatory functions.

Looking to the future

We’ll continue to prioritise supporting safe, sustainable growth across the district, with a focus on implementing and educating residents around the Wairarapa Combined District Plan.

We’ll also work to improve knowledge in the community on legislation and regulation, including what is and isn’t governed by Council.

This work contributed to the following community outcomes:

Economic Wellbeing

- Quality, fit-for-purpose infrastructure, and services that are cost-effective and meet future needs.
- A vibrant and prosperous business and primary sector investing in and supported by the community.

Social Wellbeing

- A caring community that is safe, healthy, happy and connected.
- Fit for purpose public facilities, spaces, parks, and rural reserves.

Environmental Wellbeing

- A resilient community capable of responding and recovering from environmental shocks.

Funding Impact Statement

For the year ended 30 June 2025	LTP	Annual Report	LTP	Annual Report
Regulatory and planning	30 June 2024	30 June 2024	30 June 2025	30 June 2025
	\$000	\$000	\$000	\$000
Sources of operating funding				
General rates, UAGC, rates penalties	214	295	304	412
Targeted rates	228	476	537	540
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	1,053	987	1,206	1,017
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other	1	390	458	849
Total sources of operating funding	1,497	2,148	2,505	2,817
Applications of operating funding				
Payments to staff and suppliers	848	1,324	1,552	2,046
Finance costs	16	7	85	12
Internal charges & overheads	492	606	683	704
Other operating funding applications	-	-	-	-
Total applications of operating funding	1,356	1,936	2,320	2,762
Surplus/(deficit) of operating funding	141	212	186	55
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase / (decrease) in debt	(54)	46	66	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding	(54)	46	66	-
Applications of capital funding				
Capital expenditure				
• to meet additional demand	-	-	-	-
• to improve level of service	-	231	250	305
• to replace existing assets	4	2	-	-
Increase / (decrease) in other reserves	83	25	1	(250)
Increase / (decrease) of investments	-	-	-	-
Total applications of capital funding	87	259	251	55
Surplus/(deficit) of Capital Funding	(141)	(212)	(186)	(55)
Funding balance	-	-	-	-



Transportation | Ngā huarahi waka

What we did

We have a consistent and major focus on maintaining safe, accessible roads and pathways, working alongside NZTA and regional partners to deliver best value for money outcomes for our community. Activities over the past year included local road maintenance, bridge upgrades, footpath improvements, and initiatives to enhance road safety across the district.

How we measure our success

Key Performance Indicators (KPIs)	Target	2025	2024
The change from the previous financial year in the number of fatalities and serious injury crashes on local road network, expressed as a number.	Fatal: Decrease or <1 increase. Serious injury: Decrease or <3 increase	F: 0 S: 0 Achieved	F: 0 S: 3
The average quality of ride on a sealed local road network, measured by smooth travel exposure. ¹	≥90%	99% Achieved	98%
The percentage of the sealed local road network that is resurfaced	≥8%	6% Not achieved	3.06%
The percentage of footpaths that fall within the level of service standard for the condition of footpaths. ²	≥95%	81% Not achieved	Not measured
The percentage of customer service requests relating to roads and footpaths responded to within 10 days.	≥70%	81% Achieved	53%
Percentage of the sealed local road network that is rehabilitated. ³	1%	0.5% Not achieved	New measure
Length(km) of unsealed road network graded.	1,500	758 Not achieved	New measure
Regulatory signs repaired or replaced within 2 days of advice of a fault.	≥95%	100% Achieved	100%
Non-regulatory signs repaired or replaced within 21 days of advice of a fault.	≥70%	80% Achieved	100%
Street lighting faults are repaired within 2 weeks. ⁴	≥80%	33% Not achieved	57%

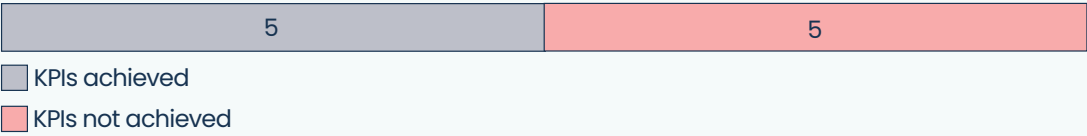
¹Smooth Travel Exposure (STE) is a measure indicating 'ride quality'. It is a standard NZTA measure and is an indication of the percentage of vehicle kilometres travelled on a road network with roughness below a defined upper threshold level. The threshold varies depending on the traffic volume band and urban/rural environment of the road. A high percentage means more roads offer a smooth ride. Calculated using standard industry methods. The result for this measure is based on data from traffic counts and roughness surveys.

²Total length of footpaths in the district is 49,445m, of these 39,966m are classed as being average or above when they were reviewed.

³The set of council-managed sealed roads that have been structurally repaired and restored to extend their service life.

⁴Our street lighting faults measurement includes both singular light faults (i.e. where a single bulb is blown) and network faults (where an entire street or network of lights is out). Singular faults can be quickly assessed and rectified via Council staff and contractors, whereas network faults are investigated and repaired through national electricity grid provider, PowerCo, directly. In the instance of a network fault, Council must follow due process for alerting PowerCo to the issue and then wait for the issue to be resolved. reminders are sent annually ahead of renewal due date. Premises are responsible for ensuring they comply with all legislation.

At a glance:



Highlights

- We completed a significant upgrade of Norman Avenue in early 2025, with local firm PCL Contractors awarded the \$1.05 million contract. Practical completion was achieved on 21 February with the project delivered on time and under budget.
- The final design for the Waiohine Bridge was delivered in June, 2025 and carried out by DC Structures Studio Ltd. Funding for construction is yet to be confirmed but would likely come from external funding sources.
- We continue to prioritise timely responses to customer service requests relating to our roading and footpath network. This year, 81% of requests were responded to within 10 working days, exceeding our target of 70%.

Challenges

Council continues to navigate several challenges in maintaining and improving the district’s roading network. Much of the network is aging, and while steady progress is being made, all upgrades must be delivered within the constraints of Long-Term Plan budgets.

Wilful damage to road signage remains an ongoing issue, increasing service delivery costs and placing additional pressure on contractor resources.

A further challenge lies in how resurfacing performance is measured – based on lineal metre length rather than road width. Many of our high-priority roads and footpaths are significantly wider than others, yet resealing costs are charged per square metre. This misalignment between measurement and actual cost creates limitations in how performance is reported and understood.

Emergency works, severe weather impacts and budgetary constraints have hampered achievement of our unsealed road grading target which aims to grade our 155km network multiple times. This year we completed the network 4 times.

We also did not meet our street lighting faults target due to inconsistent data reporting of the resolution time. This year we will review and refine this process to improve the recording of the performance measure.

Finally, we were unable to achieve our footpath target due to budgetary constraints and other priorities such as severe weather responses.

Looking to the future

Carterton District Council remains focused on enhancing the resilience of our roading network by delivering timely and effective maintenance and upgrades.

Supporting this, we continue to explore innovative approaches to how we deliver infrastructure services, recognising the importance of strengthening the capacity and resilience of our roading infrastructure.

Future renewal and improvement programmes will balance efficiency, budgets and long-term value, and will be designed to:

- Support local growth and development
- Respond to the increasing frequency of severe weather events
- Ensure cost-effective maintenance
- Safeguard the reliability of our network for families, businesses, rural industries, and visitors.

This work contributed to the following community outcomes:

Economic Wellbeing

- Quality, fit-for-purpose infrastructure, and services that are cost-effective and meet future needs.

Environmental Wellbeing

- A resilient community capable of responding and recovering from environmental shocks.
- An environmentally responsible community committed to reducing our carbon footprint and adapting to the impacts of climate change.

Social Wellbeing

- A caring community that is safe, healthy, happy and connected.
- Fit for purpose public facilities, spaces, parks, and rural reserves..

Funding Impact Statement

For the year ended 30 June 2025	LTP	Annual Report	LTP	Annual Report
Transportation	30 June 2024	30 June 2024	30 June 2025	30 June 2025
	\$000	\$000	\$000	\$000
Sources of operating funding				
General rates, UAGC, rates penalties	2,984	2,737	4,574	4,844
Targeted rates	-	-	-	-
Subsidies and grants for operating purposes	869	1,678	2,189	2,186
Fees and charges	-	51	-	48
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other	153	265	185	99
Total sources of operating funding	4,006	4,732	6,947	7,177
Applications of operating funding				
Payments to staff and suppliers	2,171	3,670	4,257	4,122
Finance costs	13	14	39	14
Internal charges & overheads	385	425	1,393	1,301
Other operating funding applications	-	-	-	-
Total applications of operating funding	2,569	4,108	5,689	5,436
Surplus/(deficit) of operating funding	1,437	624	1,258	1,741
Sources of capital funding				
Subsidies and grants for capital expenditure	1,237	1,332	1,710	1,674
Development and financial contributions	196	336	194	317
Increase / (decrease) in debt	(87)	-	(91)	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding	1,347	1,668	1,813	1,991
Applications of capital funding				
Capital expenditure				
• to meet additional demand	-	34	-	1,193
• to improve level of service	-	37	305	682
• to replace existing assets	2,425	2,390	3,352	2,720
Increase / (decrease) in other reserves	359	(169)	(587)	(863)
Increase / (decrease) of investments	-	-	-	-
Total applications of capital funding	2,784	2,291	3,071	3,732
Surplus/(deficit) of Capital Funding	(1,437)	(624)	(1,258)	(1,741)
Funding balance	-	-	-	-

Wastewater | Te Wai Para

What we did

Our wastewater service approach remains focused on the collection, treatment, and disposal of wastewater to safeguard public health and protect the environment. Over the past year, Council has maintained the wastewater network and treatment facilities to ensure compliance requirements are met and future growth is planned for.

How we measure our success

Key Performance Indicators (KPIs)	Target	2025	2024
Residents' satisfaction with the town's wastewater system. ¹	≥75% Rate 7-10	61.6% Not achieved	Not measured
The number of dry weather sewerage overflows from the territorial authority's sewerage system expressed per 1000 sewerage connections to the sewerage system. ²	≤5	0.31 Achieved	1.07
Compliance with the resource consents for discharge from the sewerage system, measured by the number of: Abatement notices, Infringement notices, enforcement orders, and, convictions received by the territorial authority in relation to those resource consents. ³	≤1	0 Achieved	0
Wastewater system fault median attendance time in min – from the time that the Council receives notification to the time that service personal reach the site.	≤1hrs	20.1hrs Not achieved	1.37hrs
Wastewater system fault median resolution time hours – from the time that the Council receives notification to the time that service personnel confirm resolution of the blockage or other fault.	≤4hrs	20.95hrs Not achieved	2.03hrs
Number of complaints about any of the following: the wastewater odour, sewerage system faults, sewerage system blockages, and supplier responsiveness, expressed per 1000 connections to the territorial authority's sewerage system. ⁴	≤20	12.31 Achieved	11.3

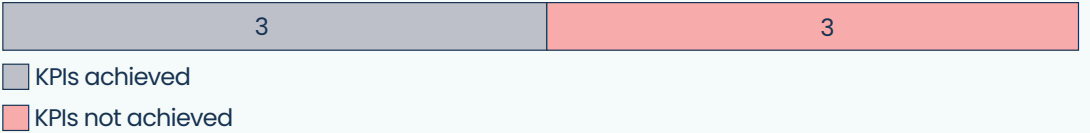
¹This figure was captured through the 2025 Community Survey where residents were asked to score satisfaction between 1 and 10, 1 being not satisfied at all and 10 being very satisfied. Only scores between 7 and 10 (inclusive) are considered within the high satisfaction range and make up the 'satisfied' statistic, as outlined in the 2024-34 Long-Term Plan.

²The number of wastewater overflows from our network during dry weather is a measure of the network's capability to meet current demand. The result for the year was 0.31 dry-weather overflows per 1,000 connections which is under the target of five or fewer. The measure includes overflows that occur during dry weather from any part of the wastewater network that enters a waterway (directly or indirectly through the stormwater network). Dry-weather overflows are generally caused by incorrect disposal of fats, oils and grease. Wet-wipes flushed down the wastewater network also lead to blockages in the pipes resulting in wastewater overflows. We continue to educate the public on what not to flush down the toilet through our website and resident newsletters.

³These consents are issued by Greater Wellington Regional Council (GWRC) and cover the discharge of treated wastewater from the treatment plant into the Mangatāre Stream. Compliance is measured by whether GWRC has issued any abatement notices, infringement notices, enforcement orders, or convictions related to those consents.

⁴These complaints were received either through Service Requests on our Carterton District Council website, or phone calls to our Administration Office.

At a glance:



Highlights

- On 20 December 2024, we completed construction of our Gallons Road Solar Project, a small-scale renewable energy initiative designed to power the district's wastewater treatment site. The \$440,000 project—fully funded through the Department of Internal Affairs' Better Off Fund—includes 26 rows of solar panels covering 0.9 hectares between Gallons Road and the constructed wetland. This farm now powers key equipment at our wastewater site, including a large pivot irrigator, with any excess electricity fed back into the local grid.
- Concerns around the age and condition of the existing ablution block in our depot saw Crown Portable Buildings install a new portable option. The block was delivered and installed within five weeks and provides a much more suitable option for staff and visitors working out of our Operations Yard.



Lincoln Road Sewer Main Upgrade

As with any local government, the replacement of aging infrastructure is a challenge that must be navigated. Carterton District Council’s approach is to undertake staged upgrade works across our network, aligning with community desire and Council budgets as outlined in our 2024–34 Long-Term Plan.

A significant section completed in the 2024/2025 financial year was the renewal of 364 metres of aging sewer pipeline along Lincoln Road, a task contracted to local business, G&C Diggers.

Our Wastewater Treatment Plant team immediately saw benefits from the Lincoln Road upgrade, with reduced inundation of incoming pipes leading to lower overall flow volumes at the plant.

In addition to improving the overall resilience and reliability of our sewer network, this work supports more efficient treatment processes, reduces operational strain, and contributes to long-term environmental outcomes for the district.



Challenges

Council continues to take a long-term approach to improving the condition and resilience of the district’s stormwater network. Many assets within the system are aging, with some equipment dating back to the 1970s.

While renewals are being progressed in line with Long-Term Plan budgets, poor asset condition remains a challenge to service delivery and future planning.

A level of good performance was not reflected in our Wastewater system fault median attendance and resolution times due to incorrect service request data entry for closure of events. This is part of a broader staff training and system review process we are undertaking this year.

Looking to the future

Building on recent network upgrades we will continue to prioritise:

- Sustainable energy use, leveraging the success of the Gallons Road Solar Project.
- Network resilience, with staged upgrades to aging infrastructure aligned with our Long-Term Plan and community expectations.
- Operational efficiency, focusing on reducing response and resolution times.
- Environmental outcomes, by minimising overflows, maintaining compliance with resource consents, and enhancing treatment processes.

Work will begin on new headworks to support improved performance and reliability across the network in 2025/26. These upgrades are part of Council’s commitment to modernising infrastructure and ensuring the wastewater system can meet current and future needs. Our sludge composting trial will progress with the revitalisation of Pond 3 at our Waste Water Treatment Plant.

Wastewater will transition to the new regional water services entity under the Local Water Done Well reform programme from 1 July 2027. Council will work closely with the new entity to ensure a smooth handover, maintain service continuity, and advocate for the needs of our community throughout the transition.

This work contributed to the following community outcomes:

Economic Wellbeing

- Quality, fit-for-purpose infrastructure, and services that are cost-effective and meet future needs.

Environmental Wellbeing

- Safe and resilient water supply, wastewater, and stormwater systems.

Social Wellbeing

- A caring community that is safe, healthy, happy and connected.
- Fit for purpose public facilities, spaces, parks, and rural reserves.

Funding Impact Statement

For the year ended 30 June 2025	LTP	Annual Report	LTP	Annual Report
Wastewater	30 June 2024	30 June 2024	30 June 2025	30 June 2025
	\$000	\$000	\$000	\$000
Sources of operating funding				
General rates, UAGC, rates penalties	305	301	161	176
Targeted rates	2,747	2,710	3,231	3,232
Subsidies and grants for operating purposes	-	-	90	26
Fees and charges	472	444	558	342
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other	13	23	-	9
Total sources of operating funding	3,537	3,478	4,040	3,784
Applications of operating funding				
Payments to staff and suppliers	950	1,035	1,116	930
Finance costs	189	683	697	883
Internal charges & overheads	843	1,237	833	1,110
Other operating funding applications	-	37	-	(37)
Total applications of operating funding	1,982	2,991	2,647	2,887
Surplus/(deficit) of operating funding	1,555	487	1,393	896
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	500	523
Development and financial contributions	98	40	97	50
Increase / (decrease) in debt	(783)	4,775	711	461
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding	(685)	4,815	1,308	1,034
Applications of capital funding				
Capital expenditure				
• to meet additional demand	-	-	-	-
• to improve level of service	6	5,289	360	465
• to replace existing assets	2,018	2,516	2,200	2,245
Increase / (decrease) in other reserves	(1,154)	(2,503)	142	(780)
Increase / (decrease) of investments	-	-	-	-
Total applications of capital funding	870	5,301	2,702	1,931
Surplus/(deficit) of Capital Funding	(1,555)	(487)	(1,393)	(896)
Funding balance	-	-	-	-

Stormwater drainage | Wai Āwhā

What we did

Over the past year, Council has maintained the urban stormwater network and developed targeted solutions for areas at a higher risk of flooding. This routine service ensures effective rainwater runoff to reduce flooding risks, prevent erosion, and protect waterways.

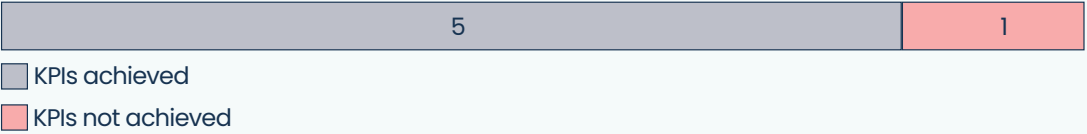
How we measure our success

Key Performance Indicators (KPIs)	Target	2025	2024
Residents’ satisfaction with the district’s stormwater systems. ¹	≥60% Rate 7–10	52% Not achieved	Not measured
The number of flooding events.	≤1	0 Achieved	0
For each flooding event, the number of habitable floors affected, expressed per 1000 properties connected to the territorial authority’s stormwater system.	≤1	0 Achieved	0
Compliance with the territorial authority’s resource consents for discharge from its stormwater system, measure by the number of: - abatement notices - infringement notices - enforcement orders - convictions received by the territorial authority in relation to those resource consents.	0	0 Achieved No notices received.	0
The median response time to attend a flooding event, measured from the time that the territorial authority receives notification to the time that service personnel reach the site.	≤3hrs	0 Achieved No call outs received	6hrs
Total number of stormwater complaints received by a territorial authority about the performance of its stormwater system, expressed per 1000 properties connected to the territorial authority’s stormwater system. ²	≤10	1.84 Achieved	5.2

¹This figure was captured through the 2025 Community Survey where residents were asked to score satisfaction between 1 and 10, 1 being not satisfied at all and 10 being very satisfied. Only scores between 7 and 10 (inclusive) are considered within the high satisfaction range and make up the ‘satisfied’ statistic, as outlined in the 2024–34 Long-Term Plan.

²These complaints were received either through Service Requests on our Carterton District Council website, or phone calls to our Administration Office.

At a glance:



Highlights

- To improve flood mitigation in the Flatpoint area, we delivered a flood resilience project that included the construction of a bund, cleared debris buildup and constructed a concrete ford to serve as a secondary flow path. Despite a budget of \$410,000, the initiative was completed for just over \$317,000, with savings allocated to support the Mangatarere flood mitigation and resilience work. The work enhances resilience against future flood events, following Cyclone Gabrielle in 2022.
- The reinstatement works for the unsealed portion of Te Wharau Road were completed in October, following damage from Cyclone Gabrielle.

Challenges

Increasingly unpredictable weather events and constrained budgets present challenges in the ongoing management of the district’s stormwater network. While routine maintenance and targeted flood mitigation projects have reduced risk in vulnerable areas, aging infrastructure and limited funding do restrict the pace of upgrades. Severe weather events, such as Cyclone Gabrielle, have underscored the need for resilient systems and long-term planning to protect property and maintain environmental compliance.

The lower level of resident satisfaction in this area is felt to be reflective of the concerns around flooding reported in our Community Survey and a limited understanding of the function of stormwater in Carterton. Stormwater in town is normally reliant on on-site soakage, with road run-off directed to land soakage and water. The piped network is relatively small.

Looking to the future

In 2025/26 our team will begin work on a Stormwater Management Plan as part of consenting requirements. We know that stormwater systems must evolve alongside land use, urban growth, and more frequent extreme weather events and this will be a key consideration of planning in this space.

From 1 July 2027, stormwater services will become part of the new regional water services entity under Local Water Done Well. While Council’s direct role will change, our commitment to advocating for Carterton’s needs will not. We’ll work to ensure that local knowledge, priorities, and values are carried forward into this new model of service delivery.

This work contributed to the following community outcomes:

Economic Wellbeing

- Quality, fit-for-purpose infrastructure, and services that are cost-effective and meet future needs.

Social Wellbeing

- A caring community that is safe, healthy, happy and connected.

Environmental Wellbeing

- Safe and resilient water supply, wastewater, and stormwater systems.
- Healthy and susatinalbe waterways.
- A resilient community capable of responding and recovering from environmental shocks.



Funding Impact Statement

For the year ended 30 June 2025	LTP	Annual Report	LTP	Annual Report
Stormwater drainage	30 June 2024	30 June 2024	30 June 2025	30 June 2025
	\$000	\$000	\$000	\$000
Sources of operating funding				
General rates, UAGC, rates penalties	32	31	32	35
Targeted rates	290	280	288	288
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	-	-	-	-
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other	3	-	-	-
Total sources of operating funding	325	312	320	324
Applications of operating funding				
Payments to staff and suppliers	83	145	116	127
Finance costs	-	2	21	6
Internal charges & overheads	102	106	85	86
Other operating funding applications	-	-	-	-
Total applications of operating funding	186	253	223	219
Surplus/(deficit) of operating funding	140	58	97	104
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	20	22	24	25
Increase / (decrease) in debt	-	51	76	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding	20	73	101	25
Applications of capital funding				
Capital expenditure				
• to meet additional demand	315	-	-	-
• to improve level of service	-	-	-	-
• to replace existing assets	105	101	100	30
Increase / (decrease) in other reserves	(261)	30	98	100
Increase / (decrease) of investments	-	-	-	-
Total applications of capital funding	159	131	198	130
Surplus/(deficit) of Capital Funding	(140)	(58)	(97)	(104)
Funding balance	-	-	-	-

Waste management | Te Whakahaere Para

What we did

Our waste management portfolio includes effective kerbside rubbish and recycling collection, operation of the transfer station, and promotion of waste minimisation initiatives. Throughout the 2024/25 year, Council has continued to encourage sustainable practices that reduce waste and support a healthier environment.

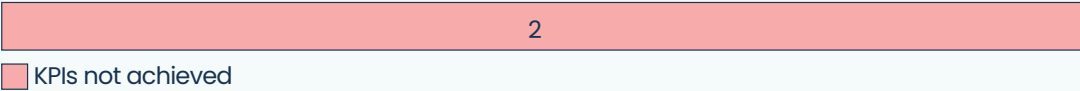
How we measure our success

Key Performance Indicators (KPIs)	Target	2025	2024
Residents’ satisfaction with waste disposal services. ¹	≥75% Rate 7-10	70% Not achieved	Not measured
Compliance with resource consent conditions including compliance monitoring. ²	100%	One non-compliant Not achieved	One non-compliant

¹This figure was captured through the 2025 Community Survey where residents were asked to score satisfaction between 1 and 10, 1 being not satisfied at all and 10 being very satisfied. Only scores between 7 and 10 (inclusive) are considered within the high satisfaction range and make up the ‘satisfied’ statistic, as outlined in the 2024-34 Long-Term Plan.

²At present, the description of ‘non-compliance’ in the report doesn’t accurately reflect the current waste management arrangements at Dalefield. The site now functions solely as a transfer station, so the activities there are unlikely to create any direct adverse effects on the environment. However, because the transfer station sits on a closed landfill, we continue to monitor groundwater through the existing landfill bores for any leachate contamination. The water samples are assessed against drinking-water quality standards, and it’s these results that are recorded as non-compliant. In other words, the non-compliance referenced in the report relates to the legacy closed landfill rather than the operation of the transfer station itself.

At a glance:



Highlights

- A two-day sustainability summit was held in the first week of the April school holidays for young people over 12 (18 registered to come along). ‘Slay Sustainability’ included a trip to Tinui Food Forest with a focus on self-sustainability, and a visit to the home of Carterton District Council Mayor, Hon Ron Mark for a deep dive into recycling, composting and single-use plastics.
- Our Waste Minimisation team commissioned a feasibility study into kerbside compost collection and the potential for introducing this service to our waste collection schedule. A final report and recommendation will be provided in the 2025/26 financial year.
- We held a community workshop on 5 September with Waste-Ed with Kate. A total of 30 residents came along to learn about recycling with plenty of tips and tricks provided on ways to reduce household waste.

Challenges

Council continues to monitor legacy environmental risks associated with the closed landfill at Dalefield, which now operates solely as a transfer station.

While the site’s current activities are unlikely to cause direct environmental harm, groundwater monitoring is ongoing through existing landfill bores to detect any leachate contamination.

Non-compliance results referenced in reporting relate to historic landfill consent conditions, not the operation of the transfer station itself. The team is currently working through the process of renewing the expired consent to ensure continued oversight.

Looking to the future

The future of waste management in Carterton will be shaped by how we work together to reduce, reuse, and rethink what we throw away.

Council’s focus is one that actively supports a culture of minimisation, with the success of initiatives like Slay Sustainability and our kerbside compost feasibility study demonstrating that our community is ready to do things differently.

In the coming year, we’ll continue to explore new ways to reduce landfill reliance, with education and engagement remaining central to our approach.

National policy and climate goals are evolving and we’ll focus on remaining agile in our approach, so we can move quickly to meet community expectations.

This work contributed to the following community outcomes:

Economic Wellbeing

- Quality, fit-for-purpose infrastructure, and services that are cost-effective and meet future needs.

Environmental Wellbeing

- An environmentally responsible community committed to reducing our carbon footprint and adapting to the impacts of climate change.

Social Wellbeing

- A strong and effective council providing trusted leadership.
- A caring community that is safe, healthy, happy and connected.
- Fit-for-purpose public facilities, spaces, parks and rural reserves.

Funding Impact Statement

For the year ended 30 June 2025	LTP	Annual Report	LTP	Annual Report
Waste management	30 June 2024	30 June 2024	30 June 2025	30 June 2025
	\$000	\$000	\$000	\$000
Sources of operating funding				
General rates, UAGC, rates penalties	330	456	368	405
Targeted rates	488	290	316	316
Subsidies and grants for operating purposes	-	-	-	-
Fees and charges	456	559	577	630
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other	82	50	118	88
Total sources of operating funding	1,356	1,355	1,379	1,438
Applications of operating funding				
Payments to staff and suppliers	1,020	1,034	1,032	1,102
Finance costs	-	10	12	9
Internal charges & overheads	143	143	220	207
Other operating funding applications	151	14	38	48
Total applications of operating funding	1,313	1,201	1,302	1,366
Surplus/(deficit) of operating funding	43	153	76	71
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	-	-
Development and financial contributions	-	-	-	-
Increase / (decrease) in debt	-	-	50	-
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding	-	-	50	-
Applications of capital funding				
Capital expenditure				
• to meet additional demand	-	-	-	-
• to improve level of service	-	-	50	-
• to replace existing assets	431	4	25	63
Increase / (decrease) in other reserves	(388)	149	51	8
Increase / (decrease) of investments	-	-	-	-
Total applications of capital funding	43	153	126	71
Surplus/(deficit) of Capital Funding	(43)	(153)	(76)	(71)
Funding balance	-	-	-	-



Water supply | Te Ratonga Wai

What we did

Water supply services continued to ensure the provision of safe drinking water, as well as managing our water race network for Carterton’s urban and rural communities. Over the past year, priorities included maintaining infrastructure, supporting water conservation, and ensuring a reliable supply to meet future needs.

How we measure our success

Key Performance Indicators	Target	2025	2024
The extent to which the local authority’s drinking water supply complies with the following parts of the drinking water quality assurance rules: (a) 4.4 T1 Treatment Rules; (b) 4.5 D1.1 Distribution System Rule; (c) 4.7.1 T2 Treatment Monitoring Rules; (d) 4.7.2 T2 Filtration Rules. (e) 47.3 T2 UV Rules; (f) 4.7.4 T2 Chlorine Rules; (g) 4.8 D2.1 Distribution System Rule; (h) 4.10.1 T3 Bacterial Rules; (i) 4.10.2 T3 Protozoal Rules; and (j) 4.11.5 D3.29 Microbiological Monitoring Rule.	Full compliance	Frederick Street Plant: Full compliance Achieved Kaipatangata Plant: Full compliance Achieved <i>Note: Drinking water Quality Assurance Rules (DWQAR) has reported compliance against the DWQAR (T3 Bacterial Rules and T3 Protozoal Rules). (a)–(g) relate to small networks. (h)–(j) are those required of a Council of Carterton’s size.</i> <i>The Non-Financial Performance Measures Rules 2013 required local authorities to report their compliance with the bacterial and protozoal contamination criteria of the New Zealand Drinking Water Standards 2005. These standards have been superceded by the Water Services Regulations 2022 and therefore we are reporting against these measures relying on relevant incorporation by reference provisions in NZ law.</i>	Non-compliance with 4.10.1 and 4.10.2
The percentage of real water loss from the local authority’s networked reticulation system. ²	≤35%	27% Achieved	13%

Key Performance Indicators (KPIs)	Target	2025	2024
Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system: The median response time to attend urgent callouts from the time that the local authority receives notification to the time that service personnel reach the site.³	≤2hrs	0.2hrs Achieved	3.83hrs
Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system: The median response time to resolve urgent callouts; from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption.³	≤4hrs	2.6hrs Achieved	12.17hrs
Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system: The median response time to attend non-urgent callouts: from the time that the local authority receives notification to the time that service personnel reach the site.⁴	≤12hrs	3.83hrs Achieved	3.97hrs
Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system: The median response time to attend non-urgent callouts: from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption.⁴	≤24hrs	38.94hrs Not achieved	35.98hrs

Key Performance Indicators (KPIs)	Target	2025	2024
Number of complaints about any of the following: the drinking water's clarity, taste, odour, pressure or flow, continuity of supply, and supplier responsiveness, expressed per 1000 connections to the local authority's networked reticulation system.	≤15	2.46 Achieved	0
The average consumption of drinking water per day per resident within the territorial authority's district. ⁵	≤400 litres	349.69 litres Achieved	326 litres
Residents' satisfaction with their household water supply. ⁶	≥75%	69% Not achieved	Not measured
Compliance with water resource consent conditions. ⁷	100%	100% Achieved	Not compliant

¹Detailed information on drinking water compliance measurements can be found at: <https://www.taumataarowai.govt.nz/assets/Drinking-Water-Supplier/Drinking-Water-Quality-Assurance-Rules-2022-Released-25-July-2022.pdf>

²This measure tracks unexplained water losses as a percentage of total water produced. These losses are calculated by deducting water sales volumes and allowable unbilled water usage from total volume of water produced. Water sales data is highly dependent on actual water meter readings being fully collected for a rolling 12 months. Non-revenue water includes leaks (real water losses), water used for firefighting and operational use like flushing. Portions of our non-revenue water are also attributed to meter inaccuracy at our bulk supply points and theft. However, leaks are the biggest contributor to our non-revenue water figures. Water loss result is with 95% confidence limits of +/-10%.

³An urgent call-out is one that leads to a complete loss of supply of drinking water.

⁴A non-urgent call-out is one where there is still a supply of drinking water.

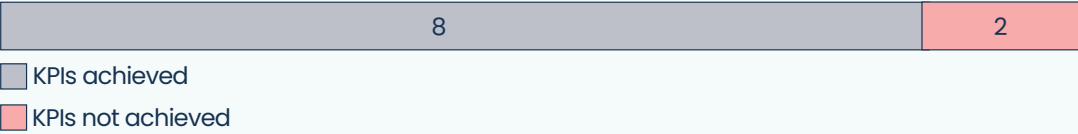
⁵These complaints were received either through Service Requests on our Carterton District Council website, or phone calls to our Administration Office.

⁶A Department of Internal Affairs (DIA) mandatory measure relating to demand management. Careful management of the demand for water is an important component of integrated water resources management to ensure that demand does not exceed capacity, that water is allocated efficiently, and that productivity is maximized. Results have been calculated using average population estimated derived from Statistics NZ year-end figures.

⁷This figure was captured through the 2025 Community Survey where residents were asked to score satisfaction between 1 and 10, 1 being not satisfied at all and 10 being very satisfied. Only scores between 7 and 10 (inclusive) are considered within the high satisfaction range and make up the 'satisfied' statistic, as outlined in the 2024-34 Long-Term Plan.

⁸Compliance here means meeting the consent conditions set by Greater Wellington Regional Council (GWRC), for example, staying within abstraction limits, maintaining minimum flow requirements, and submitting monitoring data or annual reports as required.

At a glance:



Highlights

- Council began a major upgrade of Brooklyn Road’s aging water infrastructure, replacing the asbestos main between High Street South and Lincoln Road with a new 300mm diameter PVC pipe. This long-life pipe – expected to last 100 years – is part of a \$2.39 million project to improve water supply resilience and safety. Work began in January 2025 and is on track for completion in July.
- We’re advancing our \$25 million water storage project, with loan-funding secured in June to construct a 20-hectare reservoir near Waingawa Industrial Area. The reservoir will initially hold 500,000 cubic metres of untreated process water, with potential expansion to one million cubic metres, enhancing water resilience for industrial and agricultural use.
- We expect the reservoir to generate \$110 million in economic benefits over 20 years through support of water-intensive industries. Construction is planned to begin in early 2026.
- Our Frederick St Water Plant has been extended to accommodate our transition from caustic soda to lime dosing. This change is a more cost-effective processing option as well as being better for the environment.



Challenges

Council continues to successfully manage the complexities of maintaining a secure and compliant water supply for the district. We experienced an increased water loss result due major leaks and a change in data modelling as part of our non-financial reporting improvement project. We did however still achieve the target.

As part of the consenting process for the Kaipatangata Water Treatment Plant, we are undertaking a detailed review of environmental and operational requirements, including nitrate management.

While the current supply is sufficient to meet projected demand through to 2043, the renewal process must address legacy consent conditions and ensure ongoing compliance with drinking water standards.

Looking to the future

While water supply services are still managed by Carterton District Council, our team will continue to provide a reliable and resilient service to residents. In the next year, we'll continue design work for the renewal of water supply infrastructure along High Street and the extension of corresponding rider mains.

Starting 1 July 2027, responsibility for water supply will shift to the new Council-controlled entity, through the Local Water Done Well initiative. Although Council will no longer manage the service directly, we'll continue to ensure local perspectives shape future service delivery.

The almost complete Waingawa Process Water Plant and the planned new water storage reservoir will remain Council-owned and operated, reflecting our focus on long-term resilience and economic support for water-intensive industries. Our work will focus on building a strong customer base for the process water option and securing an appropriate parcel of land for the new reservoir.

This work contributed to the following community outcomes:

Economic Wellbeing

- Quality, fit-for-purpose infrastructure, and services that are cost-effective and meet future needs.

Environmental Wellbeing

- An environmentally responsible community committed to reducing our carbon footprint and adapting to the impacts of climate change.

Social Wellbeing

- A caring community that is safe, healthy, happy and connected.
- Fit-for-purpose public facilities, spaces, parks and rural reserves.

Funding Impact Statement

For the year ended 30 June 2025	LTP	Annual Report	LTP	Annual Report
Water supply	30 June 2024	30 June 2024	30 June 2025	30 June 2025
	\$000	\$000	\$000	\$000
Sources of operating funding				
General rates, UAGC, rates penalties	363	328	242	279
Targeted rates	3,547	3,399	2,726	2,816
Subsidies and grants for operating purposes	-	-	140	-
Fees and charges	38	21	16	13
Internal charges and overheads recovered	-	-	-	-
Local authorities fuel tax, fines, infringement fees and other	6	13	-	1
Total sources of operating funding	3,953	3,761	3,124	3,109
Applications of operating funding				
Payments to staff and suppliers	1,722	1,679	1,386	1,582
Finance costs	15	148	118	175
Internal charges & overheads	1,200	1,274	923	930
Other operating funding applications	-	-	-	-
Total applications of operating funding	2,937	3,100	2,427	2,687
Surplus/(deficit) of operating funding	1,016	661	697	422
Sources of capital funding				
Subsidies and grants for capital expenditure	-	-	1,899	878
Development and financial contributions	98	40	128	40
Increase / (decrease) in debt	(64)	2,272	3,065	
Gross proceeds from sale of assets	-	-	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources of capital funding	35	2,312	5,092	918
Applications of capital funding				
Capital expenditure				
• to meet additional demand	-	77	75	61
• to improve level of service	-	357	3,368	2,516
• to replace existing assets	574	1,764	2,295	2,173
Increase / (decrease) in other reserves	476	775	51	(3,408)
Increase / (decrease) of investments	-	-	-	-
Total applications of capital funding	1,051	2,973	5,789	1,341
Surplus/(deficit) of Capital Funding	(1,016)	(661)	(697)	(422)
Funding balance	-	-	-	-

Administration and support services | Ngā Whakahaere me ngā Tautoko

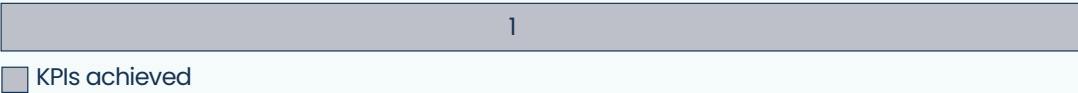
What we did

Administration and support services provide the essential financial, digital, human resources, and customer support that underpins Council operations. Over the past year, our focus has remained on ensuring high-quality service delivery, compliance, and efficient, effective governance.

How we measure our success

Key Performance Indicators (KPIs)	Target	2025	2024
Rates invoices are delivered at least 14 days before the due date as per the rates resolution.	100%	100% Achieved	New measure

At a glance:



Highlights

- We expanded our corporate brand colour palette and developed a suite of brand guidelines to more closely align with Council’s vibrant community vision. This work also identified our primary logo for everyday use, to create uniformity in documents and collateral moving forward.

Challenges

A delay in the adoption of our Long-Term Plan resulted in the rates not being set for residents until September 2024. This saw our quarterly payment schedule amend to three equal rates notices. This caused some confusion in the community, however much of this was mitigated through clear messaging around changes and expectations. With more than 60% of our rate payer base already paying via direct debit, we were able to confidently support ratepayers through the change and continue ‘business-as-usual’.

Looking to the future

Looking ahead, the focus will remain on strengthening internal systems and communications to support transparency, consistency, and community confidence. A recent corporate brand colour palette refresh provides a strong foundation for clearer, more cohesive engagement, while lessons from the delayed Long-Term Plan adoption will inform future planning and risk management processes. As our organisation continues to evolve, there will be ongoing attention to aligning operational delivery with community expectations and legislative requirements.

This work contributed to the following community outcomes:

Economic Wellbeing

- Quality, fit-for-purpose infrastructure, and services that are cost-effective and meet future needs.

Social Wellbeing

- A caring community that is safe, healthy, happy and connected.
- Fit-for-purpose public facilities, spaces, parks and rural reserves.

Environmental Wellbeing

- An environmentally responsible community committed to reducing our carbon footprint and adapting to the impacts of climate change.



Notes to Service Performance Reporting

For the year ended 30 June 2025

1. Reporting Service Performance Information

The New Zealand Accounting Standards Board (XRB) issued a Standard for Service Performance Reporting: Public Benefit Entity Financial Reporting Standard 48 Service Performance Reporting (PBE FRS 48). This was issued in November 2017, with amendments made in January 2019 and 2022. The PBE FRS 48 Standard requires public benefit entities to apply the requirements to annual financial reports beginning on or after 1 January 2022. Carterton District Council adopted this Standard commencing with the year-end 30 June 2023 Annual Report.

The Statement of Service Performance of the Council has been prepared in accordance with the requirements of the Local Government Act 2002 and the Local Government (Financial Reporting and Prudence) Regulations 2014, which include the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP). The statement of Service Performance has been prepared in accordance with Tier 2 PBE financial reporting standards, which have been applied consistently throughout the period, and complies with PBE financial reporting standards.
2. Scope of Service Performance Reporting

The Council’s Service Performance Information is contained within the Service Performance Reporting section of the Annual Report.

PBE FRS 48 states that in reporting about the entity’s objectives and how it intends to achieve them, the information should be drawn from the founding documents, governance documents and accountability documents. As such, Council has drawn this information from the 2024–34 Long-Term Plan which includes the Annual Plan for 2024–25.

PBE FRS 48 states judgement is required in deciding how much information to provide about the current reporting period and also how much information to provide about progress towards the long-term objectives. Council has balanced the information available with the need to report in an understandable and concise manner for the users.

As acknowledged within PBE FRS 48 and as applicable to Council, entities are subject to a range of reporting requirements from different standard bodies, as such the presentation of Service Performance Information by Council allows for the different reporting requirements.
3. Service Performance Judgements and Assumptions

In the preparation of the forecast Statement of Service Performance in the Long-Term Plan, and Annual Plan, Council has made the following judgments in the selection of our service performance measures:

- We have reflected on the extent to which the levels of service we plan to provide to the community were best captured by performance measures
- Consideration has been given to the views expressed by our residents and ratepayers. This includes feedback relevant to the levels of service and performance measures received throughout the LTP consultation process
- We have ensured that the performance measures adequately inform progress towards delivering the outcomes in the Long-Term Plan and Annual Plan.

Under the Local Government Act 2002 we are mandated to provide standard performance measures so that the public may compare the level of service provided in relation to the following group of activities: water supply, sewerage and the treatment and disposal of sewage, stormwater drainage, and the provision of roads and footpaths. We are also required to demonstrate regulatory compliance for statutory measures (such as percentage of both building consents and resource consents applications processed within 20 statutory days).

Further to the above judgements being made in the selection of performance measures, we also apply judgements in the measurement, aggregation, and presentation of service performance information.

Material judgements have been applied as follows:

Surveys

In 2025, Council delivered its community survey internally for the first time, reflecting a commitment to transparency, inclusivity, and cost-effectiveness. Key elements of this decision were:

- Opening the survey to all residents, not just those on the electoral roll, ensuring broader representation across the district.
- Aligning questions with Long-Term Plan performance measures, using neutral language and accessible phrasing to avoid bias and support meaningful analysis.
- Capturing quantitative and qualitative responses, with open-ended questions allowing for deeper insights.
- Enabling full access to raw data, supporting long-term trend analysis and improved responsiveness to community feedback.
- Application of robust data management protocols throughout to safeguard privacy and ensure integrity.

To uphold the credibility of this approach, the methodology and supporting documentation underwent a peer review, carried out by PriceWaterhouseCoopers. The review focused on survey design, strategic alignment, and data handling practices, with results confirming a robust survey approach and only minor suggestions for improvement. This process reinforces Council’s commitment to informed decision-making and continuous improvement.





Governance

Carterton District Council is one of 67 Councils (territorial authorities) in New Zealand and is led by a team of eight elected representatives and one Mayor.

We operate in accordance with the Local Government Act 2002 which sets out the framework for operating transparently as a local government authority. Further information regarding the Local Government Act 2002 can be found at www.legislation.govt.nz.

Role of Council

Carterton District Councillors are democratically elected by our community to represent the best interests of our ratepayers. They are required to make transparent decisions around the priorities and future needs of our town. Councillors have a responsibility to the entire community and must act in accordance with all local government legislation.

Election of Mayor and Councillors

Carterton District Council is required to conduct Local Government elections every three years, on the second Saturday of October. The Mayor and councillors are elected for three-year terms. Elections are conducted via post.

Carterton District Council appoints an Electoral Officer, and a Deputy Electoral Officer who are responsible for all matters relating to the election.

The next date for the Local Government elections is Saturday 11 October, 2025.

Our Councillors



Mayor Ron Mark



Deputy Mayor Steve Cretney



Cr Grace Ayling



Cr Robyn Cherry-Campbell



Cr Brian Dellar



Cr Steve Gallon



Cr Steve Laurence



Cr Lou Newman



Cr Dale Williams
Resigned 25 June, 2025

Mayor and Councillor meetings and attendance

Council is the decision-making body for Carterton District Council and usually meets every six weeks on a Wednesday. The Chief Executive and Executive Leadership Team (ELT) also attend this meeting with the Mayor presiding as chair. ELT assist Councillors with any information further to the agenda that they may require to make well-informed decisions.

Members of the public are welcome to attend Council meetings in person or via video conference, but are only able to contribute in the meeting’s Public Forum section. Members of the public are required to leave the meeting should confidential items need to be discussed.

The minutes of each meeting are available to the public (excepting those items that are publicly excluded) and are published at carterton.infocouncil.biz. Recordings of all meetings are uploaded to our Carterton District Council YouTube channel.

Councillor	Result 2024/25	
	Total Council meetings attended	Total Committee meetings attended
Mayor Ron Mark	9 of 11	20 of 23
Deputy Mayor Steve Cretney	11 of 11	22 of 22
Cr Grace Ayling	10 of 11	13 of 14
Cr Robyn Cherry-Campbell	11 of 11	9 of 9
Cr Brian Deller	11 of 11	12 of 13
Cr Steve Gallon	11 of 11	12 of 12
Cr Steve Laurence	11 of 11	19 of 19
Cr Lou Newman	10 of 11	18 of 18
Cr Dale Williams	4 of 11	10 of 15

Details of committees, workshops and advisory groups:

- Risk and Assurance Committee**
P Jones (Independent Chair)
Deputy Mayor S Cretney (Deputy Chair)
Cr G Ayling
Cr S Laurence
Cr L Newman
M Sebire (Tāngata whenua representative: Hurunui-o-Rangi Marae)
Mayor R Mark (ex-officio)

Policy and Projects Committee
Deputy Mayor S Cretney (Chair)
Cr S Gallon (Deputy Chair)
All other elected members
Hurunui-o-Rangi Marae representative

Investment Committee
Cr S Laurence (Chair)
Deputy Mayor S Cretney (Deputy Chair)
Cr L Newman
M Sebire (Tāngata whenua representative: Hurunui-o-Rangi Marae)
Mayor R Mark (ex-officio)

Chief Executive Employment Review Committee
Deputy Mayor S Cretney (Chair)
Cr Grace Ayling (Deputy Chair)
David Hammond (Independent Advisor)
All other elected members
M Sebire (Tāngata whenua representative: Hurunui-o-Rangi Marae)
J Ngātūere (Tāngata whenua representative: Ngāti Kahukuraāwhitia)

Water Race Committee
Cr B Deller (Chair)
J Booth (Deputy Chair)
Deputy Mayor S Cretney
Cr S Gallon
J McFadzean
N Wadham
G Smith
Mayor R Mark (ex-officio)
- Hearings Committee**
Cr R Cherry-Campbell (Chair)
Cr B Deller (Deputy Chair)
Cr S Laurence
Mayor R Mark (ex-officio)

Sport NZ Rural Travel Fund Committee
Cr B Deller (Chair)
Cr S Gallon
Cr L Newman
Mayor R Mark (ex-officio)

Community Grants Committee
Cr R Cherry Campbell (Chair)
Deputy Mayor S Cretney (Deputy Chair)
Cr S Gallon
Cr L Newman
Mayor R Mark (ex-officio)

Carterton and Districts Returned and Services Memorial Trust Grants Committee
Deputy Mayor S Cretney

People and Places Advisory Group
Cr R Cherry-Campbell (Chair)
Cr L Newman (Deputy Chair)
Cr S Laurence
Cr B Deller
Mayor R Mark (ex-officio)

Walking and Wheels Cycling Advisory Group
Cr L Newman (Chair)
Cr S Laurence (Deputy Chair)
Deputy Mayor S Cretney
Mayor R Mark (ex-officio)

**Wastewater Treatment Plant
Advisory Group**

Chair (to be confirmed)
Cr B Deller (Deputy Chair)
Cr S Gallon
Cr G Ayling
Mayor R Mark (ex-officio)

Rural Advisory Group

Cr B Deller (Chair)
J Booth (Deputy Chair)
Cr S Gallon
Cr G Ayling
Mayor R Mark (ex-officio)



*Greater Wellington Regional
Council Committees*

**Wellington Regional Transport
Committee**

Mayor R Mark
Deputy Mayor S Cretney (alternate)

**Wellington Region Leadership
Committee**

Mayor R Mark
Deputy Mayor S Cretney (alternate)

**Wellington Region Civil Defence
and Emergency Management
Group**

Mayor R Mark
Deputy Mayor S Cretney (alternate)

Wairarapa Committee

Mayor R Mark, Deputy Mayor S
Cretney (alternate)

**Upper Ruamahanga River
Management Advisory Group**

Deputy Mayor S Cretney
Cr B Deller

**Waiohine River Plan Advisory
Group**

Cr B Deller
Deputy Mayor S Cretney (alternate)



External bodies with councillor representation

**Wairarapa District Plan Review
Committee**

Cr B Deller
Cr R Cherry-Campbell

Joint District Licensing Committee

Cr B Deller

**Wairarapa Economic Development
Strategy Governance Group**

Mayor R Mark
Cr R Cherry-Campbell

Wairarapa Trails Action Group

Cr L Newman
Cr S Laurence

Wairarapa Road Safety Council

Cr S Laurence

Zone 4 (LGNZ)

Mayor R Mark

Wairarapa Climate Change Caucus

Cr R Cherry-Campbell
Cr G Ayling

**Wellington Region Waste Minimisation
and Management Joint Committee
(WCC) and Wellington Region Waste
Forum**

Mayor R Mark
Deputy Mayor S Cretney

Mayor's Taskforce for Jobs

Mayor R Mark
Deputy Mayor S Cretney

Mangatarere Project Team

Deputy Mayor S Cretney
Cr S Laurence

Destination Wairarapa

R Wigglesworth (independent)

**Carterton Creative Communities Funding
Committee**

Cr G Ayling
Cr S Laurence (alternate)

Wairarapa Policy Working Group

Deputy Mayor S Cretney
Cr R Cherry-Campbell

Remutaka Transport Group

Mayor R Mark

Carter Society

Deputy Mayor S Cretney
J Greathead (independent)

Cobblestones Charitable Trust

J Gillard (independent)

**Future for Local Governance in
Wairarapa Working Group**

Deputy Mayor S Cretney
Cr R Cherry-Campbell

**Wairarapa Water Resilience Strategy
Working Group**

Mayor R Mark
Cr B Deller

**Combined Wairarapa Council
Working Group**

Mayor R Mark
Deputy Mayor S Cretney
Cr R Cherry-Campbell

**Local Water Done Well Oversight
Group**

Mayor R Mark
Cr B Deller (alternate)

Councillor conduct

One official Ombudsman complaint was recieved in the 2024/25 year. The investigation was discontinued and the complaint closed as resolved by the Ombudsman.

Community assistance

Our grants and funding programmes are designed to support local not-for-profit organisations, including community, sporting, cultural, and service groups, as well as individuals. Through financial assistance, we aim to encourage the development of high-quality programs, events, facilities, and services that deliver meaningful benefits to our community.

Allocations throughout the 2024/25 financial year:

- Community grants fund
40 allocations, **\$121,591.90**
- Waste minimisation rapid fund
2 allocations, **\$3,862.36**
- Creative Communities scheme
13 allocations, **\$18,926.54**, *administered only*
- Sport New Zealand Rural Travel Fund:
10 allocations, **\$9,500**, *administered only*
- Carterton and Districts Returned and Services Memorial Trust Fund
7 allocations, **\$4,700**, *administered only*



\$282,450
available in
grant funding



Corporate governance

Our organisation

Carterton District Council’s organisation structure supports Council in making expertly informed decisions on behalf of the community and delivering Long-Term Plan outcomes.

Organisational structure is the responsibility of the Chief Executive, and is endorsed by Council. At the beginning of 2025 the Chief Executive started a phased approach to reviewing how the organisation is structured to ensure that Carterton District Council is meeting the expectations of our Elected Members and our Communities; maintaining compliance with our legislative and regulatory responsibilities; performing as effectively and efficiently as possible, whilst remaining flexible enough to cope with new and exciting projects, and forthcoming legislative changes.

Chief Executive				
Manager, People and Wellbeing	Manager, Community Services and Facilities	Corporate Services Manager	Manager, Infrastructure	Manager, Planning and Regulatory
Kaitiuitui Human Resources Payroll Health and Safety	Parks and Reserves Community Development Carterton Library Wairarapa Events Centre	Customer Service Finance Information Technology Democratic Services	Waste Management Roading Infrastructure Projects Water Operations	Planning Animal Control Environmental Health Regulatory inspections

During the 2024/2025 year, organisational reviews have been completed in teams across Executive Leadership, Communications and Engagement, People and Wellbeing, and Finance.



Our Executive Leadership Team

Geoff Hamilton, Chief Executive
Bachelor of Business Studies, Chartered Accountant

Geoff is dedicated to helping the Council and the Carterton Community thrive through his strategic thinking and practical approach to delivering key outcomes and realistic goals. As a Chartered Accountant, he brings a strong background in finance, contract management, tendering and procurement activities, and Iwi engagement. Geoff's business acumen includes building Telecom Rentals Limited to Deloitte Fast 50 status by 2010 and being a finalist in the 2012 AUT Excellence in Business Awards. In local government, he served as Chief Financial Officer and GM Business Partnering at Whakatane District Council before joining Carterton.



**Geri Brooking**
Manager, People and Wellbeing
Dip Policing, Cert Business

Geri joined Council in 2016 with a background in community engagement, banking, human resources, and policing. She moved into the People and Wellbeing role in 2020.

This is her dream job because she loves working with people, believes in the greatness of the Council and District, and utilises her diverse skills and knowledge.

**Glenda Seville**
Community Services and Facilities Manager
Bachelor of Social Work

Glenda joined the Council following a diverse career in corrections, youth, and community development.

Glenda is passionate about building strong, connected communities and delivering outcomes that reflect the needs and aspirations of the Carterton District.

**Karon Ashforth**
Corporate Services Manager
Karon resigned from this role on 20 June, 2025.

Karon joined local government in 2021 after six years in Central Government roles in Wellington.

Since moving to the Wairarapa, she has been touched by the dedication of local government to serve the community and enjoys being part of the Corporate Services team.

**Johannes Ferreira**
Infrastructure Services Manager
N.Dip Civil Engineering and Infrastructure Procurement Procedures

Johannes joined Council in 2021 and progressed to the Executive Leadership Team in 2022 as the Infrastructure Services Manager. His experience in civil construction and local government, equip him with valuable expertise. Johannes feels privileged to serve the community.

**Solitaire Robinson**
Manager, Planning and Regulatory
Bachelor of Arts, Cert. Environmental Management

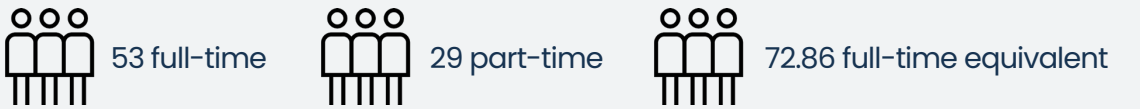
Solitaire has been involved in local government since 2007, serving three terms as an elected member for a neighbouring council. She joined Carterton District Council in 2008 as a part-time planner and has advanced through various roles within the organisation.

Our employees

Carterton District Council employees are our most valuable asset. They are the primary means by which our organisational goals and objectives are met and Council have made a commitment to manage, improve and develop staff resources efficiently and effectively.

Learning opportunities are in place that respect the worth of individuals, encourage the initiative of the employee, challenge individual capabilities and provide equal opportunity.

As at 30 June 2025, Carterton District Council employed **82 staff members** working across **five management groups** and based in **five locations**.



Our organisational values:

- Loyalty:** We are united, supporting collective decision-making and looking out for one another.

Service: We fulfil our regulatory roles in the most helpful way possible, providing transparent information and encouraging meaningful participation.

Integrity: We do what’s right even when it’s hard, staying true to our values and treating everyone equally and fairly.
- Honesty:** We have courageous conversations, we are truthful, and we accept responsibility.

Respect: We are open-minded, we listen and maintain high personal and professional standards.

Professionalism: We are competent, effective and reliable. We are diplomatic in our approach, and we do what we say we will.

Partnership for Performance Framework

Carterton District Council uses the Partnership for Performance (P4P) Framework to formally outline clear expectations of team members’ performance; identify opportunities for growth, development, and progression; and gather evidence to support movement within the competency range.

The annual development plan allows for individual employee goals and work tasks to be aligned with goals for Council and together, employees and management staff talk about performance, roles, and achievements.

Our recruitment process

Carterton District Council has a People and Wellbeing team that facilitates merit-based selection processes to ensure employment policies are adhered to. We consider our workforce our most valuable asset and acknowledge the importance of hiring the correct people to fill roles.

In 2024/25 the People and Wellbeing team undertook 19 recruitment processes across permanent, fixed term and casual staff.

To ensure hiring processes are fair and objective, a People and Wellbeing representative is present at all employment interviews.

Equal Employment Opportunity Policy

We’re committed to providing equal employment opportunities by ensuring all employment decisions are based on merit and effectiveness. This policy aligns with the Local Government Act 2002, Human Rights Act 1993, and the principles of the Treaty of Waitangi, and aims to create a workplace free from discrimination, harassment, and inequality.

Workplace health, safety and wellbeing

Carterton District Council has made a commitment to provide employees a safe working environment. A number of risk management strategies are in place organisation-wide that promote and improve health and safety performance including a Health and Safety Strategy, Sitewise Contractor Platform and quarterly reporting to the Risk and Assurance Committee .

We also have a Health, Safety and Wellbeing (HS&W) Committee that meets bi-monthly to report on HS&W issues and review incidents, near misses and hazards. The Committee is well engaged and committed to leading HS&W across the Council with nine members representing all teams across the council and supported by the HS&W Advisor.

This year the Committee has been focused on the development of the Assura Health and Safety platform, reviewing the Staff Wellbeing Strategy, and improving site inspections and contractor audits.

Contracts and procurement

All procurement is carried out as required by the Local Government Act 2002 and the Council’s own purchasing policies. Council regularly reviews the procurement framework and delivers procurement training to employees to ensure value for money is being delivered to ratepayers.

In 2024/25, Carterton District Council awarded the following major tenders:

Waingawa Process Water Pump Station – \$635,000

Norman Avenue upgrade – \$1,052,549

Gallons Road solar project – \$382,734

Information Request Responses (LGOIMAs)

In the 2024/25 financial year Carterton District Council received 57 Official Information Requests through the Local Government Information and Meetings Act 1987 and the Privacy Act 2020.

KEY – total for financial year 2024/25	
Total requests received	57
Response under 20 working days	52
No. of transfers	1
Full response	28
Partial out of scope	1
Partial s7(2)(a)	8
Partial s7(2)(b)(ii)	1
Partial s17(d)	1
Partial s17(f)	4
No. of extensions	5
Ombudsman	1



Section Four

Finance

The final section of this report outlines our finances for 2024/25. It provides insight into decision-making and summarises the financial position of Council moving forward.

Statement of Comprehensive Revenue and Expenses

Carterton District Council

Statement Of Comprehensive Revenue and Expenses
For the year ended 30 June 2025

	Note	Annual Report 30 June 2024 \$000	Annual Report 30 June 2025 \$000	LTP 30 June 2025 \$000
Operating Revenue				
Rates		17,676	19,661	19,540
Rates penalties		79	88	60
Finance revenue		472	314	137
Fees and charges		2,092	2,070	2,424
Waka Kotahi (NZTA) subsidy		3,010	3,598	3,898
Grants and subsidies		1,062	2,698	2,752
Petrol tax		60	57	100
Recoveries		837	1,024	802
Rental revenue		187	204	150
Event revenue		276	249	384
Forestry revenue		7	1	5
Commissions		78	82	73
Miscellaneous revenue		395	465	68
Development and financial contributions		733	689	663
Profit on sale of assets		7	-	-
Assets vested		-	20	-
Total operating income	2	26,969	31,217	31,057
Operating Expenditure				
Governance		825	808	905
Transportation		6,888	8,317	8,437
Water Supply		4,527	3,757	3,481
Wastewater		3,891	3,972	3,836
Stormwater		402	370	374
Waste Management		1,271	1,439	1,365
Community Services		6,988	6,595	6,699
Regulatory and Planning		1,953	2,780	2,433
Bad Debt write off/(recovered)		1	3	5
Loss on sale of assets		133	-	-
Impairment Losses		-	36	-
Total operating expenditure		26,881	28,077	27,536
Operating Surplus		88	3,140	3,521
Fair value gains/(losses)	2	107	(82)	-
Surplus before tax		195	3,058	3,521
Taxation expense		-	-	-
Surplus after tax		195	3,058	3,521
Other comprehensive revenue and expense				
Gain/(loss) on property, plant & equipment revaluation		(352)	23,891	36,087
Impairment gain/(loss) on revalued property, plant & equipment		1,198	3,272	-
Financial assets at fair value		(1)	-	-
Total other comprehensive income		846	27,163	36,087
Total comprehensive income for the year		1,041	30,222	39,608
Note: Total expenditure includes -				
Depreciation and amortisation	10	6,803	6,669	6,793
Finance		943	1,168	1,083
Personnel	3	6,654	6,799	6,897

The accompanying notes form an integrated part of these financial statements

Statement of Changes in Equity

Carterton District Council

Statement of Changes in Equity
For the year ended 30 June 2025

	Note	Annual Report 30 June 2024 \$000	Annual Report 30 June 2025 \$000	LTP 30 June 2025 \$000
Equity at start of year				
Equity at start of year		268,951	269,991	273,095
Total comprehensive revenue and expense		1,041	30,222	39,608
Equity at end of year		269,991	300,212	312,703
Components of equity				
Retained earnings at start of year		126,309	124,914	124,709
Surplus/(deficit) after tax		195	3,058	3,521
Transfers (to)/from equity for other reserves		265	(15)	-
Transfers (to)/from equity for restricted/Council created reserves		(1,855)	1,880	-
Retained earnings at end of year	14	124,914	129,837	128,230
Revaluation reserves at start of year		130,501	131,081	134,971
Financial asset revaluation gains/(losses)		1	-	-
Asset Revaluation gains/(losses)		579	27,178	36,087
Revaluation reserves at end of year	14	131,081	158,259	171,058
Restricted/council created reserves at start of year		6,186	6,218	6,192
Transfers (to)/from restricted reserves		32	(733)	478
Restricted reserves at end of year	14	6,218	5,485	6,670
Other (Council created) reserves at start of year		5,954	7,777	5,954
Transfers (to)/from other reserves		1,823	(1,146)	791
Other (Council created) reserves at end of year	14	7,777	6,631	6,745
Equity at end of year		269,991	300,212	312,703

The accompanying notes form an integrated part of these financial statements

Statement of Financial Position

Carterton District Council
Statement of Financial Position
As at 30 June 2025

		Annual Report 30 June 2024	Annual Report 30 June 2025	LTP 30 June 2025
	Note	\$000	\$000	\$000
Assets				
Current assets				
Cash and cash equivalent	5	13,162	9,017	4,517
Debtors and other receivables	6	2,320	3,288	4,364
Investments	7	150	2,104	7,504
Inventory		20	16	28
Non-current assets held for sale	10a	326	290	-
Total current assets		15,977	14,716	16,413
Non-current assets				
Property, plant and equipment	10	276,241	310,140	322,982
Forestry asset	8	1,036	1,089	893
Intangible assets	9	802	769	817
Investments	7	5,792	6,428	5,842
Other financial assets:				
Investment in CCOs and section 6(4) entities	7	22	22	21
Investment in other entities	7	1	1	1
Total non-current assets		283,892	318,448	330,556
Total assets		299,869	333,164	346,968
Liabilities				
Current liabilities				
Creditors and other payables	11	4,461	5,005	4,594
Employee entitlements	12	806	608	806
Borrowings	13	2,000	2,300	2,113
Leases	13	8	9	7
Total current liabilities		7,274	7,921	7,520
Non-current liabilities				
Derivative financial instruments	13	-	232	-
Borrowings	13	22,600	24,800	26,730
Leases	13	6		14
Total non-current liabilities		22,606	25,033	26,744
Equity				
Public equity		124,913	129,836	128,230
Restricted reserves		6,218	5,485	6,670
Revaluation reserves		131,081	158,259	171,059
Other reserves		7,777	6,631	6,745
Total equity	14	269,989	300,210	312,704
Total liabilities and equity		299,869	333,164	346,968

The accompanying notes form an integrated part of these financial statements

Statement of Cashflows

Carterton District Council
Statement of Cash Flows
For the year ended 30 June 2025

	Annual Report 30 June 2024	Annual Report 30 June 2025	LTP 30 June 2025
	\$000	\$000	\$000
Cash flows from Operating Activities			
Cash was received from:			
Receipts from rates revenue	17,862	19,513	19,600
Grants, subsidies and donations	4,449	6,467	6,650
Petrol tax	60	57	100
Receipts from other revenue	4,748	3,943	4,569
Finance revenue	484	341	137
	27,603	30,321	31,057
Cash was applied to:			
Payments to suppliers and employees	19,135	19,892	19,661
Finance expenditure	827	1,228	1,083
	19,962	21,120	20,743
Net cash flow from operating activities	7,641	9,201	10,314
Cash flows from Investing Activities			
Cash was received from:			
Sale of property, plant and equipment	41	-	-
Term investments, shares & advances	168	100	-
	209	100	-
Cash was applied to:			
Purchase of property, plant and equipment	14,160	13,352	13,488
Purchase of term deposits, shares and advances	1,182	2,592	-
	15,342	15,945	13,488
Net cash flow from investing activities	(15,133)	(15,845)	(13,488)
Cash flows from Financing Activities			
Cash was received from:			
Proceeds from borrowings	11,900	4,500	6,114
	11,900	4,500	6,114
Cash was applied to:			
Repayment of borrowings	4,700	2,000	1,849
	4,700	2,000	1,849
Net cash flow from financing activities	7,200	2,500	4,265
Net increase/(decrease) in cash held	(292)	(4,144)	1,091
Add cash at start of year (1 July)	13,454	13,162	3,426
Balance at end of year (30 June)	13,162	9,017	4,517
Represented by:			
Cash, cash equivalents and overdrafts	13,162	9,017	4,517

The accompanying notes form an integrated part of these financial statements

Whole of Council Funding Impact Statement

Carterton District Council

Whole of Council Funding Impact Statement For the year ended 30 June 2025	Annual plan 30 June 2024 \$000	Annual Report 30 June 2024 \$000	LTP 30 June 2025 \$000	Annual Report 30 June 2025 \$000
Sources of operating funding				
General rates, UAGC, rates penalties	9,995	10,599	12,479	12,409
Targeted rates	7,611	7,156	7,121	7,340
Subsidies and grants for operating purposes	3,011	2,739	2,541	3,220
Fees and charges	2,365	2,279	2,574	2,273
Interest and dividends from investments	197	472	137	314
Local authorities fuel tax, fines, infringement fees and other receipts	1,356	1,356	1,432	1,563
Total sources operating funding	24,534	24,599	26,285	27,118
Applications of operating funding				
Payments to staff and suppliers	18,247	18,025	19,368	19,499
Finance costs	792	943	1,083	1,168
Other operating funding applications	275	914	293	691
Total applications of operating funding	19,314	19,882	20,743	21,358
Surplus of operating funding	5,221	4,719	5,542	5,760
Sources of capital funding				
Subsidies and grants for capital expenditure	1,287	1,332	4,109	3,076
Development and financial contributions	663	733	663	689
Increase in debt	2,640	7,214	4,265	-
Gross proceeds from sale of assets	-	7	-	-
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total sources capital funding	4,591	9,286	9,037	3,765
Applications of capital funding				
Capital expenditure				
• to meet additional demand	432	147	75	1,254
• to improve level of service	1,598	5,939	4,751	4,282
• to replace existing assets	6,351	7,265	8,661	7,809
Increase / (decrease) in reserves	1,432	523	1,091	(3,256)
Increase / (decrease) of investments	-	130	-	(565)
Total applications of capital funding	9,813	14,005	14,578	9,524
Surplus/(deficit) of Capital Funding	(5,221)	(4,719)	(5,542)	(5,760)
Funding balance	-	-	-	-

Notes to the Financial Statements

For the year ended 30 June 2025

Note 1

Reporting entity, basis of preparation and summary of significant accounting policies

Reporting Entity

Carterton District Council (Council) is a territorial local body governed by the Local Government Act 2002 (LGA 2002) and Local Government (Rating) Act 2002 and is domiciled in New Zealand.

The Council is a separate legal entity and does not have any subsidiaries. The Council provides local infrastructure, local public services, and performs regulatory functions to the community. The Council does not operate to make a financial return.

The Council has designated itself as a public benefit entity (PBE) for the purposes of complying with generally accepted accounting practice.

The financial statements of the Council are for the year ended 30 June 2025. The financial statements were authorised for issue by Council on 29 October 2025.

Basis of Preparation

Statement of compliance

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

These financial statements have been prepared in accordance with Tier 2 PBE financial reporting standards and comply with PBE Standards Reduced Disclosure Regime (RDR). The Council is eligible and has elected to apply PBE RDR as it has expenditure less than \$33 million and does not have public accountability as defined by the External Reporting Board (XRB).

These financial statements have been prepared on a going concern basis.

Measurement base

The financial statements have been prepared on a historical cost basis, modified by the revaluation of land and buildings, certain infrastructure assets, forestry assets and certain financial instruments.

Functional and presentation currency

The financial statements are presented in New Zealand dollars, and all values are rounded to the nearest thousand dollars (\$000). The functional currency of the Council is New Zealand dollars.

New or amended standards adopted

Disclosure of Fees for Audit Firms’ Services (Amendments to PBE IPSAS 1)

Disclosure of Fees for Audit Firms’ Services (Amendments to PBE IPSAS 1) has been adopted in the preparation of these financial statements. The amendment changes the required disclosure for fees and services provided by the audit or review provider, including a requirement to disaggregate the fees into specified categories. This new disclosure is included in Note 4.

Changes in accounting policies

There are no other changes in accounting policies.

Summary of Significant Accounting Policies

Significant accounting policies are in the note to which they relate. Where they do not relate to a specific note, they are outlined below.

Borrowing costs

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

Goods and services tax (GST)

All items in the financial statements are stated exclusive of goods and services tax (GST), except for debtors and other receivables and creditors and other payables, which are stated on a GST inclusive basis. GST not recoverable as input tax is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Budget figures

The budget figures are those approved by the Council for the 2024/34 Long term plan. The budget figures have been prepared in accordance with PBE IPSAS, using accounting policies that are consistent with those adopted in preparing these financial statements.

Cost allocation

The cost of service for each significant activity of Council has been derived using the cost allocation system outlined below.

Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs which cannot be identified in an economically feasible manner with a significant activity.

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using appropriate cost drivers such as actual usage, staff numbers, and floor area.

Statement of cash flows

Cash means cash balances on hand, held in bank accounts, demand deposits and other highly liquid investments in which Council invests as part of its day-to-day cash management. GST is disclosed net as disclosing gross amounts does not provide any further meaningful information.

Operating activities include cash received from all revenue sources and cash payments made for the supply of goods and services. Agency transactions (the collection of Regional Council rates) are recognised as receipts and payments in the Statement of Cash Flows because they flow through the Council’s main bank account.

Investing activities are those activities relating to the acquisition and disposal of long-term assets and other investments not included in cash and cash equivalents.

Financing activities comprise the change in equity and debt structure of the Council.

Critical accounting estimates and assumptions

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

Forestry Assets

Note 8 provides information about the estimates and assumptions applied in determining the fair value of forestry assets held.

Property, Plant and Equipment

Note 10 provides information about the estimates and assumptions applied in determining the fair value of property, plant and equipment.

Intangible assets

Note 9 provides information about the estimates and assumptions applied in determining the fair value of intangible assets.

Investments

Note 7 provides information about the estimates and assumptions applied in determining the fair value of Investments.

Note 2 Revenue

Revenue is measured at the fair value of consideration received or receivable and may be derived from either exchange or non-exchange transactions.

Revenue from exchange and non-exchange transactions

Revenue from exchange transactions arises where the Council provides goods or services to another entity and directly receives approximately equal value (primarily in the form of cash in exchange).

Revenue from non-exchange transactions arises from transactions that are not exchange transactions. A non-exchange transaction arises when the Council receives value from another party without giving approximately equal value directly in exchange for the value received.

Approximately equal value is considered to reflect a fair or market value, which is normally commensurate with an arm’s length commercial transaction between a willing buyer and willing seller. Many of the services that the Council provides for a fee are charged at below market value as they are subsidised by rates. Other services operate on a cost recovery or breakeven basis and are not considered to reflect a market return. Most of the Council’s revenue is therefore categorised as non-exchange.

Specific accounting policies for major categories of revenue are outlined below. The Council undertakes various activities as part of its normal operations, some of which generate revenue, but generally at below market rates. The following categories (except where noted) are classified as transfers, which are non-exchange transactions other than taxes.

Rates revenue

General rates, targeted rates (excluding water rates by meter), and uniform annual general charges are recognised at the start of the financial year to which the rates resolution relates. They are recognised at the amounts due.

The Council considers that the effect of payment of rates by instalments is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue.

Rates are a tax as they are payable under the Local Government Ratings Act 2002 and are therefore defined as non-exchange.

Rates collected on behalf of the Greater Wellington Regional Council (WRC) are not recognised in the financial statements as the Council is acting as an agent for the WRC.

Revenue from water rates by meter is recognised on an accrual basis and are taxes that use a specific charging mechanism to collect the rate and are non-exchange revenue. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.

	30-Jun 2025 \$000	30-Jun 2024 \$000
General rates	12,321	10,527
Targeted rates attributable to activities		
Water	2,383	3,028
Metered water charges	433	366
Wastewater	3,232	2,708
Stormwater	288	279
Waste management	316	289
Regulatory and planning	540	479
Economic development	149	-
Total targeted rates	7,340	7,149
Total rates	19,661	17,676
Rates penalties	88	79
Total revenue from rates and penalties	19,748	17,755

Rates remission

The Council’s rates remission policy allows rates to be remitted on condition of a ratepayer’s extreme financial hardship, land used for sport, and land protected for historical or cultural purposes.

	30-Jun 2025 \$000	30-Jun 2024 \$000
Rates revenue before remissions	19,764	17,768
Council policy remissions:		
Sports bodies	4	3
Other	12	10
Total remissions	16	13
Rates revenue after remissions	19,748	17,755

Non-rateable land

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

Government grants

Government grants are received from the Waka Kotahi (NZTA), which subsidises part of the costs of maintaining the local roading infrastructure. The subsidies are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled. Grants have also been received from the Government for the waters transitional and better off funding.

Various grants are also received from a number of Crown bodies for a range of purposes, such as employment subsidies, assistance with community activities, and grant money for distribution to the community. The grants are recognised as revenue when they become receivable.

Other grants and bequests – with or without conditions – are recognised as revenue when they become receivable.

Grants and subsidies

	30-Jun 2025 \$000	30-Jun 2024 \$000
Grant to Mayoral Trust Fund Mayors taskforce for Jobs - Youth	545	600
Employment subsidy	10	40
DIA 3 waters transitional funding	113	196
DIA Better Off Funding waters subsidies	549	163
DIA Better Off Funding Maori Responsiveness subsidies	165	
Kanoa water grant	750	-
Wellington NZ	128	-
National Infrastructure Funding & Financing roading subsidies	263	-
Creative New Zealand	19	29
Sports NZ rural travel fund	11	15
War Graves - through NZDF and Internal Affairs	-	1
World War II memorial trust	2	1
Other donations, grants	143	18
Total grants and subsidies (excluding NZTA subsidy)	2,698	1,062

Provision of services

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at balance date, based on the actual service provided as a percentage of the total services to be provided.

Vested assets

Where a physical asset is acquired for nil or nominal consideration the fair value of the asset received is recognised as revenue. Assets vested in the Council are recognised as revenue when control over the asset is obtained.

The fair value of vested assets is usually determined by reference to the cost of constructing the asset. Vested asset revenue is recognised as non-exchange revenue when the maintenance period (where the developer is responsible for addressing maintenance items) ends and the asset is at the required standard to be taken over by Council.

Sale of goods

The sale of goods is classified as exchange revenue. Sale of goods is recognised when products are sold to the customer, and all risks and rewards of ownership have transferred to the customer.

Agency arrangements

Where revenue is derived by acting as an agent for another party, the revenue that is recognised is the commission or fee on the transaction.

Interest and dividends

Interest revenue is recognised using the effective interest method. Dividends are recognised when the right to receive payment has been established and are classified as exchange revenue. Dividends are recorded net of imputation credits.

Fines and penalties

Revenue from fines and penalties (e.g., library overdue book fines, rates penalties) is recognised when infringement notices are issued or when the fines/penalties are otherwise imposed.

Other gains and losses

Gains include additional earnings on the disposal of property, plant and equipment and movements in the fair value of financial assets and liabilities.

	30-Jun 2025 \$000	30-Jun 2024 \$000
Gain/(loss) in fair value of Forestry assets	53	143
Gain/(loss) in fair value of Managed funds	192	77
Gain/(loss) in fair value of Equity instruments	(42)	(114)
Gain/(loss) in fair value of Derivatives	(232)	-
Gain/(loss) in fair value of Borrowers notes	(53)	-
Total gains/(losses)	(82)	107

Financial contributions

Financial contributions are recognised as revenue when Council has rights to the contribution and has provided, or is able to provide, the service that gave rise to the charging of the contribution. Financial contributions have been set aside as part of Special Funds and Reserves designated for parks and reserves development, infrastructure, and roading upgrades. These contributions are not specifically required to be spent on one locality or project, so have no residual liability associated with them.

	30-Jun 2025 \$000	30-Jun 2024 \$000
Roading Contributions	317	336
Infrastructural Contributions	116	62
Recreation Reserve Contribution	257	336
Total Contributions	689	733

Recoveries

Recoveries are recognised as revenue in the period in which the Council becomes entitled to the compensation or reimbursement. Recoveries may include amounts received from shared services with the neighbouring councils, insurance claims, contributions for specific projects or events, and reimbursements.

Operating Leases as lessor

The Council leases land and buildings in the normal course of business. This property has been acquired to meet service requirements and where that requirement has not risen to meet available capacity, spare capacity is leased for grazing or community purposes. Most of these leases are for varying terms and are non-cancellable. The future minimum lease receipts under these lease arrangements are:

	30-Jun 2025 \$000	30-Jun 2024 \$000
Revenue Commitments: Non-cancellable leases as lessor		
- not Later than 1 year	30	11
- later than 1 year but not later than 5 years	41	42
- later than 5 years	54	-
Total lease commitments	125	52

Note 3 Personnel

Personnel costs are those costs incurred on staff; their salaries and wages along with the employer contributions to approved superannuation schemes and KiwiSaver. Salary and wage costs include the adjustment made for leave entitlements earned or disbursed over the period.

	30-Jun 2025 \$000	30-Jun 2024 \$000
Salaries and wages	6,712	6,325
Defined contribution plan employer contributions	285	275
Increase/(decrease) in employee entitlements/liabilities	(198)	54
Total personnel costs *	6,799	6,654

* 2024 Salaries and wages differ from the 2023-24 AR due to the removal of Elected members remuneration from the salaries and wages total.

Employer contributions to defined contribution plans include contributions to Kiwi-saver, Local Government and Union Brokers.

Chief Executive and staff

The total remuneration (including any non- financial benefits) paid or payable for the year to the Chief Executive was \$228,799 (2024: \$229,138). The Chief Executive of the Council is appointed under section 42 of the Local Government Act 2002.

At balance date, the Council employed 53 (2024: 56) full-time employees, with the balance of staff representing 19.86 (2024: 16.13) full-time equivalent employees. A full-time employee is determined on the basis of a 40-hour working week. Included are four employees whose cost is shared with Masterton and/or South Wairarapa District Councils.

For the year ended 30 June 2025 the Council made two severance payments totalling \$ 32,761 (2024: \$6,000).

	30-Jun 2025	30-Jun 2024
<i>Council employees remuneration by band</i>		
< \$60,000	23	28
\$60,000 - \$79,999	28	23
\$80,000 - \$99,999	14	14
\$100,000 - 139,999	12	9
\$140,000 - 239,999	5	6
Total employees	82	80

Note: where the number of employees in any band is 5 or fewer, the number for that band is combined with the next highest band.

The table above is based on headcount as at 30 June not FTE, which counts all employees no matter how many hours they may do.

Elected representatives

Council membership comprises the Mayor and eight councillors, being elected for three-year terms. Their remuneration over the past 12 months is shown below.

	30-Jun 2025 \$000	30-Jun 2024 \$000
R Mark (Mayor)	104	104
S Cretney (Deputy Mayor)**	52	28
<i>D Williams (Deputy Mayor)*</i>	26	49
B Deller	54	28
R Cherry-Campbell	58	27
G Ayling	26	26
L Newman	26	26
S Laurence	26	26
S Gallon	26	26
Total elected members remuneration	398	341

* for the period from 1 July to 18 May 2024

** from 30 May 2024

Cr B Deller was also the District Licensing Commissioner and member of the Hearings Committee during the year.

Cr R Cherry – Campbell was also a Hearings Committee Deputy Chair during the year.

Note 4 Other expenses

Grant expenditure

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been approved by the Council.

Discretionary grants are those grants where the Council has no obligation to award on receipt of the grant application and are recognised as expenditure when approved by the Council and the approval has been communicated to the applicant.

Finance leases

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, finance leases are recognised as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The finance charge is charged to the surplus or deficit over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether the Council will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term and its useful life.

Operating leases

An operating lease is a lease that does not transfer substantially all risks and rewards incidental to ownership of an asset. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term. 2025: Nil (2024: Nil)

Fees incurred for services provided by our audit firm

The Council’s financial statements and service performance information for the year ended 30 June 2025 (the “financial report”) are audited by Audit New Zealand on behalf of the Auditor-General.

During the year, the following fees were incurred for services provided by our audit firm:

	2025	2024
Fees to auditors	\$000	\$000
Audit fees to Audit NZ for audit of the:		
Financial statements and performance information	166	154
Debenture Trust Deed	5	6
Long Term Plan	57	74
Disbursements	13	-
	241	234

Note 5 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

	30-Jun 2025 \$000	30-Jun 2024 \$000
Cash at bank and on hand	3,647	1,089
Short-term deposits with maturities 3 months or less at acquisition	5,371	12,072
Total cash and cash equivalents	9,017	13,162
Weighted average effective interest rate cash and cash equivalents	1.54%	3.02%

The carrying value of cash at bank and short-term deposits with maturities three months or less approximates their fair value.

Total value of cash and cash equivalents that can be used for a specific purpose, as outlined in a trust deed or Council Resolution is \$Nil (2024: Nil).

Note 6 Receivables

Debtors and other receivables are recorded at the amount due, less an allowance for Expected Credit Losses (ECL). The Council applies the simplified ECL model of recognising lifetime ECL’s for receivables.

In measuring ECL’s, short-term receivables have been assessed on a collective basis as they possess shared credit risk characteristics.

Short-term receivables are written off when there is no reasonable expectation of recovery.

In practice Council currently has very low write-offs due to a history of a high recovery of receivables.

The Council does not provide for ECL on rates receivables, as it has various powers under the Local Government (Rating) Act 2002 to recover any outstanding debts.

	30-Jun 2025 \$000	30-Jun 2024 \$000
Receivables under exchange transactions		
Amounts due from customers for contract work	-	-
Prepayments	389	117
	389	117
Receivables under non-exchange transactions		
Rates receivables	742	466
Other receivables	1,499	789
Goods and services tax	248	350
Sundry debtors	414	598
	3,292	2,321
Less allowance for credit losses	(4)	(1)
Total debtors and other receivables	3,288	2,320
Movements in the allowance for credit losses in receivables are as follows:		
	30-Jun 2025 \$000	30-Jun 2024 \$000
At 1 July	(1)	11
Additional provisions made during the year	4	-
Receivables written off during the period		(12)
	3	(1)

Note 7 Other financial assets

Derivative financial instruments and hedge accounting

The Council uses derivative financial instruments such as interest rates swaps to mitigate risks associated with interest rate fluctuations, The council does not hold or issue derivative financial instruments for trading purposes. Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured to their fair value at each balance date. The associated gains or losses on derivatives that are not hedge accounted are recognised in surplus or deficit.

Derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative. Derivative assets and derivative liabilities are classified as current when the maturity is 12 months or less from balance date or non-current when the maturity is more than 12 months from balance date.

The Council currently has no hedge accounted derivative financial instruments.

Other financial assets

The council’s other financial assets are initially recognised at fair value plus transaction costs unless they are carried at fair value through surplus or deficit in which case the transaction costs are recognised in surplus or deficit.

For the purpose of measurement, the council’s financial assets are classified into categories according to the purpose for which the financial assets are held. Management determines the classification of financial assets, following their initial recognition at fair value. Subsequent measurement and the treatment of gains and losses are presented below:

Initial recognition	Subsequent measurement categories	Treatment of gains and losses
Fair value (debt instruments)	Amortised cost less provision for impairment	Surplus or deficit
Fair value (strategic equity instruments)	Fair value through other comprehensive revenue and expense (FVTOCRE)	Other comprehensive revenue and expense
Fair value (investment in other equity instruments)	Fair value through surplus or deficit (FVTSD)	Surplus or deficit

The carrying amounts and fair values of the council’s financial assets by category are as follows:

	30-Jun 2025 \$000	30-Jun 2024 \$000
Financial assets at amortised cost		
Cash and cash equivalents		
- Cash at bank and on hand	3,647	1,089
- Short term funds & special funds	5,371	12,072
Short term investments	2,104	150
Borrower notes	737	565
Debtors and other receivables	3,288	2,320
Total financial assets at amortised cost	15,147	16,196
 Financial assets at fair value through surplus or deficit		
Investments in Managed Funds *	4,693	4,300
Investment in Limited Partnership	997	927
Total financial assets at fair value through surplus or deficit	5,690	5,227
 * 2024 investments in managed funds differ from the 2023-24 AR due to the LGFA borrower notes being included		
Fair value through other comprehensive revenue and expense		
Other financial assets:		
- Investment in CCOs and section 6(4) entities	22	22
- Investment in other entities	1	1
Total Fair value through other comprehensive revenue and expense	23	23

*Managed funds held include Castle Point 5 Oceans, Harbour Income and Milford Diversified Income.

Valuation of Investment of Managed Funds

These are valued based on quoted active market prices on the valuation date.

Valuation of the Council’s investment in a Limited Partnership

The Limited Partnership (LP) invests in several New Zealand entities (commercial businesses), which are measured at fair value in the LP’s financial statements.

The valuation methodology used for each entity is a capitalisation of earning approach, which is an accepted valuation methodology under standard industry practices. In each of the LP’s investments, the approach is a multiple of EBITDA, with the EBITDA figure used being an average of either two or three years of earnings.

The valuation of the LP is calculated as the sum of the value of the investments, plus cash, less debt, management fees owed, and other relevant provisions.

The council’s investment in the LP reflects its share of the LP based on the quarterly statement for the quarter ended 30 June 2025 provided by the LP.

The valuation for 30 June 2025 is based on information that is unaudited. As the underlying investments of the LP are not quoted in an active market, the fair values are determined by using valuation techniques which may include primarily earnings multiples, discounted cash flows and recent comparable transactions. While the fair value estimates of the LP’s underlying investments apply the LP’s best judgement, there are inherent limitations and uncertainty in any estimation techniques. While the fair value estimates attempt to present the amount, the LP could realise in a current transaction, the final realisation may be different as future events will also affect the current estimates of fair value. The effect of such events on the estimates of fair value, including the ultimate liquidation of investments, could be material to the valuation.

Short term investments

Investments comprise term deposits having terms greater than 90 days. The following table identifies the nature of these term deposits.

	30-Jun 2025 \$000	30-Jun 2024 \$000
Term and other cash deposits with maturities greater than 3 Months		
Bank deposits & special funds with maturities greater than 3 months and remaining maturities less than 12 months	2,104	150
Total Term Deposits	2,104	150

Impairment of financial assets

Financial assets are assessed for objective evidence of impairment at each balance date. Impairment losses are recognised in the surplus or deficit.

Note 8 Forestry

Standing forestry assets are independently revalued annually at fair value less estimated cost to sell for one growth cycle. Fair value is determined based on the present value of expected net cash flows discounted at a current market determined rate. This calculation is based on existing sustainable felling plans and assessments regarding growth, timber prices, felling costs and silvicultural costs and takes into consideration environmental, operational and market restrictions.

Gains or losses arising on initial recognition of forestry assets at fair value less estimated costs to sell and from a change in fair value less estimated costs to sell are recognised in the surplus or deficit.

Forestry maintenance costs are recognised in the surplus or deficit when incurred.

	30-Jun 2025 \$000	30-Jun 2024 \$000
Balance at 1 July	1,036	893
Increases due to purchases	-	-
Gains arising from changes in fair value less estimated point of sale costs	53	143
Balance at 30 June	1,089	1,036

Through its investment in Kaipaitangata Forest, the Council owns 210.9 hectares of pinus radiata forest, which are at varying stages of maturity from 12 to 21 years. There is a further 24.8 hectares of pinus radiata ranging from 44 to 52 years maturity that are deemed to have a near zero net stumpage (i.e. no value).

Valuation assumptions

Independent registered valuer, Forest Enterprises Group Limited, has valued forestry assets as at 30 June 2025. The following significant valuation assumptions have been adopted in determining the fair value of forestry assets:

The forestry assets have been valued using industry standard forest estate modelling. The method applied is the same as applied in the previous six years. A discount rate of 8% was used to discount the present value of expected pre-tax cash flows to value the forestry assets for the year ended 30 June 2025 [2024: 8%].

The 210.9 hectares of plantation tree crops, have been valued on the basis that they will be managed as an integrated forest estate, as opposed to separate and individual stands. The impact of this is that the harvesting of the various aged stands will most likely occur in groups, to provide a reasonable level of annual harvesting volume, and not harvested at a fixed age.

The 25 hectares of manuka tree crop planted in 2016 has been assigned a nil value, as the future revenue and costs are unknown.

Financial risk management strategies

The Council is exposed to financial risks arising from changes in timber prices. The Council is a long-term forestry investor and does not expect timber prices to decline significantly in the foreseeable future. Therefore, no measures have been taken to manage the risks of a decline in timber prices. The Council reviews its outlook for timber prices regularly in considering the need for active financial risk management.

Note 9 Intangible Assets

Software acquisition and development

Acquired computer software licenses are capitalised based on the costs incurred to acquire and bring to use the specific software.

Costs that are directly associated with the development of software for internal use are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Staff training costs are recognised as an expense when incurred. Costs associated with maintaining computer software are recognised as an expense when incurred.

Resource consents

Costs incurred in obtaining resource consents are capitalised and classified as intangible assets. Costs are amortised on a straight-line basis over the term granted by the resource consent, which ranges from 3–35 years, and are stated at cost less accumulated amortisation and impairment losses.

Carbon credits

Purchased carbon credits are recognised at cost on acquisition. Free carbon credits received from the Crown are recognised at fair value on receipt. They are not amortised but are instead tested for impairment annually. They are derecognised when they are used to satisfy carbon emission obligations.

The council received carbon credits for no consideration when these were allocated by the government under the Emissions Trading Scheme. The Council had accounted for these carbon credits at nil under NZ IFRS (PBE). Under the new PBE accounting standards, carbon credits received for no consideration are required to be accounted for at their fair value at initial recognition. The carbon credits were received during 2012 and 2013 and the Council elected to treat their fair value at 1 July 2014 as deemed cost.

The Council considers there is no impairment of carbon credits held as they are expected to be fully utilised in satisfying carbon obligations.

Carbon credits have been assessed as having an indefinite useful life because they have no expiry date and will continue to have economic benefit as long as the Emissions Trading Scheme is in place.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when an asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Computer software	2 - 5 years	20 - 40%
Resource consents	3 - 35 years	2.3 - 33.33%

Impairment of intangible assets

Intangible assets that have an indefinite useful life, or not yet available for use, are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for indicators of impairment at each balance date. When there is an indicator of impairment the asset’s recoverable amount is estimated. An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs to sell and value in use.

	Carbon	GIS	Other	Resource		Total
	Credits	Software	Software	Consents	Other	
<i>Balance 30 June 2024</i>	\$000	\$000	\$000	\$000	\$000	\$000
Cost	115	52	359	906	31	1,462
Accumulated amortisation and impairment	-	(47)	(260)	(355)	-	(661)
Closing carrying amount	115	6	98	552	31	802
<i>Year ended 30 June 2025</i>	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>
Additions	-	-	29	7	-	36
Disposals	-	-	-	-	-	-
Amortisation charge	-	(3)	(45)	(19)	(2)	(69)
Movement within period	-	(3)	(16)	(12)	(2)	(33)
<i>Balance 30 June 2025</i>	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>
Cost	115	52	388	913	31	1,499
Accumulated amortisation and impairment	-	(49)	(305)	(374)	(2)	(730)
Closing carrying amount	115	3	82	540	29	769

	Carbon	GIS	Other	Resource		Total
	Credits	Software	Software	Consents	Other	
<i>Balance 30 June 2023</i>	\$000	\$000	\$000	\$000	\$000	\$000
Cost	115	50	342	862	16	1,385
Accumulated amortisation and impairment	-	(41)	(205)	(322)	-	(568)
Closing carrying amount	115	9	138	540	16	817
<i>Year ended 30 June 2024</i>	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>
Additions	-	2	16	44	15	77
Disposals	-	-	-	-	-	-
Amortisation charge	-	(5)	(55)	(33)	-	(93)
Movement within period	-	(3)	(39)	11	15	(15)
<i>Balance 30 June 2024</i>	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>
Cost	115	52	359	906	31	1,462
Accumulated amortisation and impairment	-	(47)	(260)	(355)	-	(661)
Closing carrying amount	115	6	98	552	31	802

There are no restrictions over the title of intangible assets. No intangible assets are pledged as security for liabilities.

Note 10 Property, plant and equipment

Property, plant and equipment consists of:

Operational assets—land, buildings, fixtures and fittings, office equipment, library collections, motor vehicles, plant and equipment, and water races.

Infrastructure assets— fixed utility systems owned by the Council. Each asset class includes all items that are required for the network to function. For example, sewer reticulation includes reticulation piping and wastewater pump stations.

Heritage assets—assets owned by the Council that are of cultural or historical significance to the community and cannot be replaced due to the nature of the assets. Buildings recorded under the Historical Places Act 1993 have been recorded as heritage assets.

Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Property, plant and equipment is shown at cost or valuation, less accumulated depreciation and impairment losses.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably.

Work in progress is recognised at cost less impairment and is not depreciated.

Property, plant and equipment is recognised at cost. Where an asset is acquired at no cost, or for nominal cost, it is recognised at fair value as at the date of acquisition.

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to Council and the cost of the item can be measured reliably. There is no capitalisation of borrowing costs (interest or other financial charges) relating to assets whose acquisition is funded through borrowing where these costs are incurred in the period prior to the asset being commissioned for operational service.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment other than land (which also includes the landfill and water races), at rates which will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives.

The estimated useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

Buildings	5 to 100 years	1 - 20%
Plant and equipment	1.5 to 50 years	2 - 70%
Motor vehicles	5 to 10 years	10 - 21%
Fixtures and fittings	2 of 50 years	2 - 45%
Office equipment	1.5 to 10 years	10 - 70%
Library collections	5 to 6 years	16 - 20%
Roads, bridges & footpaths*	5 to 100 years	1 - 22%
Water systems*	5 to 100 years	1 - 20%
Stormwater systems*	50 to 100 years	1 - 2%
Wastewater systems*	10 to 67 years	1.5 - 10%
Heritage assets*	17 to 25 years	4 - 6%

In relation to infrastructural assets marked * (above), depreciation has been calculated at a componentry level based on the estimated remaining useful lives as assessed by Council’s engineers and independent registered valuers. A summary of these lives is detailed above.

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

Depreciation charged in line with these policies was applied across the activities undertaken by Council as follows:

	30-Jun 2025 \$000	30-Jun 2024 \$000
Governance	2	3
Transportation	2,881	2,780
Water supply	1,070	1,427
Wastewater	1,085	900
Stormwater	151	149
Waste management	73	70
Community support	741	756
Regulatory and planning	18	17
Administration and support services	649	701
Total depreciation and amortisation *	6,669	6,803

**This is total depreciation including intangible assets of 69k (2024: \$93k)*

Impairment of property, plant and equipment

Assets that have a finite useful life are reviewed for indicators of impairment at each balance date. When there is an indicator of impairment the asset’s recoverable amount is estimated. An impairment loss is recognised for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs to sell and value in use.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the assets ability to generate net cash flows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential.

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

If an asset’s carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount.

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

For assets not carried at a revalued amount (other than goodwill), the reversal of impairment loss is recognised in the surplus or deficit.

Capital Commitments

The amount of contractual commitments for acquisition of property, plant and equipment is:

	30-Jun 2025 \$000	30-Jun 2024 \$000
Capital commitments	\$000	\$000
Transportation	11,458	17,580
Water Supply, Wastewater and Stormwater Systems	3,769	260
Total capital commitment	15,227	17,839

Note 10 Property, plant and equipment

	Cost/revaluation		Accumulated depreciation		Carrying amount		Current year additions	Current year transfers/adjustments	Current year disposals/impairments*	Accumulated depreciation on disposals	Current year depreciation	Revaluation		Cost/revaluation		Accumulated depreciation		Carrying amount	
	30-Jun	2024	30-Jun	2024	30-Jun	2024						30-Jun	2025	30-Jun	2025	30-Jun	2025	30-Jun	2025
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
30-Jun-25																			
<i>Infrastructural assets</i>																			
Roads, streets & footpaths – land	6,085	-	-	-	6,085	-	-	-	-	-	-	-	-	6,085	-	-	-	6,085	-
Roads, streets & footpaths	167,838	(5,479)	162,358	(5,479)	162,358	4,755	-	3,272	-	-	(2,876)	22,584	190,094	-	-	-	190,094	-	-
Water systems - Land	4,296	-	4,296	-	4,296	(79)	-	-	-	-	-	(317)	3,900	-	-	-	3,900	-	-
Water systems	24,005	(2,228)	21,777	(2,228)	21,777	2,408	-	-	-	-	(1,000)	1,440	24,625	-	-	-	24,625	-	-
Wastewater Systems - Land	5,315	-	5,315	-	5,315	-	-	-	-	-	-	(1,325)	3,990	-	-	-	3,990	-	-
Wastewater systems	30,778	(1,269)	29,509	(1,269)	29,509	2,291	-	-	-	-	(902)	1,824	32,722	-	-	-	32,722	-	-
Stormwater systems	9,499	(293)	9,206	(293)	9,206	33	-	-	-	-	(150)	588	9,678	-	-	-	9,678	-	-
Total Infrastructural Assets	247,815	(9,269)	238,546	(9,269)	238,546	9,409	-	3,272	-	-	(4,927)	24,794	271,094	-	-	-	271,094	-	-
<i>Operational assets</i>																			
Land	16,005	(7)	15,998	(7)	15,998	20	(86)	-	-	-	-	(1,740)	14,192	-	-	-	14,192	-	-
Buildings	15,686	(1,434)	14,252	(1,434)	14,252	129	86	-	-	-	(708)	827	14,585	-	-	-	14,585	-	-
Fixtures & fittings	4,335	(2,834)	1,501	(2,834)	1,501	886	-	(97)	-	-	(334)	-	5,123	(3,071)	-	-	2,052	-	-
Office equipment	942	(694)	248	(694)	248	32	-	(402)	-	-	(119)	-	572	(410)	-	-	161	-	-
Library collections	792	(479)	313	(479)	313	75	-	-	-	-	(157)	-	867	(636)	-	-	231	-	-
Motor vehicles	1,518	(917)	601	(917)	601	13	-	-	-	-	(101)	-	1,531	(1,018)	-	-	513	-	-
Plant & equipment	2,944	(1,819)	1,126	(1,819)	1,126	90	-	-	-	-	(221)	-	3,034	(2,040)	-	-	995	-	-
Transfer station	214	-	214	-	214	-	-	-	-	-	-	-	214	-	-	-	214	-	-
Water races	572	(140)	432	(140)	432	-	-	-	-	-	(29)	-	572	(169)	-	-	403	-	-
Total Operational Assets	43,008	(8,324)	34,685	(8,324)	34,685	1,244	-	(500)	-	-	(1,669)	(913)	40,690	(7,344)	-	-	33,346	-	-
Heritage assets	85	(8)	77	(8)	77	-	-	-	-	-	(4)	11	83	-	-	-	83	-	-
Work in progress	2,933	-	2,933	-	2,933	3,039	(356)	-	-	-	-	-	5,616	-	-	-	5,616	-	-
Total assets	293,842	(17,601)	276,240	(17,601)	276,240	13,692	(356)	2,773	-	-	(6,601)	23,892	317,483	(7,344)	-	-	310,140	-	-

Note 10 Property, plant and equipment – cont'd

	Cost/revaluation		Accumulated depreciation		Carrying amount		Current year additions	Current year transfers/adjustments	Current year disposals/impairments*	Accumulated depreciation on disposals	Current year depreciation	Revaluation		Cost/revaluation		Accumulated depreciation		Carrying amount	
	30-Jun	2023	30-Jun	2023	30-Jun	2023						30-Jun	2024	30-Jun	2024	30-Jun	2024	30-Jun	2024
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
30-Jun-24																			
<i>Infrastructural assets</i>																			
Roads, streets & footpaths – land	6,085	-	-	-	6,085	-	-	-	-	-	-	-	-	6,085	-	-	-	6,085	-
Roads, streets & footpaths	164,566	(2,705)	161,861	(2,705)	161,861	2,074	-	1,198	-	-	(2,775)	-	167,838	(5,479)	-	-	162,358	-	-
Water systems - Land	5,076	-	5,076	-	5,076	79	(859)	-	-	-	-	-	4,296	-	-	-	4,296	-	-
Water systems	18,632	(884)	17,748	(884)	17,748	5,373	-	-	-	-	(1,344)	-	24,005	(2,228)	-	-	21,777	-	-
Wastewater Systems - Land	-	-	-	-	-	4,456	859	-	-	-	-	-	5,315	-	-	-	5,315	-	-
Wastewater systems	15,457	(491)	14,966	(491)	14,966	15,320	-	-	-	-	(778)	-	30,778	(1,269)	-	-	29,509	-	-
Stormwater systems	9,398	(144)	9,254	(144)	9,254	101	-	-	-	-	(149)	-	9,499	(293)	-	-	9,206	-	-
Total Infrastructural Assets	219,215	(4,224)	214,991	(4,224)	214,991	27,403	-	1,198	-	-	(5,045)	-	247,815	(9,269)	-	-	238,546	-	-
<i>Operational assets</i>																			
Land	16,243	-	16,243	-	16,243	93	(331)	-	-	-	(7)	-	16,005	(7)	-	-	15,998	-	-
Buildings	16,151	(760)	15,391	(760)	15,391	156	(392)	(229)	113	-	(787)	-	15,686	(1,434)	-	-	14,252	-	-
Fixtures & fittings	4,087	(2,580)	1,507	(2,580)	1,507	297	(10)	(38)	38	-	(294)	-	4,335	(2,834)	-	-	1,501	-	-
Office equipment	845	(580)	265	(580)	265	97	-	-	-	-	(114)	-	942	(694)	-	-	248	-	-
Library collections	725	(334)	391	(334)	391	67	-	-	-	-	(145)	-	792	(479)	-	-	313	-	-
Motor vehicles	1,468	(883)	585	(883)	585	117	-	(66)	66	-	(100)	-	1,518	(917)	-	-	601	-	-
Plant & equipment	2,673	(1,667)	1,006	(1,667)	1,006	304	-	(33)	33	-	(185)	-	2,944	(1,819)	-	-	1,126	-	-
Transfer station	214	-	214	-	214	-	-	-	-	-	-	-	214	-	-	-	214	-	-
Water races	572	(111)	461	(111)	461	-	-	-	-	-	(29)	-	572	(140)	-	-	432	-	-
Total Operational Assets	42,977	(6,915)	36,063	(6,915)	36,063	1,130	(733)	(366)	250	-	(1,660)	-	43,008	(8,324)	-	-	34,685	-	-
Heritage assets	85	(4)	81	(4)	81	-	-	-	-	-	(4)	-	85	(8)	-	-	77	-	-
Work in progress	18,192	-	18,192	-	18,192	3,926	(19,186)	-	-	-	-	-	2,933	-	-	-	2,933	-	-
Total assets	280,469	(11,143)	269,326	(11,143)	269,326	32,459	(19,918)	832	250	-	(6,710)	-	293,842	(17,601)	-	-	276,240	-	-

Note 10 Valuation of Property, plant and equipment – *cont’d*

Valuation—general

Land, buildings (operational and restricted), and infrastructural assets (except land under roads) are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three years. All other assets are carried at depreciated historical cost.

Council assesses the carrying values of its revalued assets annually to ensure that they do not differ materially from the assets’ fair values. If there is a material difference, then the off-cycle asset classes are revalued.

Council accounts for revaluations of property, plant and equipment on a class of asset basis.

The results of revaluing are held in an asset revaluation reserve for that class of asset. Where this results in a negative balance in the asset revaluation reserve, this balance is expensed in the statement of comprehensive revenue and expenses Any subsequent increase on revaluation that off-sets a previous decrease in value recognised in the statement of financial performance will be recognised first in the statement of financial performance up to the amount previously expensed and then credited to the revaluation reserve for that class of asset.

Valuation—specific

Land (operational)

Land is valued at fair value using market-based evidence based on its highest and best use with reference to comparable land values. Adjustments have been made to the “unencumbered” land value where there is a designation against the land, or the use of the land is restricted because of reserve and endowment status. These adjustments are intended to reflect the negative effect on the value of the land where an owner is unable to use the land more intensely.

The most recent valuation was performed by independent valuers Ashley Pont (Valuer, BLPM), and Cameron Ferguson (Registered Valuer, B.Com (VPM)) of QV Asset & Advisory, The valuation is effective as at 30 June 2025. The landfill liner and water races are carried at deemed cost.

Buildings (operational and heritage)

Specialised buildings are valued at fair value using depreciated replacement cost because no reliable market data is available for such buildings.

Depreciated replacement cost is determined using a number of significant assumptions. Significant assumptions include:

- the replacement asset is based on the replacement cost of the specific assets as at the date of valuation less an allowance for any physical and economic obsolescence to date and for any over-design
- the replacement cost is derived from recent construction contracts of similar assets, reference to publications such as the Rawlinsons Construction Handbook, recent costing obtained from construction details and Property Institute of New Zealand cost information.
- the remaining useful life of assets is estimated.
- straight-line depreciation has been applied in determining the depreciated replacement cost value of the asset.

Non-specialised buildings (for example, residential buildings) are valued at fair value using market-based evidence. Market rents and capitalisation rates were applied to reflect market value.

The most recent valuation was performed by independent valuers Ashley Pont (Valuer, BLPM), and Cameron Ferguson (Registered Valuer, B.Com (VPM)) of QV Asset & Advisory, and the valuation is effective as at 30 June 2025. Heritage assets are also included in this category.

Infrastructural asset classes: wastewater, water, stormwater, and roads, streets and footpaths

Wastewater, water, stormwater and roading infrastructural assets are valued using the depreciated replacement cost method. There are a number of estimates and assumptions exercised when valuing infrastructural assets using the depreciated replacement cost method. These include:

- estimating any obsolescence or surplus capacity of the asset.
- estimating the replacement cost of the asset. The replacement cost is derived from recent construction contracts in the region for similar assets.
- estimates of the remaining useful life over which the asset will be depreciated. These estimates can be affected by the local conditions. For example, weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then the Council could be over-or under-estimating the annual depreciation charge recognised as an expense in the statement of comprehensive revenue and expense. To minimise this risk, infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group and have been adjusted for local conditions based on past experience. Asset inspections, deterioration, and condition-modelling are also carried out regularly as part of asset management planning activities, which provides further assurance over useful life estimates.

The most recent valuation for roads, streets and footpaths was performed by independent valuer Jamie Cable (BA Economics, DipEng (Civil), AMPINZ), of WPS International Consultants, and the valuation is effective as at 30 June 2025. All roads, streets and bridge assets were valued.

The most recent valuation for wastewater systems, water systems and stormwater was performed by independent valuer Jamie Cable (BA Economics, DipEng (Civil)), of WPS International Consultants, and the valuation is effective as at 30 June 2025. All wastewater, water and stormwater assets were valued.

Council’s three waters data is continuously improving as better information is obtained through the maintenance and replacement of assets. As part of completing the valuation, the expert valuer must therefore apply professional judgement to aspects of the data where required.

The Council’s most recent estimate of the replacement cost for wastewater systems, water systems and stormwater is \$131,272,000 based on the 30 June 2025 valuation as follows:

Wastewater systems	55,525,000
Water systems	57,988,000
Stormwater systems	17,759,000

Land under roads

Land under roads was valued based on fair value of adjacent land determined by independent valuer John Vessey (BE (Civil), BA (Economics), CPEng, FIPENZ, Affiliate Member of PINZ, and member of ACENZ) of WPS International Consultants, effective 30 June 2002. Under NZ IFRS, the CDC has elected to use the fair value of land under roads as at 30 June 2002 as deemed cost. Land under roads is no longer revalued.

Library collections

Library collections are valued at depreciated replacement cost in accordance with the guidelines released by the National Library of New Zealand in May 2002. The library valuation was undertaken by Brian Sharman (CMEngNZ, CPEng) and reviewed by Mark Gordon (CMEngNZ, CPEng, IntPE), both being Directors of IAMC Limited, and having relevant experience for carrying out the valuation. The valuation is effective as of 30 June 2020. Library collections are no longer revalued.

Vested assets

Assets vested in Council by asset class are:

	30-Jun 2025 \$000	30-Jun 2024 \$000
Transportation	-	-
Water	-	-
Stormwater	-	-
Wastewater	-	-
Water Race	20	-
	20	-

Impairment

Impairment losses of \$3,272,229 were recognised at 30 June 2024 for plant and equipment damaged due to flooding that occurred in the 2022-23 year. This has now been reversed as the asset was repaired. The impairment loss had been recognised in the statement of comprehensive revenue and expense, in the Impairment losses on revalued property, plant & equipment and in above Note 10 in the current year disposals/impairments column.

Finance leases

The net carrying amount of plant and equipment held under finance leases is \$8,760 (2024: \$13,921).

Note 10a Non-current assets held for sale

Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered through a sale transaction, rather than continuing use. They are measured at the lower of their carrying amount or fair value less costs to sell.

Any impairment losses for write-downs are recognised in the statement of comprehensive revenue and expenses.

Any increase in fair value (less cost to sell) are recognised up to the level of any impairment losses that have previously been recognised.

Non-current are not depreciated or amortised while they are classified as held for sale.

	30-Jun 2025 \$000	30-Jun 2024 \$000
Non-current assets held for sale are:		
Land	141	158
Plant	3	4
Building	146	146
Balance at 30 June	290	308

Note 11 Creditors and other payables

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

	30-Jun 2025 \$000	30-Jun 2024 \$000
Payables under exchange transactions		
Trade payables	3,041	2,552
Deposits and bonds	132	140
Accrued expenses	1,084	785
	4,257	3,477
Payables under non-exchange transactions		
Revenue in advance	497	672
Government contributions not fully applied	-	-
Rates in advance	251	312
	747	984
Total creditors and other payables	5,005	4,461

Creditors and other payables are non-interest bearing and are normally settled on 30-day terms. Therefore, the carrying value of creditors and other payables approximates their fair value.

Note 12 Employee Entitlements

Short-term employee entitlements
Employee benefits expected to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay.
These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, long service leave entitlements expected to be settled within twelve months, and sick leave.
A liability for sick leave is recognised to the extent that compensated absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent it will be used by staff to cover those future absences.

Long-term employee entitlements
Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement,
- the likelihood that staff will reach the point of entitlement and contractual entitlements information, and
- the present value of the estimated future cash flows.

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

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

	30-Jun 2025 \$000	30-Jun 2024 \$000
Accrued pay	-	275
Annual leave	563	494
Long service leave	23	18
Time off in lieu	22	18
Total employee entitlements	608	806
Comprising:		
Current	608	806
Total employee entitlements	608	806

Note 13 Borrowings

Borrowings are initially recognised at their fair value net of transactions costs incurred. After initial recognition, all borrowings are measured at amortised cost using the effective interest method. Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance date or if the borrowings are not expected to be settled within 12 months of balance date

	30-Jun 2025 \$000	30-Jun 2024 \$000
Current		
Secured loans	2,300	2,000
Lease liabilities	9	8
Total current borrowings	2,309	2,008
Non-Current		
Secured loans	24,800	22,600
Lease liabilities	-	6
Total non-current borrowings	24,800	22,606

The range of interest rates applying to the above loans is 1.91% to 5.09% with a weighted average of 4.02% (2024: 5.43%). Loans are secured by way of rates.

Fixed-rate debt
The Council’s secured debt of \$27,100,000 (2024: \$24,600,000) is issued at fixed and floating rates of interest.

Security

The Council’s loans with LGFA are secured over either separate or general rates of the district.

	2025	2024
	\$000	\$000
Less than one year	2,300	2,000
<i>weighted average effective interest rate</i>	2.21%	6.20%
Later than one year but not more than five years	23,800	21,600
<i>weighted average effective interest rate</i>	4.23%	5.46%
Later than five years	1,000	1,000
<i>weighted average effective interest rate</i>	3.08%	3.08%

Fair values of non-current borrowing

The carrying amounts of borrowings repayable approximate their fair value, as the effect of discounting is not significant. Financial Instruments– both current and non-current: application of the policies outlined for these financial instruments is reflected in the following:

Financial Liabilities	30-Jun 2025 \$000	30-Jun 2024 \$000
Financial liabilities at amortised cost		
Creditors and other payables	5,005	4,461
Borrowings:		
- finance leases	9	14
- secured loans	27,100	24,600
- debentures	-	-
<i>Total financial liabilities at amortised cost</i>	32,114	29,075
Financial liabilities at fair value through surplus or deficit		
<i>Derivative financial liabilities - not hedge accounted</i>	232	-
Total financial liabilities at fair value through surplus or deficit	232	-



Note 14 Equity

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

- Public equity – accumulated funds
- Restricted reserves
- Other reserves – trust funds
- Asset revaluation reserves
- Fair value through other comprehensive revenue and expense reserves

	2025	2024
	\$000	\$000
As at 1 July	124,914	126,309
Transfers to:		
Restricted and other reserves:		
Special Reserves	733	(32)
Transfers from:		
Restricted and other reserves		
Depreciation reserves	1,146	(1,823)
Transfers from revaluations reserve	(15)	265
Surplus for the year	3,058	195
As at 30 June	129,836	124,914

Restricted reserves

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by the Council.

Restricted reserves are those subject to specific conditions accepted as binding by the Council and which may not be revised by the Council without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Also included in restricted reserves are reserves restricted by Council decision. The Council may alter them without references to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

Council’s objectives, policies and processes for managing capital are described in note 16.

	2025	2024
	\$000	\$000
As at 1 July	6,218	6,186
Transfers to:		
Public equity to Special Reserves	1,148	1,105
Transfers from:		
Public equity from Special Reserves	(1,881)	(1,073)
As at 30 June	5,485	6,218
Restricted reserves consist of :		
Restricted reserves	5,391	6,128
Trusts	91	88
Other trusts	3	3
Total restricted reserves	5,485	6,218

Other reserves

Other reserves include the depreciation reserves that in part fund replacement of infrastructural and operational assets used by the Council to provide services.

	2025	2024
	\$000	\$000
As at 1 July	7,777	5,954
Transfers to:		
Public equity from		
Depreciation reserves	(1,146)	1,823
As at 30 June	6,631	7,777

Revaluation reserves

These reserves relate to the revaluation of property, plant and equipment to fair value, as well as the fair value of shares held by the Council in other entities.

Fair value through other comprehensive revenue and expense reserves

This reserve comprises the cumulative net change in the fair value of fair value through other comprehensive revenue and expense.

	2025	2024
	\$000	\$000
As at 1 July	131,081	130,501
Revaluation gains / (losses) in Statement of Comprehensive Income	15	(355)
Transfer from revaluation gains/(losses) from other reserves in Changes in Equity	23,891	(264)
Transfer from public equity for Revaluation gains / (losses) in Statement of Financial Performance	-	1
Impairment gains/(losses) on revalued property, plant & equipment	3,272	1,198
As at 30 June	158,259	131,081

Asset revaluation reserves consist of:

Infrastructure assets

Roads, streets and footpaths	103,338	77,480
Water systems	17,362	15,922
Wastewater systems	9,015	7,191
Stormwater systems	7,902	7,314
Operational assets		
Land	11,484	14,851
Buildings	9,032	8,206
Library collections	432	432
Restricted assets		
Heritage assets	47	36
Property intended for sale	(355)	(355)
Total asset revaluation reserves	158,257	131,078

Fair value revaluation reserves consist of:

As at 1 July	3	2
Net revaluation gains / (losses) in shares held (note 7)	-	1
Total fair value revaluation reserve	3	3
Total revaluation reserves	158,259	131,081

Note 15 Contingent liabilities and contingent assets

Local Government Funding Agency (LGFA)

The Council is a guarantor of LGFA. The LGFA was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand. It has a current credit rating from Standard and Poor’s of AA+.

As at 30 June 2025, the Council is one of several local authority borrowers and guarantors of the LGFA. The LGFA’s loans to local authorities are \$23 billion (2024: \$23 billion), of which the Council has borrowed \$0.027 billion (2024: \$0.025 billion). As a result, the Council’s cross guarantee on LGFA’s loans to other local authorities is \$23 billion (2024: \$23 billion).

Public Benefit Entity (PBE) Accounting Standards require the Council to recognise the guarantee liability at fair value. However, the Council have been unable to determine a sufficiently reliable fair value for the guarantee and therefore has not recognised a liability. The Council consider the risk of the LGFA defaulting on repayment of interest or capital to be very low on the basis that:

- the Council is not aware of any local authority debt default events in New Zealand; and,
- Local government legislation would enable local authorities to levy a rate to recover sufficient funds to meet any debt obligations if further funds were required.

Wastewater treatment plant contract

CDC have a contractual dispute with the main contractor of the Wastewater Treatment Plant Reservoir Project, Central Hawkes Bay Earthmovers LTD (CHBE). This includes contractual performance challenges, damage to the three reservoir liners, completion of unfinished works and late delivery of the contracted works.

Council has sought decisions from the Engineer to the Contract on three areas of dispute to progress contract claims. These include the certification by the Engineer that CHBE was neglecting its obligations under the contract, confirmation of the process by which Council took possession of site on 31st August 2021, and the cost incurred by Council to complete the contract works.

The wastewater reservoirs were brought into note service in June 2023. Council has capitalised all costs incurred including the additional cost to repair damage and complete the contract works. These costs are being depreciated in line with our existing policies. While CDC expects to be able to recover some costs relating to the contract, there are uncertainties around the amount, and the timing. As such, no contingent asset has been recognised.

Note 16 Capital management

The Council’s capital is its equity (or ratepayers’ funds), which comprise accumulated funds and reserves. Equity is represented by net assets.

The Local Government Act 2002 (the Act) requires Council to manage its revenues, expenses, assets, liabilities, investments and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Ratepayers’ funds are largely managed as a by-product of managing revenues, expenses, assets, liabilities, investments and general financial dealings.

The objective of managing these items is to achieve intergenerational equity, which is a principle promoted in the Act and applied by the Council. Intergenerational equity requires today’s ratepayers to meet the costs of utilising the Council’s assets and not expecting them to meet the full cost of long term assets that will benefit ratepayers in future generations. Additionally, the Council has in place asset management plans for major classes of assets detailing renewal and maintenance programmes, to ensure ratepayers in future generations are not required to meet the costs of deferred renewals and maintenance.

The Act requires the Council to make adequate and effective provision in its Long-Term Plan and in its Annual Plan (where applicable) to meet the expenditure needs identified in those plans. The Act sets out the factors that the Council is required to consider when determining the most appropriate sources of funding for each of its activities. The sources and levels of funding are set out in the funding and financial policies in the Council’s Long-term Plan.

The Council has the following Council-created reserves:

- Reserves for different areas of benefit.
- Trust and bequest reserves
- Self-Insurance reserves

Reserves for different areas of benefit are used where there is a discrete set of rate or levy payers as distinct from the general rates. Any surplus or deficit relating to these separate areas of benefit is applied to the specific reserves.

Self-insurance reserves are built up annually from general rates and are made available for specific unforeseen events (such as roading emergency works). The release of these funds generally can only be approved by Council.

Trust and bequest reserves are set up where the Council has been donated funds that are restricted for particular purposes. Interest is added to trust and bequest reserves where applicable and deductions are made where funds have been used for the purposes they were donated.

Note 17 Related party transactions

During the year, key management personnel, as part of a normal customer relationship, were involved in minor transactions with the Council (such as payment of rates etc).

Transactions such as these are made on an arms-length basis under commercial terms. An arms-length transaction occurs when conducted on normal commercial terms between two independent parties as part of an organisation’s ordinary course of business.

Related party disclosures have not been made for transactions that are within normal supplier or client/recipient relationships and are entered into on terms and conditions that are no more, or less favourable than the Council would have adopted in dealing with the party at arm’s length in the same circumstances.

No provision has been required, nor any expense recognised for impairment of receivables for any loans or other receivables to related parties (2024: \$nil).

Key management personnel

Key management personnel comprise the Mayor, Councillors, the Chief Executive and the Leadership Team (tier two managers).

	30-Jun 2025 \$000	30-Jun 2024 \$000
Mayor & Councillors		
Remuneration	398	341
Full-time equivalent members	9	9
Chief Executive and Leadership Team		
Remuneration	995	933
Full-time equivalent members	6	6
Total key management personnel remuneration	1,393	1,274
Total full-time equivalent personnel	15	15

Due to the difficulty in determining the full-time equivalent for Councillors, the full-time equivalent figure is taken as the average number of Councillors.

Note 18 Events after balance date

Riskpool

Carterton District Council was previously a member of the New Zealand Mutual Liability Riskpool scheme (‘Riskpool’). The Scheme is in wind down, however the Council has an ongoing obligation to contribute to the Riskpool scheme should a call be made in respect of any historical claims (to the extent those claims are not covered by reinsurance or where reinsurance is delayed), and to fund the ongoing operation of the scheme. A call of 19k was made in August 2025.

The likelihood of any call in respect of historical claims diminishes with each year as limitation periods expire. However, following the Supreme Court decision on 1 August 2023 in Napier City Council v Local Government Mutual Funds Trustee Limited, which addressed the treatment of claims against Riskpool that involved a mixture of non-weathertightness and weathertightness defects (mixed claims), a number of proceedings against Riskpool, which were stayed pending the Supreme Court’s decision in 2023, have since recommenced.

Several member Councils have brought proceedings against Riskpool related to mixed claims. Two of these claims went to trial in September 2025 and we are awaiting the outcomes. These cases are important in clarifying the scope of Riskpool’s historical obligations and the interpretation of past Scheme terms. At this point the total potential liability of the outstanding claims against Riskpool is unable to be quantified.

Belvedere Hall

Under the Reserves Act 1977, the reserve status of the land has been revoked, and the land is now Crown land available for disposal under the Land Act 1948. This revocation is effective from 11th August 2025 and will result in \$192,300 of Councils Land and Building assets being vested to the Department of Conservation as asset holder on behalf of the Crown.

Note 19 Water Services Reform

Adoption of Water Services Delivery Plan and Establishment of Regional Water Entity

On 20 August 2025, Carterton District Council formally adopted its Water Services Delivery Plan (WSDP) as required by the Local Government’s water services Act. This plan outlines the Council’s commitment to a joint regional model for water services delivery through a proposed Wairarapa-Tararua Water Services Organisation, a council-owned organisation (COO) involving Carterton, Masterton, Tararua, and South Wairarapa District Councils.

Key decisions made at the meeting include:

- Submission of the WSDP and Commitment Agreement to the Department of Internal Affairs (DIA), confirming Council’s intent to participate in the regional water entity by 3 September 2025.
- Approval of up to \$1.25 million in unbudgeted expenditure, to be capitalised and borrowed, representing the Council’s share of establishment costs for the new entity. This amount will be transferred to the Water Services Organisation at its operational commencement.
- Delegation to the Chief Executive to finalise the WSDP and prepare the Constitution and Shareholders’ Agreement for the new entity and approval by council resolution.

Importantly, the WSDP must be approved by the Department of Internal Affairs (DIA) before it becomes formally actionable. This approval process ensures alignment with national water reform objectives and confirms the viability of the proposed delivery model.

These decisions were made prior to follow the enactment of the Local Government (Water Services) Act 2025, which received Royal Assent on 26 August 2025. This Act includes:

- Creation of Water CCOs.
- Economic regulation by the Commerce Commission, ensuring ring-fencing of water revenues.
- Regulatory flexibility for Taumata Arowai, including exemptions for small supplies and a national wastewater standard.

While these developments do not affect the financial or service performance disclosures for the year ended 30 June 2025, they represent significant strategic and financial implications for future years. Council will transfer assets, liability and operations of Water, Wastewater, and Stormwater services to the Water Services CCO no later than 1 July 2027. The going concern status remains appropriate as the Council will continue to deliver its other services as the district’s local authority. We will continue to assess the impact of reforms on our operations and financial planning.



Note 20 Explanation of major variances against budget

Explanations for major variations from the Council’s estimated figures in the 2024/25 Annual Plan are as follows:

Statement of Comprehensive Revenue and Expenses

Operating Revenue

Interest rates on term deposits have exceeded budgeted expectations; Higher interest rates have contributed to an increase in interest income of \$176k.

Budget variances in the Waka Kotahi (NZTA) subsidy can be attributed to timing of works as this is completed over a three-year period.

Grants and subsidies received from central government including the Mayor’s Taskforce for Jobs (MTFJ) and Flat Point Flood Resilience were not included in the budget, contributing to approximately \$946k favourable variance compared to budget.

Miscellaneous revenue was \$397k higher than budgeted, primarily due to a unbudgeted payment from the Ministry for the Environment for the Wairarapa Organics Feasibility Study, and rebates reinvested in managed funds which are not budgeted for.

Operating Expenditure

Water supply

Water supply expenditure is over budget mostly due to additional maintenance required and cost increases, higher than forecast.

Regulatory and Planning

Expenditure appears to be over budget; however, this is reflecting the full costs charged to Carterton District Council and doesn’t reflect the on-charged costs to the Wairarapa councils that off-set this cost and sit within the income section of the Statement of comprehensive revenue and expenses.

Fair value gains are difficult to forecast so are not included in the budgeted numbers, resulting in a lower than budget figure of \$82k.

These variances reflect both challenges and opportunities in managing our financial performance effectively.

Statement of Other Comprehensive Revenue and Expense

Revaluation \$-12.1m

Revaluation gains and losses are difficult to budget due to the nature of these transactions, the budget assumed that the percentage of the value of the increase of these assets would be higher than the actual value.

The impairment to roads of \$3.3m carried into last financial year was charged against the revaluation reserve and we have now fully completed work and restored the asset.

Statement of Financial Position

Cash and cash equivalent is over budget by \$4.5m and current Investments is under budget by \$5.4m - these are due to the timing of investing and maturing of deposits and the variances effectively offset.

Property, plant and equipment is under budget by \$-13m primarily as a result of the lower than forecast revaluation of PPE.

Borrowing \$-1.7m under budget due to capital expenditure that was funded by borrowings not progressing as expected.

Statement of Cashflows

Council has higher than budgeted movement in investments due to increases in short term investments rather than cash held, utilising part of the cash held at start of year which was higher than forecast.

Sensitivity Analysis 2025

The sensitivity analysis relating to Carterton District Council’s (Council’s) borrowing portfolio as at 30 June 2025 is as follows:

Interest rate risk			Potential impact on surplus and deficit	
Details	Currency	Amount	Plus 100bps	Minus 100bps
Variable Rate Borrowings	NZD	\$19,100	-159	159
Interest Rate Derivatives	NZD	\$12,500	512	-541

Contractual Maturity Analysis

The undiscounted cashflows relating to Council’s borrowing and interest rate swap portfolios as at 30 June 2025 is as follows

Debt - Contractual Maturity Analysis				
Period	Carrying amount	Contractual cashflows*	Bank standby facility	LGFA
Less than 1 year	\$2,300	\$3,333	-	\$3,333
1 to 2 years	\$7,200	\$8,209	-	\$8,209
2 to 5 years	\$16,600	\$17,958	-	\$17,958
More than 5 years	\$1,000	\$1,031	-	\$1,031
Grand Total	\$27,100	\$30,531	-	\$30,531

*Calculated on an undiscounted cash flow basis

The above table analyses the debt borrowing amounts based on the remaining period at balance date, 30 June 2025, through to the contracted maturity date. This analysis includes the cash flows associated with interest payment amounts and the terminal principal payment amount at the contracted maturity date on an undiscounted cash flow basis.

Future interest payments on floating rate debt are based on the margin for each debt instrument and implied floating interest rate at each payment date.

Interest rate swaps - Contractual Maturity Analysis

Period	Carrying amount	Contractual cashflows*	Bank standby facility	LGFA
Less than 1 year	-	106	-	106
1 to 2 years	-	85	-	85
2 to 5 years	\$6,500	40	-	40
More than 5 years	\$6,000	-18	-	-18
Grand Total	\$12,500	\$213	\$0	\$213

*calculated on an undiscounted cash flow basis

The above table analyses the net contractual cash flows on the interest rate swaps based on the remaining period at balance date, 30 June 2025, through to the contracted maturity date. This analysis includes the cash flows associated with net interest payment amounts on an undiscounted cash flow basis. A negative cash flow indicates that Council receives a net interest amount.

IPSAS 30 does not prescribe time periods for reporting and as such, we have used prior year time bands for consistency in reporting.

Fair Value Hierarchy of Liabilities

Debt instrument	Level 1	Level 2	Level 3
Floating rate loans (amortised cost)	\$19,100	-	-
Fixed rate loans (fair value)	-	\$7,806	-

Fair Value LGFA borrower notes

Instrument Type	Principal	Total principal plus accrued interest	Fair Value 30/06/2025
Floating	\$590	\$624	\$545
Fixed	\$200	\$217	\$192
Total	\$790	\$841	\$737

Sensitivity Analysis 2024

The sensitivity analysis relating to Carterton District Council’s (Council’s) borrowing portfolio as at 30 June 2024 is as follows:
[Sensitivity Analysis 30 June 2024](#)

Interest rate risk		Potential impact on surplus and deficit		
Details	Currency	Amount	Plus 100bps	Minus 100bps
Variable Rate Borrowings	NZD	\$16,600	-155	155
Interest Rate Derivatives	NZD	\$5,000	167	-179

Contractual Maturity Analysis

The undiscounted cash flows relating to Council’s borrowing portfolio as at 30 June 2024 is as follows:

Debt - Contractual Maturity Analysis				
Period	Carrying amount	Contractual cash flows*	Bank standby facility	LGFA
Less than 1 year	\$2,000	\$3,187	-	\$3,187
1 to 2 years	\$2,300	\$3,334	-	\$3,334
2 to 5 years	\$19,300	\$21,038	-	\$21,038
More than 5 years	\$1,000	\$1,062	-	\$1,062
Grand Total	\$24,600	\$28,620	-	\$28,620
*calculated on an undiscounted cash flow basis				

Interest rate swaps - Contractual Maturity Analysis				
Period	Carrying amount	Contractual cash flows*	Bank standby facility	LGFA
Less than 1 year	-	-	-	-
1 to 2 years	-	-	-	-
2 to 5 years	-	-	-	-
More than 5 years	\$5,000	-	-	\$16
Grand Total	\$5,000	-	-	\$16
*calculated on an undiscounted cash flow basis				

The contractual maturity analysis is provided for debt borrowing amounts only.

Note that the above table analyses the debt borrowing amounts based on the remaining period at balance date, 30 June 2024, through to the contracted maturity date. This analysis includes the cash flows associated with interest payment amounts and the terminal principal payment amount at the contracted maturity date on an undiscounted cash flow basis.

Future interest payments on floating rate debt are based on the margin for each debt instrument and implied floating interest rate at each payment date.

IPSAS 30 does not prescribe time periods for reporting and as such, we have used prior year time bands for consistency in reporting. As there were no outstanding derivative instruments at 30 June 2024, no analysis has been completed.

Other legislative disclosures

Local Government Act 2002 – Financial disclosures

The Local Government Act 2002 sets out a number of disclosure requirements for Councils over and above the generally accepted accounting practice (GAAP) information. New disclosures were added in legislative changes and additions to the Local Government (Financial Reporting and Prudence) Regulations 2014.

Internal Borrowings

The Local Government Act requirements of Schedule 10, section 27 LGA Internal Borrowings is disclosed in Note 13.

Insurance of assets

	Carrying amount at 30 June 2025	Carrying amount at 30 June 2024
The Local Government Act 2002 requires that from 2014 the annual report include information about the insurance of assets.		
Insurance contracts	\$000	\$000
Material damage		
Subject to range of deductibles- \$5,000 for most claims, and 5% of site value for earthquakes.	46,065	38,493
Forestry		
Maximum cover of \$20,000 for hail, no cover for windstorm, volcanic activity, earthquake, or landslip. Deductible of 1.5% of Property Declared Value subject to minimum \$10,000 per loss occurrence.	1,036	893
Motor vehicle		
Insured for market value. Carrying amount has been used for this disclosure.	601	585
Risk sharing arrangements		
Infrastructural assets as member of LAPP		
This is 40 percent of the estimated replacement cost of the scheduled assets. A deductible of \$60,000 applied.	42,267	38,425
Central government assistance		
Under the 'Guide to the National Civil Defence Emergency Management Plan', the government may fund 60 percent of the cost of repair or recovery of essential infrastructure assets. A deductible of .0075 percent applied.		
Self-insured		
To cover deductibles and uninsured assets	63,401	57,637
Total assets insured	153,369	136,032

Rating base information

The Local Government Act (Amendment No.3) includes a clause 30A in Schedule 10. The information below satisfies the disclosure requirements of that clause and adds comparative information for the current year.

Rating base	30-Jun 2025	30-Jun 2024
These values represent the opening values and number of rating units at the beginning of each financial year ending:		
Capital value	4,916,507,100	3,970,433,900
Land value	2,726,561,400	2,115,575,700
All rating units	5,477	5,422

Statement of special funds reserves

The Council maintains special funds reserves as a sub-part of its equity. Schedule 10, clause 31 of the Local Government Act 2002 requires certain information to be included in the Annual Report about these reserves. Reserve funds as ‘money set aside by a local authority for a specific purpose’. Reserves are part of equity, which may or may not be physically backed by cash/investments. Reserves are often used to separate a funding surplus of an activity. The purpose and activities of each reserve is set out in the Council’s investment policy, as follows.

The Council has a number of specific cash investments that represent funds put aside for a particular purpose as follows:

Recreation Reserve Account— Funds from Recreation Reserve levies as provided for in the District Plan. Funds to be used for the purchase of Esplanade Reserves and Strips as required under the Resource Management Act or for the purchase or development of new or existing recreation reserves.

Waste Disposal Fund—Under the Waste Minimisation Act, a waste levy is charged on all waste disposed of in a landfill. Half the levy money goes to territorial authorities, on a population basis, so that they can improve waste minimisation in their areas.

Clareville Grave Maintenance Trust—Funds left in trust for the Council to maintain a grave at the Clareville Cemetery.

Memorial Square Fund—Established under the Carterton and District Memorial Square Act 1932 to obtain land and erect a memorial (now Memorial Square) and for the ongoing maintenance and upkeep of the memorial and of the associated public park or recreation ground.

WWII Memorial Trust—Joint Council and Carterton RSA initiative. Grants from interest earned on investment distributed to Carterton district residents undertaking tertiary education.

Election Contingency Fund—Funds set aside by Council in non-election years to assist with the costs of elections.

Roading Contributions Fund—Funds from Roothing Contribution levies as provided for in the District Plan. Funds to be used for upgrading and expanding the district’s roading network.

Infrastructure Contributions Fund—Funds from Infrastructure Contribution levies as provided for in the District Plan. Funds to be used for upgrading and expanding public water supplies, and the disposal of wastewater and stormwater.

Waingawa Infrastructure Contributions Fund—Funds from Waingawa Infrastructure Contribution levies as provided for in the District Plan. Funds to be used for upgrading and expanding water supply and the disposal of sewage for the Waingawa industrial area.

Statement of special funds reserves

As at 30 June 2025

	Opening balance	Deposits	Withdrawals	Closing balance
	\$000	\$000	\$000	\$000
Recreation and reserve account	2,341	355	55	2,641
Waste disposal fund	97	200	161	136
Clareville grave maintenance trust	3		-	3
Memorial Square fund	9	1	-	10
WWII Memorial trust	88	7	3	91
Election contingency fund	39	32	23	48
Roothing contribution fund	2,566	397	1,424	1,539
Infrastructure contributions fund	817	128	203	742
Waingawa infrastructure contributions fund	258	28	12	274
Special funds reserves Totals	6,218	1,148	1,881	5,485

Statement of special funds reserves

As at 30 June 2024

	Opening balance	Deposits	Withdrawals	Closing balance
	\$000	\$000	\$000	\$000
Recreation and reserve account	1,977	364		2,341
Roothing emergency fund	46	1	47	-
Waste disposal fund	60	152	115	97
Creative New Zealand fund	1	-	1	-
Clareville grave maintenance trust	2			3
Memorial Square fund	9	1	-	9
WWII Memorial trust	83	7	2	88
Election contingency fund	8	31	-	39
Roothing contribution fund	2,166	400		2,566
Infrastructure contributions fund	1,577	141	901	817
Waingawa infrastructure contributions fund	256	9	7	258
Special funds reserves Totals	6,186	1,105	1,073	6,218

Financial prudence benchmarks

Annual report disclosure statement
for year ended 30 June 2025

What is the purpose of this statement?

The purpose of this statement is to disclose the council’s financial performance in relation to various benchmarks to enable the assessment of whether the council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

The council is required to include this statement in its annual report in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

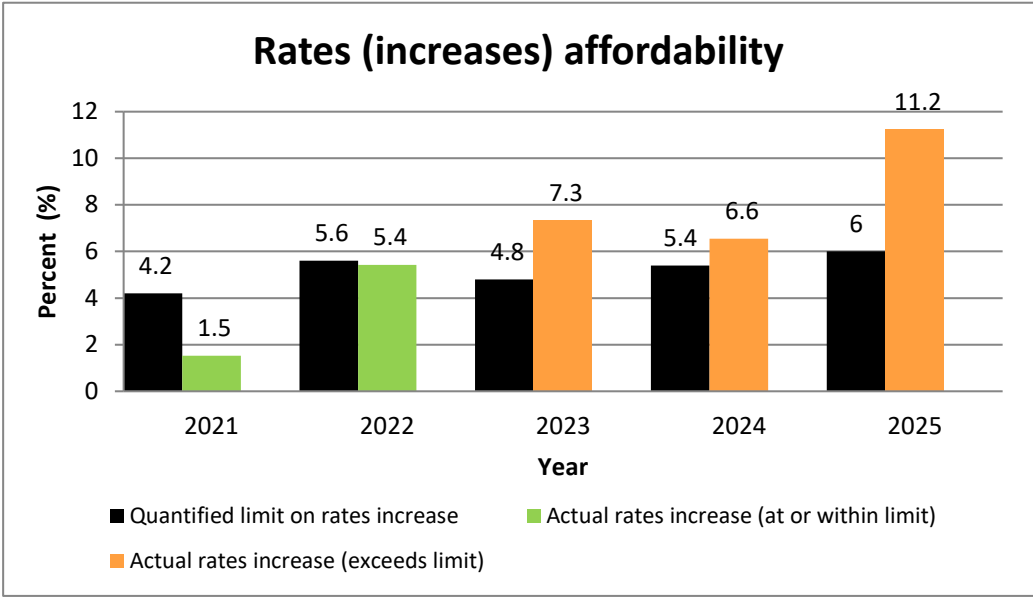
Rates affordability benchmark

The council meets the rates affordability benchmark if—

- its actual rates increase equals or is less than each quantified limit on rates increases.

Rates (increases) affordability

The following graph compares the council's actual rates increases with a quantified limit on rates increases included in the financial strategy included in the council's long-term plan. The quantified limit is the percentage change in average rates¹ must not exceed the increase in the opening BERL local government cost index plus 2 percent.

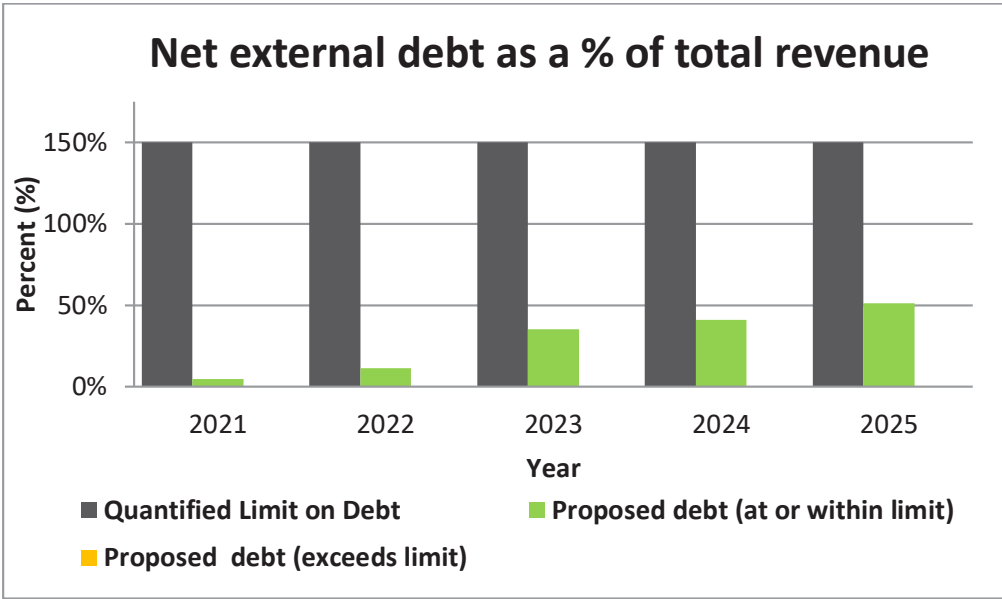


Council has not met the rates (increases) affordability benchmark in the 2023, 2024 and 2025 years. Exceeding the limit was forecast in the 2023, 2024 Annual Plans and the 2024-35 LTP. The main reason for this is that the inflation Council has been experiencing has been significantly higher than the BERL local government cost index of 3.4% and 4% for the 2025 year, which is used to calculate the limit. As a result, costs, and therefore required rates revenue, were higher than the quantified limit.

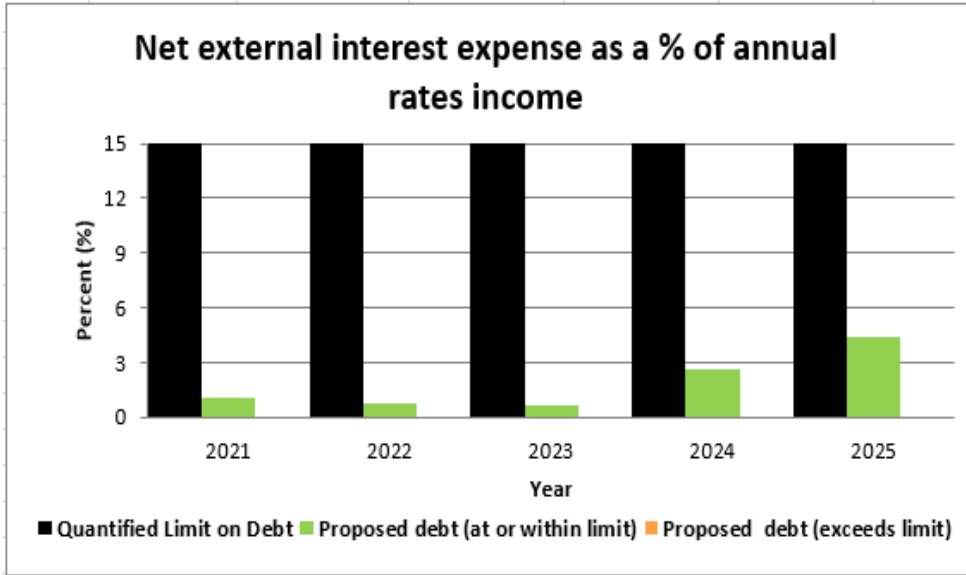
Debt affordability benchmark

The council meets the debt affordability benchmark if its actual borrowing is within each quantified limit on borrowing.

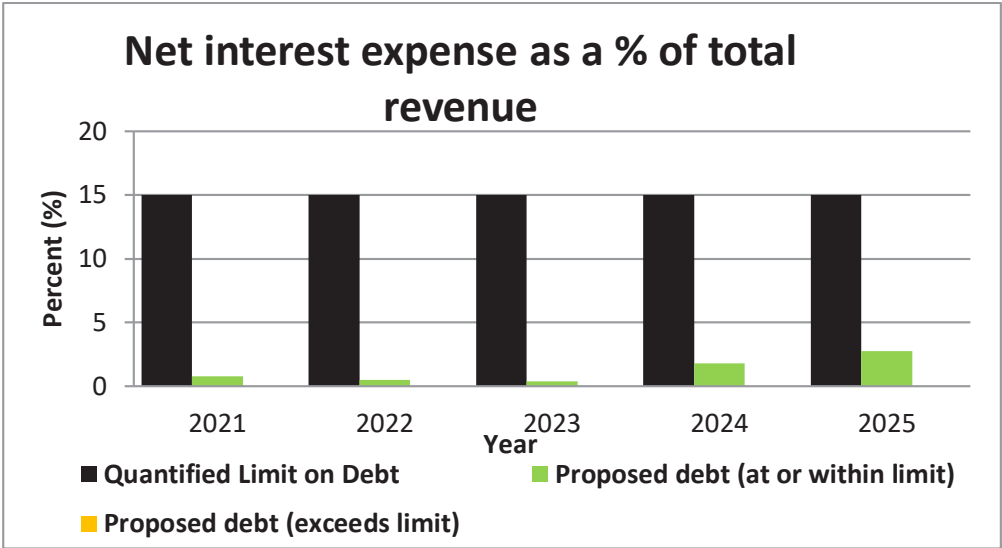
The following graph compares the council's actual borrowing with a quantified limit on borrowing stated in the financial strategy included in the council's long-term plan. The quantified limit is that net external debt as a percentage of total revenue is less than 150%. The quantified limit is that net external interest expense as a percentage of annual rates is less than 15 percent.



The following graph compares the council's actual borrowing with a quantified limit on borrowing stated in the financial strategy included in the council's long-term plan. The quantified limit is that net external interest expense as a percentage of annual rates is less than 15 percent.



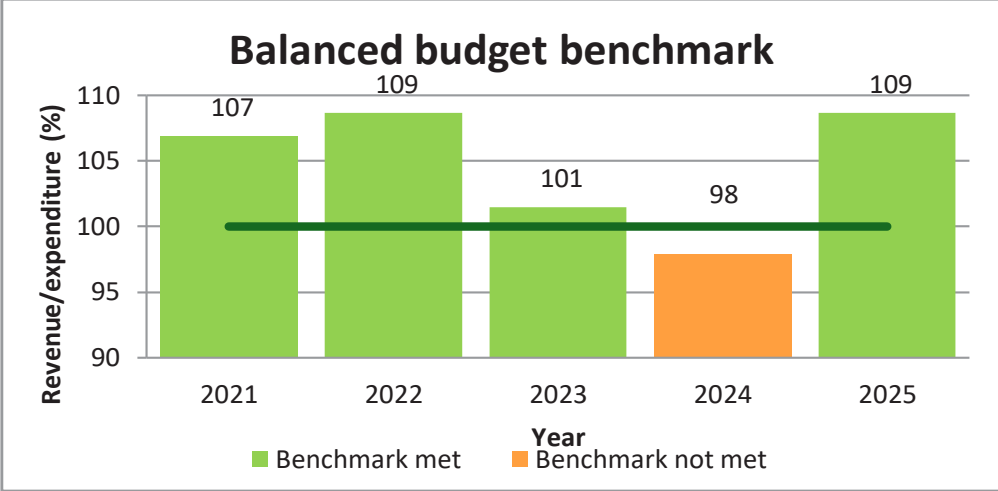
The following graph compares the council's actual borrowing with a quantified limit on borrowing stated in the financial strategy included in the council's long-term plan. The quantified limit is that net interest expense as a percentage of total revenue is less than 15%.



Balanced budget benchmark

The following graph displays the council's revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).

The council meets this benchmark if its revenue equals or is greater than its operating expenses.

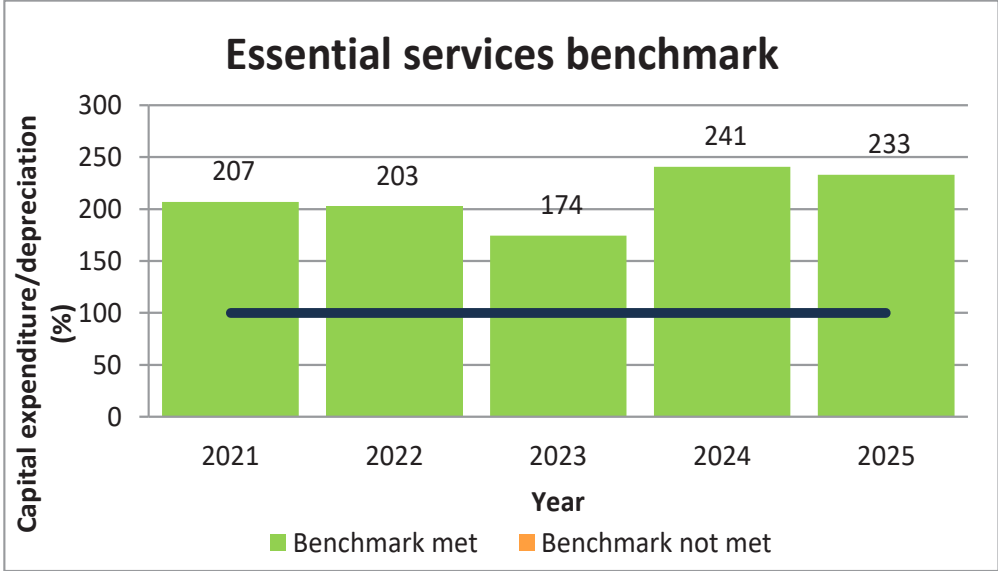


Council did not meet the balanced budget benchmark in 2023-24. This is a result of our proposal to reduce the level of general rates increases over the first three years of our LTP, with a small impact on the balanced budget benchmark. Doing this helped to lessen the impact of average rate increases due to asset revaluations and the completion of large wastewater capital works.

Essential services benchmark

The following graph displays the council's capital expenditure on network services as a proportion of depreciation on network services.

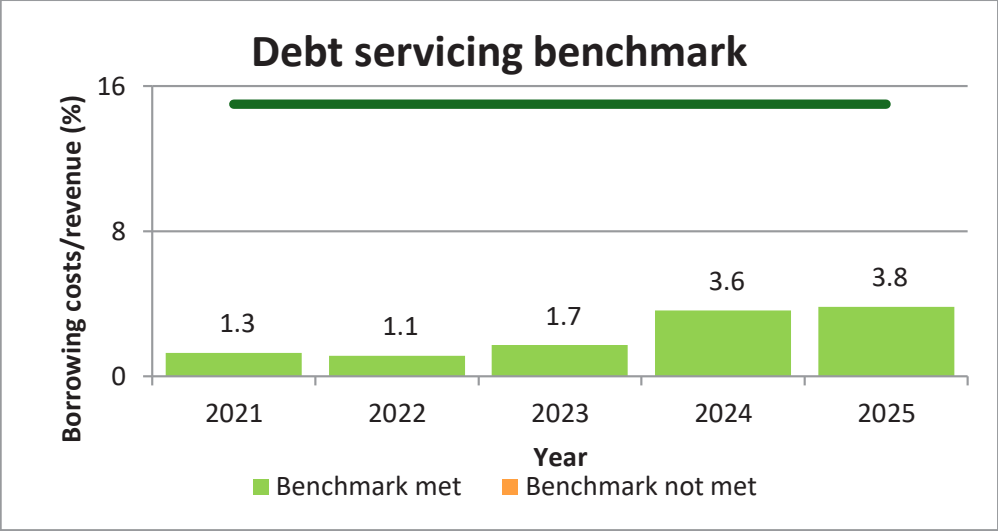
The council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.



Debt servicing benchmark

The following graph displays the council's borrowing costs as a proportion of revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).

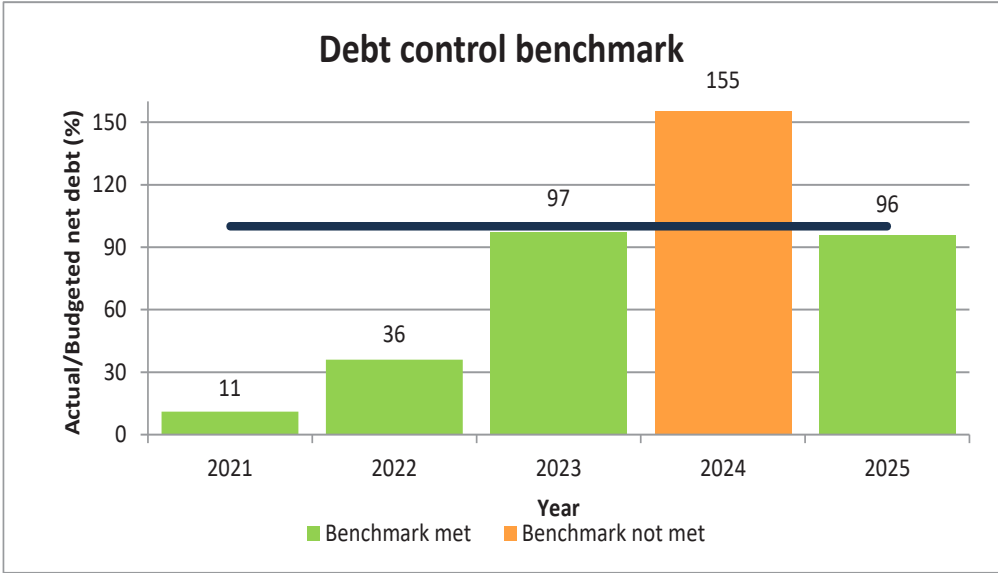
Because Statistics New Zealand projects the council's population will grow faster than the national population growth rate, it meets the debt servicing benchmark if its borrowing costs equal or are less than 15% of its revenue.



Debt control benchmark

The following graph displays the council's actual net debt as a proportion of planned net debt. In this statement, net debt means financial liabilities less financial assets (excluding trade and other receivables).

The council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt.

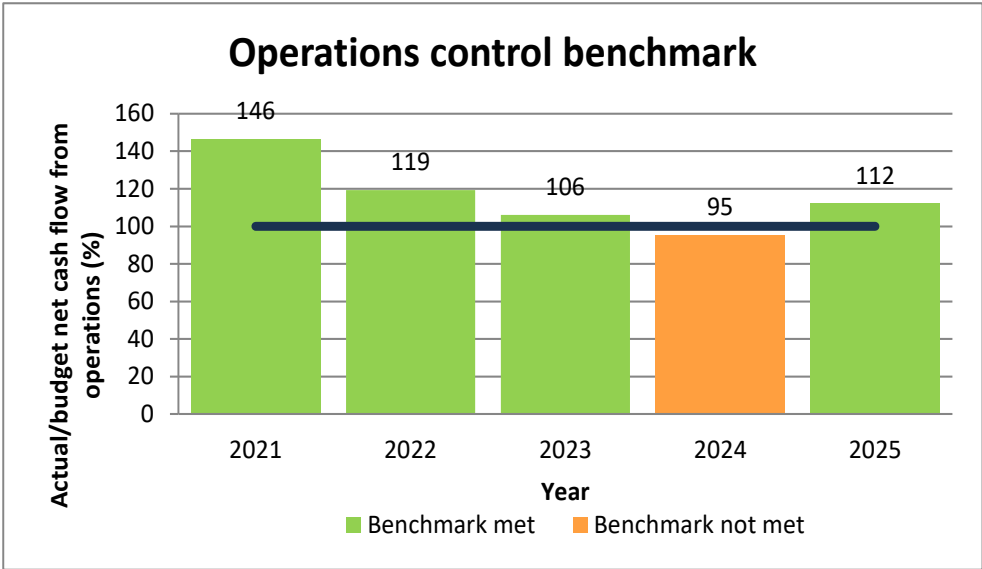


This benchmark was not met in 2024 was mostly due to the unplanned purchase of the land adjacent to the wastewater treatment plant and unplanned renewals work which is capital funded.

Operations control benchmark

The following graph displays the council's actual net cash flow from operations as a proportion of its planned net cash flow from operations.

The council meets the operations control benchmark if its actual net cash flow from operations equals or is greater than its planned net cash flow from operations.



This benchmark was not met in 2024 due to delays in actual capital expenditure, in particular wastewater, means that planned borrowings were delayed.





9 EXCLUSION OF THE PUBLIC

Nil

10 KARAKIA WHAKAMUTUNGA

Kia whakairia te tapu

Kia wātea ai te ara

Kia turuki whakataha ai

Kia turuki whakataha ai

Haumi ē, hui ē, taiki ē