Water Services Delivery Plan

June 2025

WAIMAKARIRI DISTRICT COUNCIL

waimakariri.govt.nz

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Part A:

Statement of Financial Sustainability, Delivery Model, Implementation Plan and Assurance

Statement that Water Services Delivery is Financially Sustainable

Financially sustainable water services provision

- Waimakariri District Council (WDC) has consistently ring-fenced all revenue (including rate charges) and expenditure related to its drinking water, wastewater, and stormwater services, maintaining a dedicated financial structure for these essential services. This approach has been in place for a number of years, ensuring that funds generated from water-related services are reinvested solely into their maintenance, improvement, and operational needs rather than being diverted to other council activities. The Council's long-term commitment to this financial model guarantees transparency and sustainability, allowing these critical infrastructure systems to be managed effectively. The Council has invested significantly in water infrastructure over the years, with a long-term strategy in place to sustain these essential services in a transparent manner.
- WDC's water services currently meet revenue, investment and financing sufficiency. This is not forecasted to change between now and 30 June 2028. However more stringent ring-fencing and financial reporting is required to ensure that economic regulation is met. Please refer to the Implementation Plan section for the proposed transitional arrangements.
- WDC's projected revenues are sufficient and meet the 'revenue sufficiency' test. Projected revenue is greater than projected expenditure, with the net surplus used to repay debt and build renewals funds.
- WDC's proposed water services investment are sufficient and meet the 'investment sufficiency' test. Assets requiring renewal, or upgrading to meet regulatory requirements and forecasted growth have all been budgeted for in the Long Term Plan. All proposed level of investment required is fully funded. Asset renewals are funded by depreciation where accumulated renewals fund in the relevant scheme's account are sufficient, otherwise they will be funded by debt. New and upgraded infrastructure to meet regulatory requirements and increased levels of service will be funded by debt. New and upgraded infrastructure to provide for growth will be funded by developer contributions.
- WDC is well within its own self-determined borrowing policy limits of 250% of operating revenue, with available headroom to cover unforeseen events. Forecasts show the range peaks at 173% and thereafter continually decreases long term. This is less than half the borrowing capacity of 350% allowed for a growth council. Replacement funds are provided for all of its future replacement and will assist charging certainty.
- WDC, working with Castalia Consultants, have demonstrated that Financial Sustainability is proven and the financial statements for each individual water service are included within this plan. Future efficiency and savings are identified within the plan.

Proposed Delivery Model

Overview of Waimakariri District Council's Water Services

Waimakariri District is located in the Canterbury Region, north of the Waimakariri River. The district is approximately 225,000ha in area and extends from Pegasus Bay in the east to the Puketeraki Ranges in the west. It lies within the takiwā of Ngāi Tūāhuriri, one of the primary hapū of Te Rūnanga o Ngāi Tahu. The district shares boundaries with Christchurch City to the south, Selwyn District to the south and west, and Hurunui District to the north.

The Waimakariri District is geographically diverse, ranging from provincial townships such as Rangiora and Kaiapoi, through to the remote high country farming area of Lees Valley. Eighty percent of the current population of 71,000 is located in the east of the district and approximately 60 percent of residents live in the four main urban areas of Rangiora, Kaiapoi, Woodend/Pegasus and Oxford. The remainder live in smaller settlements or the district's rural area, including approximately 6,000 on rural-residential or rural 'lifestyle' blocks.

Geographically, socio-culturally and economically, the Waimakariri District is primarily a peri-urban area. Residents are drawn to and identify with the outdoor lifestyle and recreation opportunities available in the district. However, due to its proximity to Christchurch City, the district has a significant and growing urban and peri-urban population. Consequently, primary production and construction are the two largest economic sectors in the district.

As a fast-growing district that could be approaching a population of 100,000 in the next 20 years, a large proportion of the infrastructure has been installed within the last 35 years to cater for growth. The majority of it is therefore relatively new, with the average age of water services being approximately 21 years old for drinking water, 24 years old for wastewater and 18 years old for stormwater.

Over the last 20 years Waimakariri District Council have spent $100m on three waters infrastructure upgrades. A further $139m is allocated in the Council's Long-Term Plan for drinking water safety upgrades, improved wastewater treatment and to address flood risk over the next 10 years. The Council's 30-Year Infrastructure Strategy is a risk-based renewals policy and operates in conjunction with a 150-year renewal programme which aims to replace highly critical infrastructure at 85% of its expected lifespan.

Drinking water

Waimakariri District Council owns and operates six urban drinking water schemes and five rural drinking water schemes, servicing a total of approximately 21,500 urban residential, urban commercial and rural properties. This equates to approximately 80% of the population of Waimakariri District, or about 55,900 people. The remaining 20% of the population are supplied by either Hurunui District Council as part of the Ashley Rural Drinking water (approximately 4,500 people) or private schemes and wells in the district. Some schemes which were historically separate schemes have recently been joined physically but are still rated separately. This means there are 11 physical schemes, each registered as a separate drinking water, that are financially managed via 14 different targeted rates.

Wastewater

Waimakariri District Council owns and operates two separate wastewater schemes. One of these, the Eastern Districts Sewerage Scheme (EDSS), comprises 10 schemes which have been physically connected together, but still retain elements of financial separation relating to past loans. Treatment of the wastewater for the EDSS comprises four treatment plants, at Rangiora, Kaiapoi, Woodend and Waikuku Beach. Treated effluent from all four plants is discharged into a 1.5km long Ocean Outfall pipe. The other separate scheme is at Oxford which has its own treatment plant, that discharges to land some 42 km from the coast. Altogether the schemes provide wastewater services to approximately 18,800 properties, with just under 18,000 of those serviced by the EDSS. These connections in total service approximately 73% of the population of Waimakariri district. The remaining

27% of the population are predominantly serviced by private wastewater schemes, or by privately owned septic tanks on rural properties.

Stormwater

Waimakariri District Council operates five urban and seven rural rated drainage areas. Together the five urban drainage schemes cover approximately 1.2% of the District's land area but service approximately 75% of the District's population. The urban scheme assets include piped stormwater networks, treatment devices, basins, stormwater pump stations and open drains while in the rural schemes assets are primarily open drains and waterways which the Council maintains. The District's stormwater is closely linked with other values such as ecology, culture, recreation, heritage, landscape, as well as rural land drainage, road drainage and stockwater.

Waimakariri District Council is committed to deliver water services that:

- Ensures regulatory quality standards are met
- Ensures financially sustainability requirements are met
- Ensures all drinking water quality standards are met
- Supports development activities within the district.

Proposed model to deliver financially sustainable water services

Waimakariri District Council's proposed delivery model for water services involves the operation of an **In-house Business Unit (IBU)** within the Council. This model is similar to Council's current arrangement for overseeing and managing the delivery of its drinking water, wastewater, stormwater, rural land drainage and stockwater services, but with increased financial ring-fencing and new economic regulation requirements for drinking water and wastewater. This model retains direct Council ownership and operational responsibility of water service delivery, ensuring accountability to the local community and alignment with broader Council objectives.

There are several factors supporting the rationale for selecting an IBU model as the preferred approach. This model allows the Council to use existing resources, take advantage of shared overheads and technical expertise, maintain Council ownership and control, and coordinate water service activities alongside other Council functions.

Council can better leverage synergies and economies of scale across the wider organisation, decreasing transition and overhead costs when compared with other models. Under this model, Council is able to meet the new regulatory and financial sustainability requirements, while retaining current efficient and high-quality service to ratepayers and support integrated infrastructure planning to the wider Council. This approach will support more integrated development activities within a district that has consistently ranked among the top five growth districts in New Zealand.

The proposed model also follows WDC's current practice of using depreciation to build up the renewals fund on each scheme. This continues the prudent approach the Council has taken to date so there is no 'renewal surprise' or financial burden in the future for ratepayers once assets reach the end of their lifespan. The Council is in a strong borrowing position with adequate headroom, as well as maintaining essential renewal reserves for the replacement of end-of-life assets.

Under the proposed model, Council is also open to shared services arrangements with Hurunui District and Kaikoura District councils or with a future Hurunui/Kaikoura water services Council Controlled Organisation (CCO) if one is established. Council's IBU, Project Delivery Unit and Water Unit will remain available for all North Canterbury councils to leverage off Council's scale, capabilities and expertise if needed.

Summary of Rationale for Proposed Model

The IBU model is the preferred model for WDC as it:

- Utilises existing Council resources and minimises overhead costs.
- Promotes alignment with Council's strategic goals and community priorities.
- Reduces transition costs and avoids disruptions compared to alternatives like a Council Controlled Organisation (CCO).
- Ensures flexibility to adapt to regulatory and community needs.
- Supports integrated development activities within a high growth district.
- Supports the Council's current practice of funding depreciation.
- Supports shared services arrangements with North Canterbury councils.

Organisational Structure

The IBU will operate as part of the Council, with its operations financially ringfenced from other Council activities to comply with regulatory requirements.

Due to the close linkages between stormwater, and rural land drainage and stockwater it is proposed to include these Council functions as part of the delivery services of the IBU. Note that stormwater will remain financially ringfenced from other water services and Council functions and remain separately identifiable from other revenue streams.

Refer to the figures below for the proposed functional structure and organisational structure charts for the new water services IBU. Note that this is the proposed initial organisational/ functional structure and the financial structural arrangements will be adjusted as necessary when the new Economic Regulator comes into force. All units interacting with the IBU will have Service Level Agreements (much as an external contract) that underpin the level of service agreed and charges between each.

Figure 1: Proposed functional structure of IBU within Council

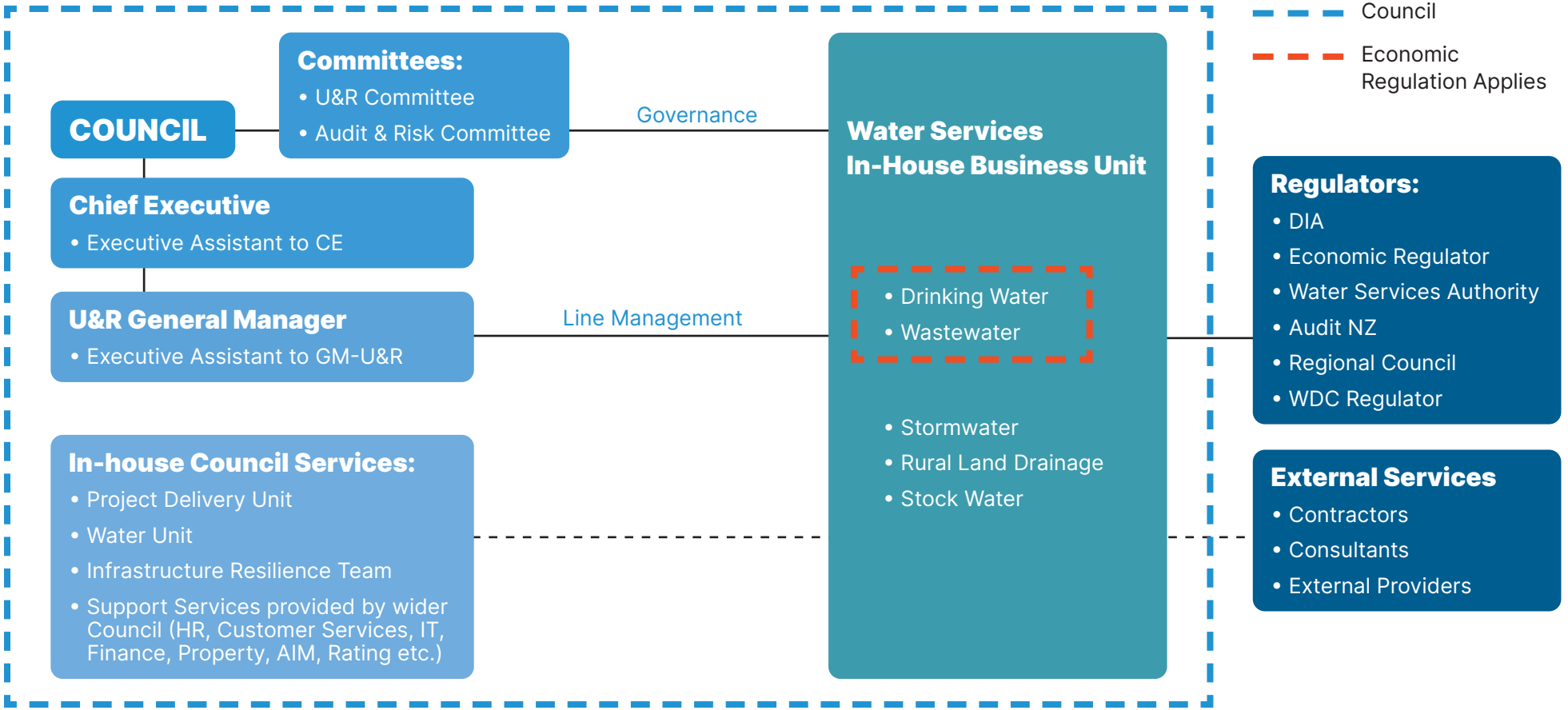
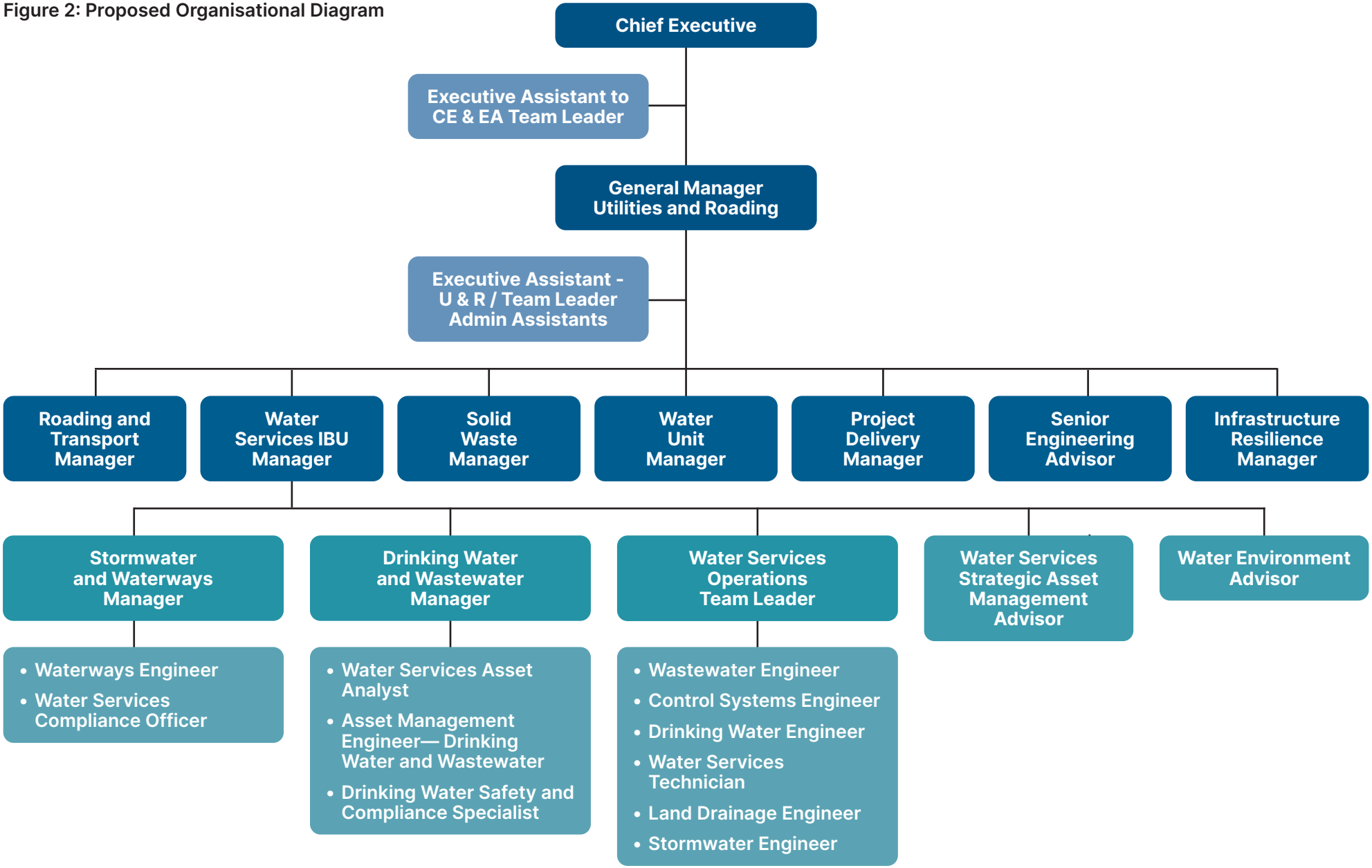


Figure 2: Proposed Organisational Diagram



Revenue Management and Collection Methods

Water services revenues will be ringfenced and accounted for separately to ensure financial transparency and compliance.

The Council will ensure the following:

- Financial statements for each individual water service are consistent and comparable
- Revenue for water services are separately identifiable from other revenues streams
- Revenues for water services are spent on water services, not other council functions
- Cash surpluses for water services are retained for future expenditure on water services.

Charging for water services will continue to be collected through rates, maintaining consistency with current arrangements.

Implementation Plan

Implementing the proposed service delivery model

The Council has committed to delivering the proposed IBU model for water service delivery, which will involve following the below implementation process.

Phase 1: Preliminary establishment of IBU (July 2025 to June 2027)

Key Activities:

- Receive feedback from DIA on Water Services Delivery Plan (WSDP). Update and finalise as required.
- Appoint a project team to oversee the IBU's establishment.
- Define role and function of governance and boards or committees for IBU, including approval process, delegations, set-up including statement of intent and reporting required to discharge their duties.
- Engage with neighbouring councils, such as Hurunui District and Kaikoura District councils (or a future Hurunui/Kaikoura water services CCO), to confirm extent of any ongoing technical support services through a shared services arrangement. The Council remains committed to working with other Canterbury Councils, Canterbury Drinking Water Reference Group, Canterbury Wastewater Working Group and Canterbury Stormwater Forum as well as informal collaborations. These will be through existing formal channels such as contract services from the WDC's IBU or Project Delivery Unit (similar to what is currently occurring, such as modelling support which is provided to HDC).
- Conduct gap analysis of IBU, including consideration for whether additional staff are required to manage regulatory and compliance workstreams.
- Update job titles and position descriptions for existing staff within the IBU structure to align with new business requirements and confirm with HR if a change management process is required for identified roles. This includes any necessary line reporting changes or team structure changes.
- Develop/update and finalise formal Service Level Agreements (SLAs) between the IBU and Council. This will occur on several levels:
  - Council engaging the IBU to manage the delivery of drinking water, wastewater, stormwater, rural land drainage and stock water.
  - IBU engaging the Council's Water Unit to operate and maintain water services. There is an existing service level agreement that covers the majority of drinking water and wastewater O&M work and stormwater pump station work. External maintenance contracts exist for urban stormwater (incorporated into the Council's Greenspace Parks & Reserves Contract), rural drainage (previously part of the Council's Road Maintenance Contract, but currently being tendered as a standalone contract) and stock water (long term contract with the irrigation company that operates in the same area). Other external contracts exist for support services, such as the Council's Electrical Maintenance Contract.
  - IBU engaging the Council's Project Delivery Unit for engineering consultancy advice including network planning, development engineering and capital works delivery (design, consenting, tendering and construction monitoring). Service level agreements will need to be formalised for the network planning and development engineering works. Capital works projects have individual project scopes with fee estimates, but there is a need for an overarching service level agreement.
  - IBU engaging the Council's Infrastructure Resilience Team for engineering consultancy advice including recovery work and strategic advice. A service level agreement will need to be formalised for this work.
  - IBU engaging Council's corporate services for support functions necessary to manage the business unit, including financial services, IT software, systems and support, GIS/ asset databases, HR services, customer

services, fleet management and property management.

- Council engaging IBU for technical advice including related to road drainage (noting that the stormwater system is heavily integrated with the road drainage system), river management advice, flood management advice, management of water supplies (owned by other departments), water quality advice for lakes and rivers, private drainage matters.
- Council engaging IBU to manage the improvement of road drainage assets, for example underchannel piping, culvert and channel upgrades.

- Create a detailed internal business plan, including:
  - Vision, mission statement and goals
  - Strategy for financial reporting and invoicing improvements
  - Efficiency targets for the IBU, including providing a mechanism for the IBU to identify, and share any efficiency gains (cost savings) in future with ratepayers and comparing against relevant bench marking.
  - Monitoring and auditing processes
  - Competitive market analysis
  - Strategy for strengthening relationships with customers, community stakeholders, iwi and developers
- Gradually implement enhanced financial systems for reporting and invoicing. Provide targeted training (where required).
- Establish a framework to prepare and publish the standalone financial statements required by the Water Services Act.
- Develop the three-year Water Services Strategy, outlining goals for service delivery, environmental standards, infrastructure maintenance and economic regulation compliance.

Milestones:

- Preliminary IBU structure in place from July 2025, including water services unit name change and initial job title changes as required.
- Publish WSDP on Council website by December 2025.
- Amend & resubmit WSDP to DIA by September 2026.
- SLAs drafted and signed by July 2027.
- Business plan approved by Council by July 2027.
- Position descriptions updated for existing staff, including line reporting changes or team structure changes as required by July 2027.
- Change management process completed (where required) by July 2027.
- Financial system upgrades completed and staff training completed (where required) by July 2027.
- Draft three-year Water Services Strategy approved by Council by July 2027.

Phase 2: Full Implementation of IBU (July 2027 and onward)

Key Activities:

- Fully implement the three-year Water Services Strategy (including forecast financial statements).
- Produce and publish standalone financial statements annually to ensure compliance.
- Maintain ongoing compliance with economic and environmental regulations.
- Conduct regular service performance and “fit for purpose” reviews of the IBU, covering efficiency reviews, setting of targets and strategy updates.
- Monitor and adjust SLAs, reporting, and invoicing systems where required.
- Continue to engage with neighbouring councils, such as Hurunui District and Kaikoura District councils (or a future Hurunui/Kaikoura water services CCO), to confirm extent of any ongoing technical support services through a shared services arrangement.

Milestones:

- Full operations launched (Go live date start of July 2027).
- Water services fully ring fenced.
- First standalone financial statements published as required by the Water Services Act.
- Annual compliance reviews initiated.
- Efficiency targets and financial sustainability achieved.

Timeframes and Milestones:

Key Milestones	Programmed Start Date	Programmed End Date
Phase 1: Preliminary establishment of IBU	01/07/2025	30/06/2027
Phase 2: Full Implementation of IBU	01/07/2027	Onwards
Deadline for publishing Water Services Delivery Plans on Council website		01/12/2025
Deadline for amending and resubmitting Water Services Delivery Plans to DIA		03/09/2026
Deadline for adopting first three-year water services strategy		30/06/2027
Deadline for achieving financial sustainability		01/07/2028

Financial Sustainability Actions

The following actions are required to ensure financial sustainability by 30 June 2028:

- Waimakariri District Council (WDC) water services currently meet revenue, investment and financing sufficiency. This is not forecasted to change between now and 30 June 2028. However more stringent ring-fencing and financial reporting is required to ensure that economic regulation is met. Please refer to the Implementation Plan for the proposed transitional arrangements.
- Engaging with Hurunui District and Kaikoura District councils (or a future Hurunui/Kaikoura water services CCO) through a shared services arrangement will provide financial efficiencies across North Canterbury. Council's IBU, Project Delivery Unit and Water Unit will remain available for all North Canterbury councils to leverage off Council's scale, capabilities and expertise if needed.
- We do not expect any additional costs from transitioning to an in-house business unit, as this aligns with our current operational structure. To prepare for upcoming regulatory compliance reporting requirements, we have already expanded our team by hiring an additional staff member. Our Implementation Plan includes a thorough review of compliance reporting costs during the initial setup of the business unit, ensuring accurate financial planning. These costs will be regularly assessed and updated in our long-term forecasts as necessary, with an estimated annual expenditure of approximately $100,000.

Consultation and Engagement

Consultation and engagement undertaken

Consultation with the community on the proposed IBU model has been carried out as part of the Council's draft Annual Plan 2025/26 consultation process. This process opened on **14 March 2025** and closed on **21 April 2025**.

As part of the consultation process, the Council made the following information publicly available (in line with Sections 28 of the Act):

- A detailed description of the proposal for an IBU model, including the reasons for the chosen proposal.
- An assessment of the following options identified (including an economic and financial analysis completed by Castalia):
  - In-house Business Unit
  - Single-council CCO
  - Joint CCO (with WDC, HDC and KDC)
  - 2+1 Model (with WDC, HDC and KDC)
  - MOM Model (with WDC, HDC and KDC)
- Information on how proceeding with the proposal for an IBU model will affect the following:
  - Rates (including charges for water services), debt, expenditure and levels of service
- Information on how not proceeding with the proposal and proceeding with an alternative delivery option will affect the following:
  - Rates (including charges for water services), debt, expenditure and levels of service

A total of 764 submissions were received on the topic of Local Water Done Well as part of the consultation of the draft Annual Plan 2025/26. Of those submissions that indicated a preference, 733 submitters (97.2%) supported the proposal for an IBU, and 21 submitters (2.8%) did not support the proposal. Note that 10 submitters were made with comments to this topic that did not indicate a preference.

Hearings took place on 6 May 2025, where the public could present feedback either in person or online, in addition to their written submission.

Council deliberations took place on 27 May 2025, where a report was presented to the Council outlining the feedback received and the staff recommendations.

The Council is satisfied that:

- It has consulted with its community in relation to the proposal for an IBU model
- The community has a good understanding of the implications of the proposal
- It understands its community's views on the proposal.

Assurance and Adoption of the Plan

Council resolution to adopt the Plan

Waimakariri District Council adopted this Water Service Delivery Plan by resolution on 03/06/2025 at the June Council meeting. The Report to Council remains publicly available and a signed copy of the report can be provided on request.

Certification of the Chief Executive of Waimakariri District Council

I certify that this Water Services Delivery Plan:

- complies with the Local Government (Water Services Preliminary Arrangements) Act 2024, and
- the information contained in the Plan is true and accurate as at the end of 2023/24 financial year (30/06/2024), unless otherwise indicated.

To ensure transparency in the data presented, a table has been provided under Part B which provides a percentage for the level of confidence in the accuracy of the data. Key assumptions made in the Plan have also been listed under each of the sections.

Signed: 

Name: Jeff Millward

Designation: Chief Executive

Council: Waimakakiri District Council

Date: 7 July 2025

Part B:

Network Performance

Accuracy of data

Information presented in Part B of the Water Services Delivery Plan is based on asset and rating data as at the end of 2023/24 financial year (30/06/2024), unless otherwise indicated.

To ensure transparency in the data presented, the table below provides a percentage for the level of confidence in the accuracy of the data under Part B of the Plan.

Section/ Table	Item	Level of Confidence	Comments
Part B Serviced Population	Serviced Population	80% to 95%	The serviced population is based on a district average of 2.6 people per residential connection. So there is likely to be some variation in some areas and also where there are empty or undeveloped connections to the schemes. As an estimate at worst these figures could be over-stating the true value in the order of 5%. The growth numbers have a much higher degree of uncertainty associated with them and estimate that for FY2025/26 to FY2033/34 the uncertainty would range from 95% to approximately 80%.
	Urban Residential Connections	80% to 99%	These figures are based straight off the rating database. It is possible there may be a select few number of properties in the district that are missing from the rating database, however these would be extremely small in number and would expect that they would be less than 1% of the total rating database. The distinction between residential and commercial is based on QV property use codes, therefore there is scope for some discrepancies here if the QV assessment isn't 100% accurate. Any discrepancy between residential and commercial doesn't impact on the total number of connections across the district. As this assessment classified all connections on an urban scheme as being urban there will be some rural or rural residential connections on the edge of these schemes that are classified as urban as part of this assessment. These connections represent approximately 2.5% of all urban schemes. Given the lack of definition on what constitutes an urban connection this is considered reasonable as most of these connections represent large lot residential properties. The growth numbers have a much higher degree of uncertainty associated with them and would estimate that for FY2025/26 to FY2033/34 the uncertainty would range from 99% to approximately 80%.
	Urban Commercial Connections	80% to 99%	As above
	Rural Connections	80% to 99%	These figures are based straight off the rating database. It is possible there may be a select few number of properties in the district that are missing from the rating database , however these would be extremely small in number and would expect that they would be less than 1% of the total rating database. Where HDC figures area quoted these come from a GIS layer provided by HDC. It is expected the HDC figures should have a similar level of confidence to the WDC figures. The growth numbers have a much higher degree of uncertainty associated with them and estimate that for FY2025/26 to FY2033/34 the uncertainty would range from 99% to approximately 80%.

Section/ Table	Item	Level of Confidence	Comments
Part B Serviced Areas	Urban Residential Areas	99%	The connection numbers here are simply a sub set of those presented in the serviced population table for FY2024/25 in the previous section so the same level of confidence applies
	Urban Commercial Areas	99%	As above
	Rural Areas	99%	As above
	Mixed use drinking water schemes	N/A	No schemes
	Areas that do not receive water services	99%	These numbers are based on a total number of properties in the district less those numbers as quoted above. Therefore, provided the total number of properties in the rating database is accurate, this level of confidence should be the same as those figures quoted above.
	Proposed Growth Areas	80%	The growth areas have a degree of uncertainty associated with the final lot yields each development area is able to achieve. Urban areas are required to achieve a yield of 15 Lots/ha, however some will be slightly less than this and depending on total land required for stormwater management the calculated figures in the table could vary up to 20%. Furthermore, business zone areas are planned and serviced based on area, not connections, so the connection numbers here are simply based on an average figure of connections per hectare and these could be significantly different depending on the final commercial or industrial developments on these sites.
Part B Assessment of the current condition and lifespan of the water services network	Average Age of Network Assets	95%	This is based strictly off the Asset Data Register. Based on previous experience with discovering missing assets and data errors associated with installation dates we would estimate the data is approximately 95% accurate on average.
	Critical Assets	99%	All known critical assets have been identified. It is possible there could be missing assets not identified, hence the 99% confidence figure.
	Above Ground Assets	90%	This is based strictly off the Asset Data Register. The recent headworks audit is expected to raise this to 99% in the future, however this data was still not fully entered into the asset data register at the start of the 2024/25 financial year.
	Below Ground Assets	95%	This is based strictly off the Asset Data Register. The recent headworks audit is expected to raise this to 99% in the future, however this data was still not fully entered into the asset data register at the start of the 2024/25 financial year.
Part B Capital Expenditure		100%	Note that due to general construction risks and the uncertainties associated with any future capital projects the final spend on these items could be out by +/- 30%.

Investment to Meet Levels of Service, Regulatory Standards and Growth Needs

Investment required in water services

Serviced population

Projected serviced population	Utility	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
Serviced population	Drinking water (WDC Schemes)	56,100	57,658	59,272	60,354	61,435	62,517	63,599	64,680	65,762	66,843
	Drinking water (WDC + HDC Schemes)	60,401	62,028	63,710	64,862	66,017	67,171	68,328	69,485	70,642	71,802
	Wastewater	48,615	49,551	50,575	51,542	52,512	53,479	54,449	55,416	56,386	57,353
	Stormwater	48,786	50,362	51,938	53,217	54,493	55,773	57,052	58,328	59,608	60,884
	Total Unique Properties Serviced (WDC Schemes)	56,449	58,011	59,634	60,720	61,807	62,894	63,983	65,070	66,157	67,244
	Total Unique Properties Serviced (WDC+HDC Schemes)	60,645	62,278	63,965	65,120	66,279	67,436	68,598	69,758	70,920	72,082
Total Urban Residential Connections	Drinking water (WDC Schemes)	20,493	20,735	20,976	21,333	21,690	22,048	22,405	22,762	23,119	23,478
	Drinking water (WDC + HDC Schemes)	20,493	20,735	20,976	21,333	21,690	22,048	22,405	22,762	23,119	23,478
	Wastewater	18,687	19,081	19,475	19,848	20,221	20,594	20,967	21,340	21,712	22,086
	Stormwater	18,750	19,356	19,961	20,452	20,943	21,434	21,924	22,415	22,906	23,400
	Total Unique Properties Serviced (WDC Schemes)	20,627	20,871	21,115	21,474	21,833	22,193	22,553	22,912	23,271	23,632
	Total Unique Properties Serviced (WDC+HDC Schemes)	20,627	20,871	21,115	21,474	21,833	22,193	22,553	22,912	23,271	23,632

Projected serviced population	Utility	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
Total Urban Commercial Connections	Drinking water (WDC Schemes)	677	685	693	705	717	728	740	752	764	776
	Drinking water (WDC + HDC Schemes)	677	685	693	705	717	728	740	752	764	776
	Wastewater	658	672	686	699	712	725	738	751	765	778
	Stormwater	659	680	702	719	736	753	771	788	805	822
	Total Unique Properties Serviced (WDC Schemes)	677	685	693	705	717	728	740	752	764	776
	Total Unique Properties Serviced (WDC+HDC Schemes)	677	685	693	705	717	728	740	752	764	776
Total Rural Connections	Drinking water (WDC Schemes)	1,255	1,261	1,267	1,286	1,305	1,324	1,343	1,362	1,381	1,402
	Drinking water (WDC + HDC Schemes)	2,918	2,951	2,984	3,030	3,077	3,124	3,172	3,220	3,269	3,320
	Wastewater	-	-	-	-	-	-	-	-	-	-
	Stormwater	-	-	-	-	-	-	-	-	-	-
	Total Unique Properties Serviced (WDC Schemes)	1,255	1,261	1,267	1,286	1,305	1,324	1,343	1,362	1,381	1,402
	Total Unique Properties Serviced (WDC+HDC Schemes)	2,918	2,951	2,984	3,030	3,077	3,124	3,172	3,220	3,269	3,320

Note that the Hurunui District Council operates and provides services on the Ashley Rural Water Scheme, which partially extends into the Waimakariri District and supplies water to properties in the Sefton, Ashley and Loburn areas of the District. To remove any uncertainty in the population numbers below, a calculation has been provided for both the WDC water scheme connections and WDC + HDC water scheme connections within the Waimakariri District.

Furthermore, because not all properties are serviced with all 3 Waters (i.e. some are only serviced with drinking water, some only with wastewater etc) numbers have been provided for all 3 water utilities plus a calculation of total unique properties serviced with at least one of the 3 water utilities.

Levels of service relating to water services currently provided can be found in the Council's Annual Plan 2025-2026 document and is also included in Appendix 1 of this plan.

Key Assumptions

Urban Areas include the following schemes			Rural Areas include the following water supply schemes
Drinking Water	Wastewater	Stormwater	Drinking Water
Rangiora Water	Eastern Districts Sewer	Rangiora Urban Drainage	Oxford Rural No 1 Water
Kaiapoi Water	Oxford Sewer	Coastal Urban Drainage	Oxford Rural No 2 Water
Woodend-Tuahiwi-Pegasus Water		Kaiapoi Urban Drainage	Summerhill Water
Oxford Urban Water		Oxford Urban Drainage	Garrymere Water
Waikuku Beach Water		Pegasus Urban Drainage	Poyntzs Road Water
Cust Water			West Eyreton Water
Mandeville Water			
Ohoka Water			

- Stormwater includes only properties rated on Urban Drainage Schemes (i.e. no rural properties on Rural Land Drainage Schemes are included)
- Urban Areas include all connections on Urban schemes and Rural - Residential Schemes (primarily LLRZ zoned land)
- Financial Year numbers based on rates strike at beginning of financial year (i.e. 1 July 2024).
- The ratio of commercial to residential for urban connections remains the same over time
- The growth rate on the HDC Ashley Rural Water Scheme is assumed to be equal to the background rural population growth for WDC - 1.6% p.a.
- For unique properties the following calculation was used:
  - WDC Only = All water connections + Loburn Lea Wastewater + Woodend Beach Wastewater (this captures each property with a water connection, plus areas that are serviced for sewer but not water).
  - WDC + HDC = All WDC+HDC water connections + Woodend Beach Wastewater

Serviced areas

Serviced areas (by reticulated network)	Drinking water		Wastewater		Stormwater	
	Scheme	Connections	Scheme	Connections	Scheme	Connections
Urban Residential areas (If more than one identify separately)	Rangiora Drinking water	7,845	Eastern Districts Sewer	17,816	Rangiora Urban Drainage	7,831
	Kaiapoi Drinking water	5,714	Oxford Sewer	871	Kaiapoi Urban Drainage	5,521
	Woodend - Tuahiwi - Pegasus Drinking water	4,312			Coastal Urban Drainage	2,990
	Oxford Urban Drinking water	879			Oxford Urban Drainage	729
	Waikuku Beach Drinking water	480			Pegasus Urban Drainage	1,679
	Cust Drinking water	134				
	Mandeville Drinking water	989				
	Ohoka Drinking water	140				
	TOTAL	**20,493**	**TOTAL**	**18,687**	**TOTAL**	**18,750**

Serviced areas (by reticulated network)	Drinking water		Wastewater		Stormwater	
	Scheme	Connections	Scheme	Connections	Scheme	Connections
Urban Commercial areas (If more than one identify separately)	Rangiora Drinking water	372	Eastern Districts Sewer	622	Rangiora Urban Drainage	372
	Kaiapoi Drinking water	194	Oxford Sewer	36	Kaiapoi Urban Drainage	184
	Woodend - Tuahiwi - Pegasus Drinking water	68			Coastal Urban Drainage	48
	Oxford Urban Drinking water	34			Oxford Urban Drainage	34
	Waikuku Beach Drinking water	2			Pegasus Urban Drainage	21
	Cust Drinking water	7				
	Mandeville Drinking water	-				
	Ohoka Drinking water	-				
	TOTAL	**677**	**TOTAL**	**658**	**TOTAL**	**659**
Rural areas (If more than one identify separately)	Oxford Rural No 1 Drinking water	437				
	Oxford Rural No 2 Drinking water	372				
	Summerhill Rural Drinking water	216				
	Garrymere Drinking water	42				
	Poyntzs Road Drinking water	106				
	West Eyreton Drinking water	82				
	TOTAL WDC	**1,255**				
	HDC Ashley Rural Drinking water (within WDC boundary) *Note that a small part of the area is classified as residential*	1,663				
	TOTAL WDC + HDC Ashley	**2,918**				

Serviced areas (by reticulated network)	Drinking water		Wastewater		Stormwater	
	Scheme	Connections	Scheme	Connections	Scheme	Connections
Mixed-Use rural drinking water schemes (where these schemes are not part of the council's water services network)	Nil. There are three known private water supplies (Glentui, Springbank and Waikuku) in the district, however it has not been assessed whether they meet the Mixed-Use Rural Drinking Water Scheme definition.		n/a		n/a	
Areas that do not receive water services (If more than one identify separately)	Properties not receiving WDC drinking water services	9,763	Properties not on a public wastewater scheme	12,843	Properties not on an urban drainage scheme	12,779
	Properties not receiving WDC or HDC drinking water services	8,100	Properties not on a public wastewater scheme or private community scheme	12,825		
	Properties not receiving WDC or HDC water supply services and not on a Community Drinking Water supply	8,043				

Serviced areas (by reticulated network)	Drinking water		Wastewater		Stormwater	
	Scheme	Connections	Scheme	Connections	Scheme	Connections
Proposed growth areas • Planned (as identified in district plan) • Infrastructure enabled (as identified and funded in LTP)	West Rangiora	467	West Rangiora	467	West Rangiora	467
	Outer East Rangiora	839	Outer East Rangiora	839	Outer East Rangiora	839
	Southbrook Business Zone	17	Southbrook Business Zone	17	Southbrook Business Zone	17
	Todds Road Business Zone	18	Todds Road Business Zone	18	Todds Road Business Zone	18
	Ravenswood	219	Ravenswood	219	Ravenswood	219
	East Woodend	310	East Woodend	310	East Woodend	310
	West Kaiapoi (Silverstream)	167	West Kaiapoi (Silverstream)	167	West Kaiapoi (Silverstream)	167
	East Kaiapoi (Beach Grove)	213	East Kaiapoi (Beach Grove)	213	East Kaiapoi (Beach Grove)	213
	East North East Kaiapoi	228	East North East Kaiapoi	228	East North East Kaiapoi	228
	Tuahiwi	80	Tuahiwi	80		
	Mandeville	154	Mandeville	144		
	Ohoka	32	Ohoka	32		
	TOTAL	**2,743**	**TOTAL**	**2,733**	**TOTAL**	**2,477**

Note that the Hurunui District Council operates and provides services on the Ashley Rural Water Scheme, which partially extends into the Waimakariri District and supplies water to properties in the Sefton, Ashley and Loburn areas of the District. To remove any uncertainty in the connection numbers below, a calculation has been provided for both the WDC water scheme connections and WDC + HDC water scheme connections within the Waimakariri District.

Key Assumptions

- Stormwater includes only properties rated on Urban Drainage Schemes
- Urban Areas include all connections on Urban Schemes and Rural - Residential Schemes (primarily LLRZ zoned land)
- Rural Areas include all connections on Rural schemes
- Properties not connected based on total number of properties in district (32,188) less properties already connected
- Only growth areas with expected growth within LTP period (out to 2033) included
- For commercial or industrial growth areas assume 2 connections per ha
- These figures are based on the 2023 WDC Infrastructure Growth projections used to inform the 2024 Activity Management Plans and the LTP budgets. These are based on a 'medium-high' population projection for the district and may change following results of the current PDP process.

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

Parameters	Drinking supply	Wastewater	Stormwater
Average age of Network Assets	**21.2 years**	**24.0 years**	**18.0 years**
Critical Assets	**Identified - Refer to Appendix 2**	**Identified - Refer to Appendix 2**	**Identified - Refer to Appendix 2**
Above ground assets			
Treatment plant/s	17	5	45 (+ 12 pumpstations)
Percentage or number of above ground assets with a condition rating	100%	100%	100%
Percentage of above-ground assets in poor or very poor condition	10%	16%	2%
Below ground assets			
Total km of reticulation	1007km	418km	119km
Percentage of network with condition grading	100%	100%	100%
Percentage of network in poor or very poor condition	8%	3%	0%

Note that the Hurunui District Council operates and provides services on the Ashley Rural Water Scheme, which partially extends into the Waimakariri District and supplies water to properties in the Sefton, Ashley and Loburn areas of the District. The condition and average age figures for the Ashley Scheme have not been included in the following table, as it is expected that this date would be included in the submission from Hurunui District Council.

The total number of stormwater pumpstations has also been included in the stormwater column in brackets next to the number of treatment plants.

Key Assumptions

- Stormwater includes only properties rated on Urban Drainage Schemes
- Figures based on 2024 AMP
- Average age calculated as average age of all individual assets regardless of value or quantity
- Treatment Plants including all sites where treatment is undertaken, not including secondary pumpstations or backup pumpstations or well fields
- WDC's asset condition rating system is based on the asset life and not on a full condition assessment. The 16% poor or very poor grading of above ground wastewater assets is not considered to be reflective of the actual condition of these assets. It should be noted that condition surveys are currently being completed on underground and aboveground assets, including CCTV surveys where practical and regular checks on all above ground assets and headworks sites. Full condition rating assessments are completed on critical aboveground assets, such as reservoirs.
- Stormwater Treatment Plants includes all Stormwater Management Areas and end of line Treatment Devices (i.e. Storm Filters)
- The split of drainage assets between Stormwater and Roading ownership is based on the Ownership Rules for Drainage and Roading Assets document (Trim 160524047903), which forms the basis of ownership for valuation.

Asset management approach

- WDC's existing service delivery mechanisms;
  - Drinking water, wastewater and stormwater pump station maintenance delivered by Council in-house contractor Water Unit via an existing service level agreement (SLA). Covers all reticulation and treatment reactive and planned maintenance for water and wastewater, but only stormwater pump station maintenance. Includes some minor capital works as well, such as water main renewals.
  - Capital works projects greater than $100,000 are tendered on the open market. There is a Pre-Qualification list of contractors for the following areas traffic management, drilling/thrusting, welding/ fabrication, hydro excavation, service location, pipe inspections, sucker trucking, earthworks/bulk fill, street furniture/landscaping, road improvements/kerbing, minor surface reinstatement, gravity systems and pressure systems.
  - Separate external maintenance contracts for stormwater (stormwater management areas and open drains) and rural drainage (open drains). The rural drainage maintenance contract is being tendered this year and remaining separated from the urban maintenance contract. The urban maintenance drainage contract is currently with Council's greenspace and reserves contractor, to take advantage of efficiencies and economies of scale.
  - Separate external maintenance contractors for electrical and control systems, generator maintenance, CCTV inspections and septic tank cleaning. There is also a Trades Panel for minor maintenance work such as building work, fencing, electrical, plumbing, asbestos removal and painting.
- WDC's existing asset management systems;
  - Tech 1 for water, wastewater and stormwater assets – Note this is currently in the process of changing to Adapt (Datacom).
  - RAMM for rural drainage assets
- WDC's supporting asset management policy or framework;
  - Refer to Waimakariri District Council Asset Management Policy - waimakariri.govt.nz/__data/assets/pdf_file/0021/120684/2021-Asset-Management-Policy.pdf
- WDC's asset management maturity assessment;
  - Last completed in 2021 – Can be provided on request

Statement of regulatory compliance

Parameters	Drinking supply schemes	Wastewater schemes	Stormwater schemes/ catchments
Drinking water supply			
Bacterial compliance (E.coli)	**No*** – WDC have been working towards ensuring that it complies with the Water Services Act (2021). Expected to be fully compliant by Dec 2025. Note that 10 out of 11 schemes will meet bacterial compliance by June 2025. * Refer to summary tables below for percentage of compliance against each scheme.	n/a	n/a
Protozoa compliance	**No*** – WDC have been working towards ensuring that it complies with the Water Services Act (2021). Expected to be fully compliant by Dec 2025. Note that 10 out of 11 schemes will meet protozoa compliance by June 2025. * Refer to summary tables below for percentage of compliance against each scheme.		
Chemical compliance	**Yes** – No MAV exceedances for any supplies		
Boiling water notices in place (over the last 3 years)	**3** – These are precautionary BWNs, in place only for short period of time in response to incidents.		
Fluoridation	**No** – No directions issued by Director-General of Health as yet.		
Average consumption of drinking water			
Water restrictions in place (last 3 years)	**No**		
Firefighting sufficient	**Yes** – All urban supplies except Cust scheme. i.e. 100% compliant where firefighting is provided.		

	ADF (m^3/day)	Estimated Population	Total Consumption (l/person/day)	Leakage (m^3/day)	Total Consumption (l/person/day less leakage)
Urban	17,766	55,761	319	3,269	260
Rural	2,870	3,373	851	1,326	458
Total	**20,636**	**59,134**	**349**	**4,596**	**271**

Parameters	Drinking supply schemes	Wastewater schemes	Stormwater schemes/ catchments
Resource Management			
Significant consents (note if consent is expired and operating on S124)	Water supply take **29** Water discharge **0**	Wastewater discharge water/land/air **16** Network **0** – Interpreted as wastewater schemes	Stormwater discharge **5** Network **4**
Expire in the next 10 years	**12**	**6**	**3**
Non-compliance:			
Significant risk non-compliance	**0**	**0**	**0**
Moderate risk non-compliance	**0**	**0**	**0**
Low risk non-compliance	**21** – Instantaneous Flow Consent Limit Breaches	**7** – 96.1% compliance of all consent conditions. Mainly due to missed sampling and faulty equipment.	**0**
Active resource consent applications	**4**	**0**	**0**
Compliance actions (last 24 months):			
Warning	**0**	**0**	**0**
Abatement notice	**0**	**0**	**0**
Infringement notice	**0**	**0**	**0**
Enforcement order	**0**	**0**	**0**
Convictions	**0**	**0**	**0**

The renewal of the 12 water take consents are not expected to require additional infrastructure, hence there is no specific capital expenditure budget included. The Canterbury Regional Policy Statement and Canterbury Land and Water Regional Plan give priority to community drinking water supplies therefore we anticipate that the allocation of the water to these consents will be maintained and approved.

The renewal of the six wastewater consents relate to the following:

- Oxford WWTP discharge consents (three consents), which has a significant upgrade included in 27/28 on page 64 of the WSDP.
- Discharge to air consents at Kaiapoi and Waikuku Beach WWTPs and discharge to land of wetland infiltration at Kaiapoi WWTP, which are expected to only require minor upgrades to reconsent. Note that a significant upgrade of the Eastern District sewer scheme, including the Kaiapoi and Waikuku Beach WWTPs (as well as the Woodend and Rangiora WWTPs) is budgeted to occur before 2039, when the main discharge consents for these plants expire.

The three stormwater consents listed to expire in the next 10 years, fall within our global network consent areas. Since the Kaiapoi, Woodend, and Oxford global consents became active on 1 July 2024, these individual consents will be superseded and surrendered.

WDC have been working towards ensuring that it's Drinking Water supplies complies with the requirements of the Water Services Act (2021), which requires the Council to take all practicable steps to comply with the Water Services (Drinking Water Standards for NZ) Regulations 2022 and Drinking Water Quality Assurance Rules (DWQAR).

The outcome for each Drinking water treatment plant and distribution zone is summarised in the tables below, for each of the time periods listed.

Expected Drinking Water Compliance by December 2025

Water Supply	Treatment Plant		Distribution Zone	
	Bacterial	Protozoa	Bacterial	Residual disinfectant
Cust	100%	100%	100%	100%
Garrymere	100%	100%	100%	100%
Kaiapoi	100%	100%	100%	100%
Mandeville	100%	100%	100%	100%
Ohoka	100%	100%	100%	100%
Oxford Rural 1	100%	100%	100%	100%
Oxford Urban and Rural 2	100%	100%	100%	100%
Woodend-Pegasus	100%	100%	100%	100%
Rangiora	100%	100%	100%	100%
Waikuku Beach	100%	100%	100%	100%
West Eyreton-Summerhill-Poyntzs Road	100%	100%	100%	100%

Drinking Water Compliance at June 2024 (As reported to Taumata Arowai in the DWQAR Annual Report)

Water Supply	Treatment Plant[1]		Distribution Zone[2]		Key Reasons for Non-Compliance
	Bacterial	Protozoa	Bacterial	Residual disinfectant	
Ashley Gorge*	33%	0%	100%	100%	TP: Elevated turbidity and low pH.
Cust	99.9%	99.9%	100%	99%	TP: Data outage (2 days). DZ: Missed Cl sample (1).
Garrymere	100%	100%	100%	99%	DZ: Missed Cl sample (1).
Kaiapoi	0%	0%	100%	99.4%	TP: Insufficiently sized reservoir to meet Cl contact time. No UV treatment. DZ: Missed Cl sample (1).
Mandeville	99.7%	99.7%	99.4%	99.4%	TP: Data outage (5 days). DZ: Missed E.Coli sample result (1) and Cl sample (1).
Ohoka	30.1%	100%	100%	97.1%	TP: Continuous turbidity monitoring only installed on 12 March 2024. DZ: Missed Cl samples (3).
Oxford Rural 1	16.1%	16.1%	100%	98.7%	TP: No on-site reservoir to meet Cl contact time. No UV treatment until 2 May 2024. DZ: Missed Cl samples (2).
Oxford Urban and Rural 2	0%	0%	100%	(Urban) – 63.5% (Rural 2)** – 98.7%	TP: Ox Urban unchlorinated until 31 October 2023. No on-site reservoir to meet Cl contact time. No UV treatment. DZ: Ox Urban unchlorinated until 31 October 2023. Missed Cl samples (2).
Woodend–Pegasus	99.9%	0%	100%	99.4%	TP: Data outage (2 days). No UV treatment. DZ: Missed Cl sample (1).
Rangiora	62.1%	0%	100%	60.9%	TP: Unchlorinated until 15 November 2023. Data outage (1 day). Insufficiently sized reservoir to meet Cl contact time (17 days). No UV treatment. DZ: Unchlorinated until 15 November 2023. Missed Cl sample (1).
Waikuku Beach	99.9%	99.9%	100%	62.8%	TP: Data outage (2 days). DZ: Unchlorinated until 8 November 2023. Missed Cl sample (1).
West Eyreton – Summerhill – Poyntz Road	0%	0%	100%	99.4%	TP: Insufficiently sized reservoir to meet Cl contact time. No UV treatment. DZ: Missed Cl sample (1).

[1] Calculated based on the total instances of non-compliance over the period that the treatment plant was operational in the 2023/24 compliance year.

[2] Calculated based on the total instances of non-compliance over the total number of samples required to demonstrate compliance in the 2023/24 compliance year.

* Ashley Gorge was connected to the Oxford Rural 2 supply in December 2023 and was only operational for 6 months in 23/24 before being deregistered as a drinking water supply.

**Includes the Ashley Gorge distribution zone from December 2023.

Drinking Water Compliance at June 2025 (Current compliance)

Water Supply	Treatment Plant		Distribution Zone	
	Bacterial	Protozoa	Bacterial	Residual disinfectant
Cust	100%	100%	100%	100%
Garrymere	100%	100%	100%	100%
Kaiapoi	100%	100%	100%	100%
Mandeville	100%	100%	100%	100%
Ohoka	<100%*	100%	100%	100%
Oxford Rural 1	100%	100%	100%	100%
Oxford Urban and Rural 2	100%	100%	100%	100%
Woodend-Pegasus	100%	100%	100%	100%
Rangiora	100%	100%	100%	100%
Waikuku Beach	100%	100%	100%	100%
West Eyreton-Summerhill-Poyntzs Road	<100%*	0%**	100%	100%

* Note < 100% due to chlorine contact time not being met all the time. UV installation will address this issue. Will be met by December 2025

** Will be met by December 2025

Drinking Water Compliance at June 2024 (As reported to Taumata Arowai in the DWQAR Annual Report)

Treatment Plant and Distribution Zone bacterial and residual disinfection compliance were not fully achieved for the period 1 July 2023–30 June 2024 for some of the water supplies:

- Some urban on-demand supplies (Oxford Urban, Rangiora, Waikuku Beach) were only chlorinated from late second quarter of 2023-2024 and therefore only achieved partial treatment plant and distribution zone compliance.
- Some supplies (Kaiapoi, Ohoka, West Eyreton, Oxford Rural 1, Oxford Urban and Rural 2) had no on-site or insufficient reservoir storage to meet minimum chlorine contact time required and therefore were unable to achieve treatment plant bacterial compliance. This has since been resolved now that UV treatment has been installed at these sites as there will be the ability to achieve bacterial compliance through the UV treatment pathway.
- UV treatment has now been installed at Oxford Rural 1, Kaiapoi and Oxford Urban and Rural 2 and West Eyreton. UV treatment installation is due to be completed at Ohoka by December 2025.
- Data outages and missed samples contributed to some minor non-compliances for some supplies.

Treatment Plant protozoa compliance was not fully achieved for some of the water supplies:

- Only Garrymere, Mandeville and Waikuku Beach had fully operational UV treatment plants during the 2023-2024 year.
- UV treatment has now been installed at Woodend-Pegasus, Oxford Rural 1, Rangiora, Kaiapoi, Oxford Urban/Rural 2 and West Eyreton water supplies and will have fully operational UV treatment plants by June 2025 and Ohoka by December 2025.
- Data outages and missed samples contributed to some minor non-compliances for some supplies.

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

Projected investment in water services	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Drinking Water										
Capital expenditure - to meet additional demand	6,877	5,189	351	2,348	2,114	200	664	1,342	3,764	8,514
Capital expenditure - to improve levels of services	10,157	826	274	287	601	0	0	0	0	474
Capital expenditure - to replace existing assets	2,663	4,625	4,981	3,191	3,257	3,350	3,181	3,579	2,530	3,455
Total projected investment for drinking water	**19,697**	**10,460**	**5,606**	**5,826**	**5,972**	**3,550**	**3,845**	**4,921**	**6,294**	**12,443**
Wastewater										
Capital expenditure - to meet additional demand	738	5,217	11,733	16,926	5,553	894	6,390	73	621	7,817
Capital expenditure - to improve levels of services	2,828	1,562	2,038	0	172	0	179	0	619	1,262
Capital expenditure - to replace existing assets	3,614	2,849	6,673	4,393	6,330	3,640	2,255	2,643	1,747	483
Total projected investment for wastewater	**7,180**	**9,628**	**20,444**	**21,319**	**12,055**	**4,534**	**8,824**	**2,716**	**2,987**	**9,562**
Stormwater										
Capital expenditure - to meet additional demand	55	0	0	1,306	917	0	0	0	0	0
Capital expenditure - to improve levels of services	3,288	5,138	11,242	5,532	5,866	5,164	4,652	5,183	3,510	4,337
Capital expenditure - to replace existing assets	150	0	137	942	0	0	60	305	62	1,146
Total projected investment for stormwater	**3,493**	**5,138**	**11,379**	**7,780**	**6,783**	**5,164**	**4,712**	**5,488**	**3,572**	**5,483**
Total projected investment in water services	**30,370**	**25,406**	**37,429**	**34,925**	**24,810**	**13,248**	**17,381**	**13,125**	**12,853**	**27,488**

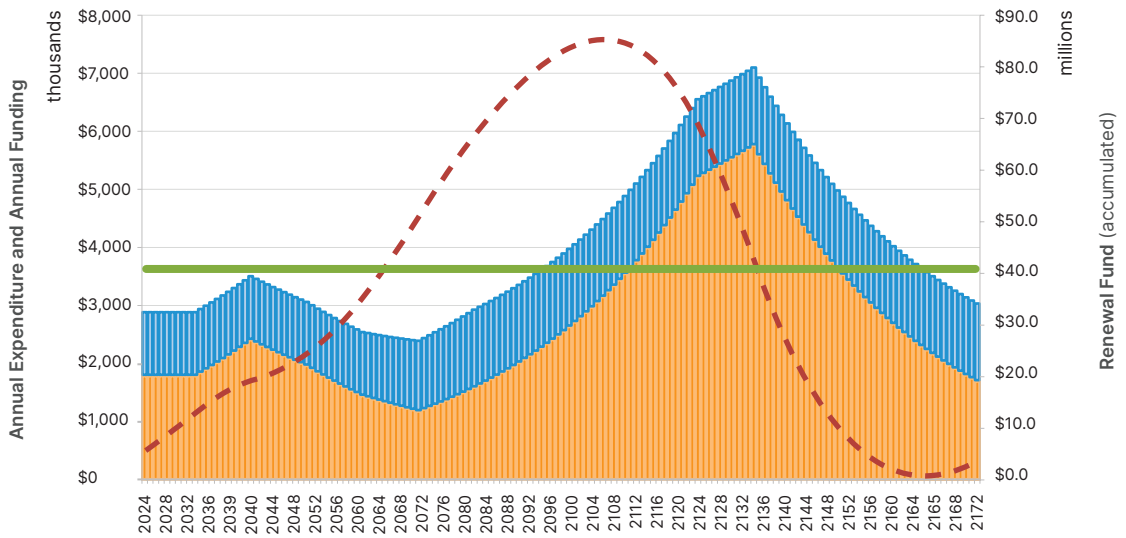
Note that the above table shows the capital expenditure required over 10 years to deliver water services. WDC has modelled its infrastructure and developed a renewal programme that stretches over the next 150 years.

The stormwater renewal profile is comparatively less than that of the drinking water and wastewater renewal profile, as the stormwater assets partially comprise of open drains and ponds which are maintained, but not depreciated and replaced. The renewal profile is higher in Kaiapoi which is the only scheme that has stormwater pumping systems.

Please refer to WDC's Infrastructure Strategy document which shows Council's 150-year renewals model. This document forms part of WDC's 2024-2023 Long Term Plan. Refer to figures below for a summary.

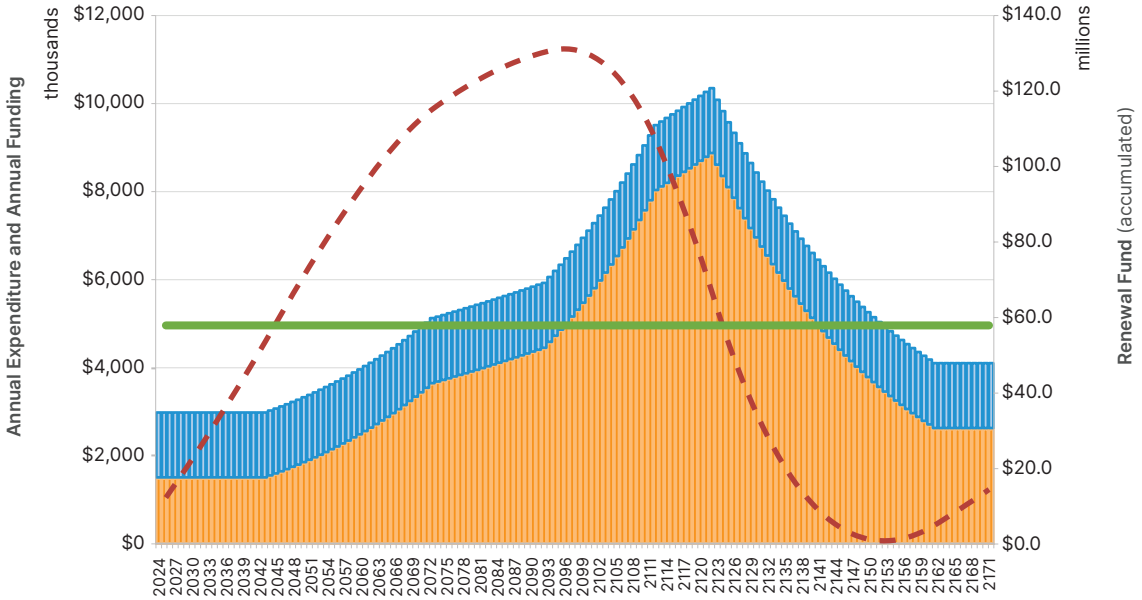
150 year water supply renewals model
(No adjustment for inflation)

- Annual expenditure (reticulation)
- Annual expenditure (headworks)
- Renewals fund
- Annual funding

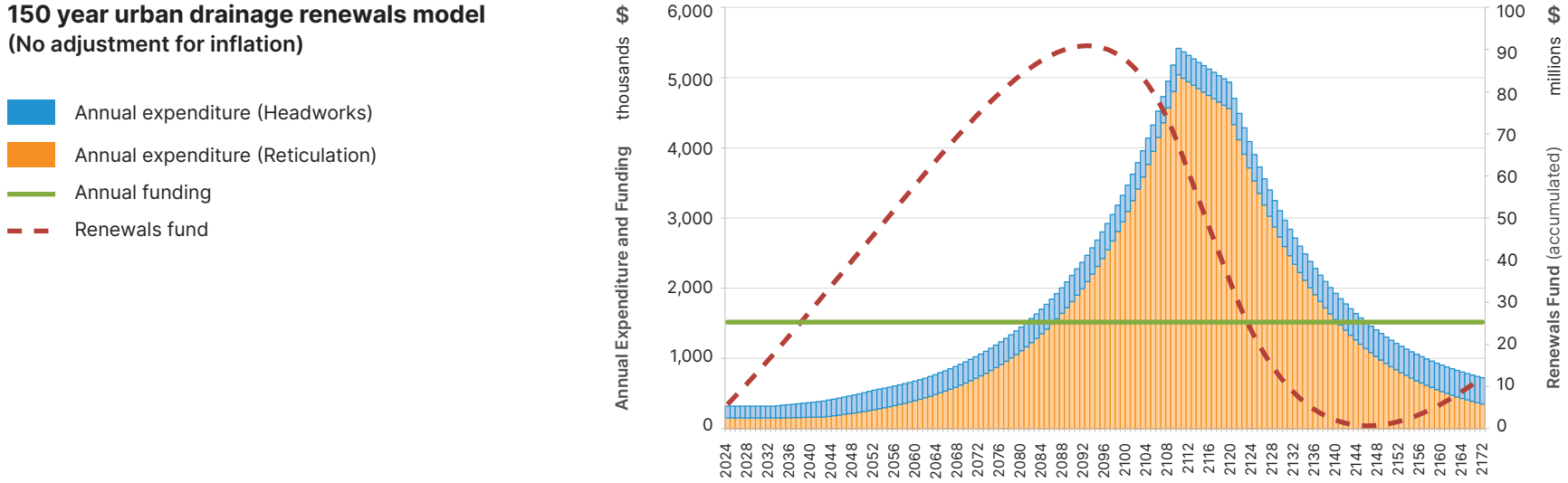


150 year wastewater renewals model
(No adjustment for inflation)

- Annual expenditure (reticulation)
- Annual expenditure (headworks)
- Renewals fund
- Annual funding



150 year urban drainage renewals model
(No adjustment for inflation)



Key Assumptions

- Stormwater includes only properties rated on Urban Drainage Schemes
- Figures based on 2024 AMP

Historical delivery against planned investment

Delivery against planned investment	Renewals investment for water services				Total investment in water services			
	FY2024/25	FY21/22 - FY23/24	FY18/19 - FY20/21	Total	FY2024/25	FY21/22 - FY23/24	FY18/19 - FY20/21	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Total planned investment (set in the relevant LTP)	7,063	10,472	11,220	21,692	32,747	63,227	53,788	117,015
Total actual investment	TBC	12,498	10,027	22,525	TBC	68,763	48,850	117,613
Delivery against planned investment (%)	TBC	119%	89%	104%	TBC	109%	91%	101%

Part C:

Revenue and Financing Arrangements

Revenue and Charging Arrangements

Charging and billing arrangements

WDC charges consumers of water services using the mechanisms set out below. No changes are currently planned to charging mechanisms, although a 3 Waters Rating Review is planned to be undertaken in advance of the next Long Term Plan.

Drinking water

- District wide water UV treatment – a fixed targeted rate per rating unit
- Cust – un-restricted connections based on a fixed targeted rate per Separately Used or Inhabited Part of a rating unit (SUIP)
- Cust – restricted connections based on a fixed targeted rate per water unit (1,000 litres per day)
- Summerhill – a fixed targeted rate per rating unit plus a fixed targeted rate per water unit
- Fernside loan rate – a fixed targeted rate per water unit
- Rangiora – un-restricted connections based on a fixed targeted rate per SUIP
- Rangiora – restricted connections based on a fixed targeted rate per water unit
- Kaiapoi – un-restricted connections based on a fixed targeted rate per SUIP
- Kaiapoi – restricted connections based on a fixed targeted rate per water unit
- Waikuku Beach – un-restricted connections based on a fixed targeted rate per SUIP
- Waikuku Beach – restricted connections based on a fixed targeted rate per water unit
- Woodend - Tuahiwi - Pegasus – un-restricted connections based on a fixed targeted rate per SUIP
- Woodend - Tuahiwi - Pegasus – restricted connections based on a fixed targeted rate per water unit
- Tuahiwi rural loan rate – a fixed targeted rate per rating
- Tuahiwi residential area water connection loan rate – a fixed targeted rate per rating
- West Eyreton – a fixed targeted rate per rating unit plus a fixed targeted rate per water unit
- Oxford Township – un-restricted connections based on a fixed targeted rate per SUIP
- Oxford Township – restricted connections based on a fixed targeted rate per water unit
- Oxford Rural Water No1 – a fixed targeted rate per water unit
- Oxford Rural Water No1 – a fixed targeted rate per water unit
- Mandeville – a fixed targeted rate per water unit
- Ohoka – a fixed targeted rate per rating unit plus a fixed targeted rate per water unit
- Poyntzs Road – a fixed targeted rate per rating unit plus a fixed targeted rate per water unit
- Garrymere – a fixed targeted rate per rating unit plus a fixed targeted rate per water unit
- Ashley Rural Water(supply provided by Hurunui DC) – a fixed targeted rate per water unit

Wastewater

- Eastern Districts – a fixed rate per property for residential, per water closet for commercial
- Ohoka utilities connection loan rates – a fixed targeted rate per rating unit
- Loburn Lea loan rate – a fixed targeted rate per rating unit
- Oxford operating – a fixed targeted rate per rating unit
- Fernside loan rate – a fixed targeted rate per rating unit

Stormwater

- Kaiapoi excluding Island Road extension – a differential targeted rate assessed on land value
- Kaiapoi Alexander Lane – a fixed targeted rate per rating unit
- Kaiapoi Island Road extension – a differential targeted rate assessed on land value
- Rangiora – a differential targeted rate assessed on land value
- Coastal Urban (Waikuku, Woodend, Pines, Kairaki) – a differential targeted rate assessed on land value
- Oxford – a differential targeted rate assessed on land value
- Pegasus – a differential targeted rate assessed on land value

(Note Rural Land Drainage Rates, funded from targeted rates, and District Drainage, funded from the General Rate, have not been included as not stormwater)

WDC maintains separate accounts for each water, wastewater and stormwater scheme. The account is credited with rates revenue plus any relevant fees and charges and subsidies. Separate accounts are also maintained for development contributions revenue. Running balances are maintained so that the balance is taken into account when setting rates. Transfers are made into a depreciation reserve, called the Renewals Fund, to hold funds for future renewals, and funding is released from the reserve as renewals are undertaken.

Water services revenue requirements and sources

The total revenue requirement over the period 2024-2034 is summarised below, broken down by the sources of revenue.

	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Rates	32,593	35,483	38,302	40,813	43,377	44,849	46,157	47,287	48,635	49,800
User charges/fees	778	786	803	829	846	862	878	895	910	926
Development contributions	9,086	12,959	9,388	9,455	9,185	9,081	9,059	8,901	8,064	11,845
Capital/operating subsidies and grants	904	2,326	749	-	-	-	-	-	-	-
Other	357	428	509	568	676	832	982	1,152	1,303	1,228
Total Operating Revenue	**43,718**	**51,982**	**49,751**	**51,665**	**54,084**	**55,624**	**57,076**	**58,235**	**58,912**	**63,799**

Charging and collection of rates revenue will be through the rates system, using the mechanisms described above. Charging for other sources of revenue will be via separate invoice.

Existing and projected commercial and industrial users' charges

The projected charges for each of the water services for the period 2024-34 is set out below.

	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
	$	$	$	$	$	$	$	$	$	$
Average drinking water bill (including GST)	740	803	839	859	873	888	897	907	918	928
Average wastewater bill (including GST)	644	670	711	737	795	803	805	805	805	804
Average stormwater bill (including GST)	354	378	412	463	479	491	506	511	525	536
Average charge per connection including GST	**1,738**	**1,851**	**1,963**	**2,058**	**2,147**	**2,182**	**2,208**	**2,223**	**2,248**	**2,268**
Project increase %	-	6.5%	6.1%	4.9%	4.3%	1.6%	1.2%	0.7%	1.1%	0.9%

Commercial and Industrial pay rates in the same way as residential consumers. WDC also collects trade waste and septage charges from some industrial and commercial consumers.

The affordability of projected water services charges for communities

WDC seek to provide water services in an efficient way and for charges to reflect the full cost of providing the services, including making adequate provision for the renewal of assets. The projected average charge over the period 2024-34 increases from $1,738 in 2024/25 to $2,268 in 2033/34. This is an average increase of 3.0% per year. Water services charges will remain reasonable at between 1.9% and 2.0% of the district's median household income.

Funding and Financing Arrangements

Water services financing requirements and sources

- Projected borrowing requirements over the next 10-year period to deliver the level of investment required is $37m.
- Minimum cash and working capital requirements for sustainable delivery of water services are operating expenses less depreciation plus debt repayments plus $48m for headroom to cover unforeseen events.
- Water services and all WDC business have an internal policy borrowing limit of 250% (LGFA borrowing limit is 350% as a growth Council, 280-290% for non-growth Councils) of operating revenue. Water services are and will remain within the borrowing limit including the $48m for headroom every year except 2026/27 and 2027/28.
- Internal borrowing will be 25-year loans. Interest charge is fixed at the interest rate at the time of borrowing.
- Internal loans will be repaid over 25 years. The principal repayments will be included in the rates.
- Water services financial strategy involves rates to cover operating expenditure and debt repayments, development contributions to cover growth capital expenditure, borrowing to cover levels of service capital expenditure depreciation funding to cover both current renewal capital expenditure and invested for future renewal capital expenditure.

Internal borrowing arrangements

- Each internal loan is individually tracked and repaid over 25 years. Interest charge is fixed at the interest rate at the time of borrowing.
- Internal borrowing arrangements will continue up to and beyond 30 June 2028.
- Each internal loan is individually raised, tracked and attributed to relevant water schemes.

Determination of debt attributed to water services

WDC allocates and tracks debt attributed all departments. Internal loans are raised within each scheme to cover capital expenditure.

As at 30 June 2024:

- Borrowings attributed to water services was $80,610k
- Cash and cash equivalents of water services was $31,100k
- Net debt was $49,510k
- Water services operating revenue was $28,322k
- The net debt to operating revenue was 125%

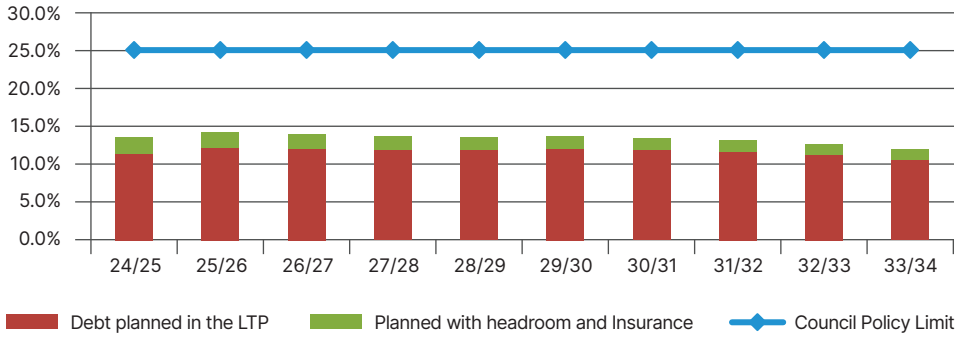
Insurance arrangements

WDC currently insures its above ground assets through its insurance broker Marsh and its below ground assets through the Local Authority Protection Programme Disaster Fund (LAPP). Insurance cover is reviewed each year with updated schedules adjusted for new and disposed of assets, and the latest asset valuations. WDC's policy is for full cover in relation to above ground assets with no loss limit in place. For underground assets, responsibility for cover is split, with 40% of insured value covered by LAPP and 60% by the Government.

Council has developed a Risk Assessment and Financing Strategy that considers the likelihood and severity of major natural disasters, and to assess how they would impact on Council's operations, and financial capacity to cope during the recovery phase. Council maintains borrowing "head-room" of up to $48m with insurance being available in the LTP, allowing for its share of funding of the estimated damage and repair cost of $315m in the event of a "worst credible disaster scenario" following a major event. This is not proposed expenditure for 2024 to 2054, but provision for borrowing capacity in the event of a worst case natural disaster in this time period. Although debt comes close to the self-imposed limits during three of the first six years of the LTP, the repayment programme in place brings debts well within the limits in later years. Should a disaster occur the Council has the ability to cancel and postpone programmes and still be within policy limits.

Debt Comparison to Policy Limits

Interest cost on debt as a percentage of rates revenue



Insurance cover is based on replacement value and based on periodic revaluations (the most recent being 30 June 2024). The replacement value of the assets including an inflationary provision, and associate maximum cover is as follows:

- Above ground assets $282,921,707 with cover up to the sum insured
- Below ground assets $1,605,062,088 with cover up to the sum insured

The valuation of assets is based on the Replacement Costs and has been carried out in accordance with:

- Public Benefit Entity International Public Sector Accounting Standard 17 Property, Plant and Equipment (PBE IPSAS 17)
- NZ Infrastructure Asset Valuation and Depreciation Guidelines, Edition 2.0 2006

WDC has a comprehensive Business Continuity Plan which includes the insurance response to any emergency.

Reflecting its experience of the 2010 and 2011 Canterbury earthquakes, WDC has a low risk tolerance in relation to insurance. Responsibility for oversight of insurance matters sits with the Audit and Risk Committee and reports are prepared for the Committee on a six-monthly basis.

Part D:

Financial Sustainability Assessment

Confirmation of Financially Sustainable Delivery of Water Services

Confirmation of financially sustainable delivery of water services by 30 June 2028

- WDC water services currently meet revenue, investment and financing sufficiency. This is not forecasted to change between now and 30 June 2028.
- Projected revenue is greater than projected expenditure, with the net surplus used to repay debt.
- Assets requiring renewal, regulatory requirements and forecasted growth have all been budgeted for in the Long Term Plan.
- WDC is within internally determined policy borrowing limits of 250% (LGFA borrowing limit is 350% as a growth Council, 280-290% for non-growth Councils) of operating revenue, with available headroom to cover unforeseen events.
- Castalia consultants have completed an independent peer review of the financials and assumptions made within this WSDP.

Actions required to achieve financially sustainable delivery of water services

No actions are required. Financially sustainable delivery of water services is already achieved. However more stringent ring-fencing and financial reporting is required to ensure that economic regulation is met. Please refer to the Implementation Plan below for the proposed transitional arrangements.

Risks and constraints to achieving financially sustainable delivery of water services

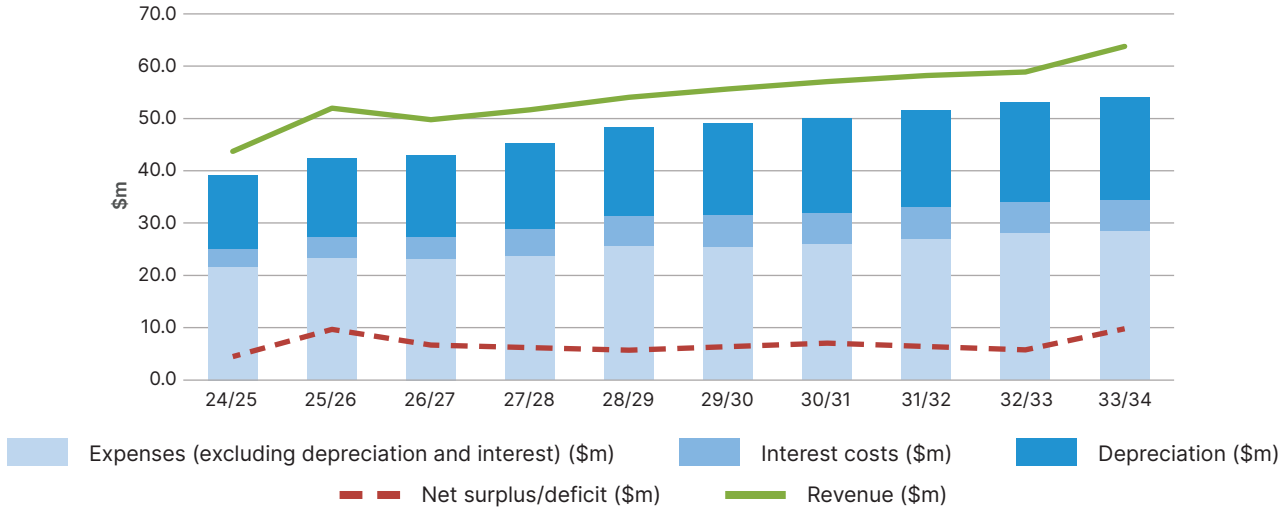
- Risk of a significant natural event. Would require a large amount of additional funding to restore services, affecting debt and rate levels. The depreciation fund for asset renewals would also be affected. This risk is managed through borrowing headroom.
- Deteriorating groundwater and lowland stream water quality. Continually increasing costs of additional treatment. This risk is managed through an allowance made for some treatment upgrades within the LTP, Council also works closely with regional council on shared objectives regarding improving declining water quality, residual financial risk managed via borrowing headroom.
- Inflation. Higher risk in the longer term due to long range forecasts harder to predict. Greater than forecasted cost increases impact on debt servicing costs and rates. This risk is managed through use of reasonable inflationary allowances within LTP budgets.
- Economic Growth. A downturn in the economy could impact ratepayers' ability or willingness to support maintaining levels of service. Forecast rate increases for water services are roughly in line with the rate of inflation, so there is not foreseen to be a need for continued increases in investment in order to achieve required levels of service that would put any additional pressure on household incomes.
- Timing and level of capital expenditure. Significant delays in capital works programmes will have a negative impact on delivery of future capital works programmes due to staff resourcing constraints. This risk is managed through the utilisation of internal resources where possible to deliver capital works, with private industry available to take any excess work that is unable to be delivered internally.
- Insurance. Should insurance be lost, costs of damage reinstatement from a significant natural event would be significant and works needing to be prioritised. Additional borrowings and increases to rates would be required. This risk is managed through borrowing headroom.
- Risk that growth developments lag behind water services growth related capital works programmes would result in increased debt servicing costs. This risk is managed through maintaining close working relationships with developers to ensure that investment in growth is timed to be coordinated with the rate of development.
- Significant changes in regulatory settings, such as step changes in treatment standards or resource consent requirements. Some provision is made within capital budget allowances for increased expectations in treatment (i.e. Oxford WWTP upgrade budget based on forecast higher level of service / treatment required to obtain new consent than was required for existing consent).

Financially Sustainable Assessment – Revenue Sufficiency

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

WDC's projected revenues are sufficient and meet the 'revenue sufficiency' test. The Council's projected water services revenue and expenses graph shows that every year the projected revenue is greater than projected expenditure, with the net surplus used to repay debt.

WDC's rates revenue is operational expenditure plus principal debt repayments less other revenue.



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

Median household income for the district from the 2023 Census has been inflated by Berl's labour inflation for the private sector to project median household income.

Median household charges are total operational expenditure plus debt repayments divided by the total number of rating units (for Wastewater and Stormwater) and connections (for drinking water).

Projected average charge per connection/rating unit (including GST)	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
	$	$	$	$	$	$	$	$	$	$
Drinking water	740	803	839	859	873	888	897	907	918	928
Wastewater	644	670	711	737	795	803	805	805	805	804
Stormwater	354	378	412	463	479	491	506	511	525	536
Average charge per connection/rating unit	**1,738**	**1,851**	**1,963**	**2,058**	**2,147**	**2,182**	**2,208**	**2,223**	**2,248**	**2,268**
Increase in average charge	15.2%	6.5%	6.1%	4.9%	4.3%	1.6%	1.2%	0.7%	1.1%	0.9%
Water services charges as % of median household income	**1.8%**	**1.9%**	**1.9%**	**2.0%**	**2.0%**	**2.0%**	**2.0%**	**1.9%**	**1.9%**	**1.9%**

Projected operating surpluses/(deficits) for water services

Operating surplus ratio (whether revenues cover costs)	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Operating surplus/(deficit) excluding capital revenues - combined water services	(5,849)	(6,056)	(3,942)	(3,563)	(4,189)	(3,308)	(2,977)	(3,406)	(3,581)	(3,259)
Operating revenue - combined water services	33,371	36,269	39,105	41,642	44,223	45,711	47,035	48,182	49,545	50,726
Operating surplus ratio	**(17.5%)**	**(16.7%)**	**(10.1%)**	**(8.6%)**	**(9.5%)**	**(7.2%)**	**(6.3%)**	**(7.1%)**	**(7.2%)**	**(6.4%)**

WDC is projected to generate surpluses with capital revenues included.

Excluding capital revenues WDC is projected to generate deficits. This is due to the depreciation funding policy, where the depreciation is not fully funded due to the depreciation fund being able to be invested at interest rates higher than inflation over the life of the assets.

The first two years (24/25 and 25/26) have higher negative operating surplus ratios due to the smoothing the impact of increased depreciation from the 23/24 3 Waters revaluation, due to significant short term construction cost inflation post the COVID-19 pandemic. The smoothing is recovered over the following 8 years from 26/27 to 33/24. There is no net impact over the 10 years timeframe.

Projected operating cash surpluses for water services

Operating cash ratio (whether revenues cover costs)	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Operating surplus/(deficit) + depreciation + interest costs - capital revenues	11,797	12,955	16,001	17,810	18,555	20,221	20,949	21,136	21,340	22,163
Operating revenue – combined water services	33,371	36,269	39,105	41,642	44,223	45,711	47,035	48,182	49,545	50,726
Operating cash ratio	**35.4%**	**35.7%**	**40.9%**	**42.8%**	**42.0%**	**44.2%**	**44.5%**	**43.9%**	**43.1%**	**43.7%**

WDC is projected to generate surplus operating cashflows. The operating cash ratio for the combined 10 years is 42%.

The surplus operating cashflows will be used to cover debt servicing (interest and principal) and build the Renewals Fund for future renewals.

Financially Sustainable Assessment - Investment Sufficiency

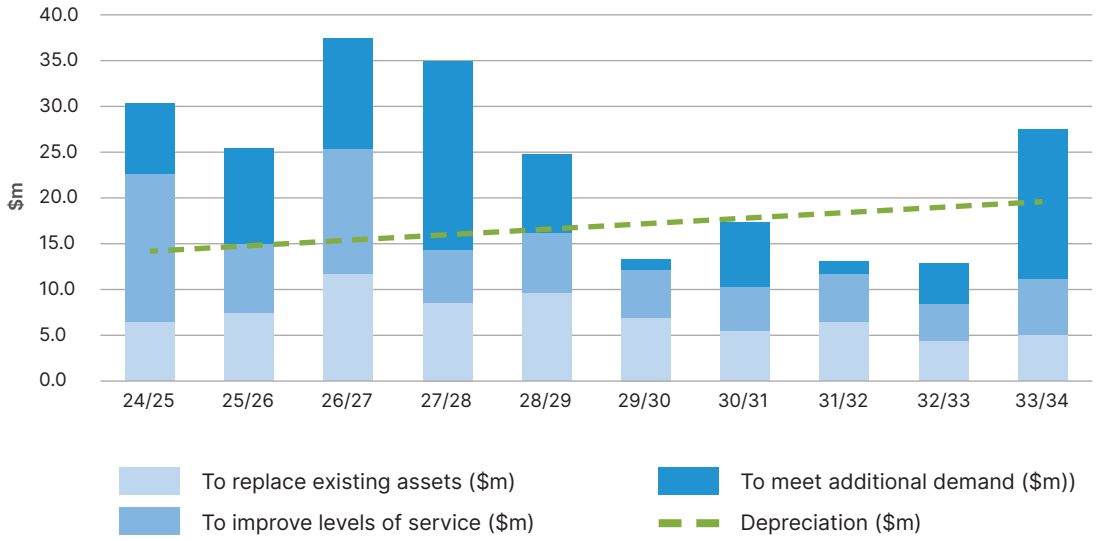
Projected water services investment is sufficient to meet levels of service, regulatory requirements and provide for growth

WDC's proposed water services investment are sufficient and meet the 'investment sufficiency' test. Assets requiring renewal, regulatory requirements and forecasted growth have been budgeted for in the Long Term Plan and are included in the 'Projected water services investment requirements' graph.

All proposed level of investment required is fully funded. Asset renewals will be funded by depreciation. Regulatory requirements and increased levels of service will be funded by debt. Growth will be funded by developer contributions.

The first 5 years investment requirements are greater than the last 5 years, due to more certainty around the required investments.

The increase growth in 2033/34 is so that development contributions can be collected on growth, which is forecasted to be required in the next 10 years but which exactly of the later years it will be required is uncertain.



Renewals requirements for water services

Asset sustainability ratio	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Capital expenditure on renewals – all water services assets	6,427	7,474	11,791	8,526	9,587	6,990	5,496	6,527	4,339	5,084
Depreciation – all water services assets	14,167	14,926	15,600	16,355	17,042	17,548	18,038	18,525	18,997	19,590
Asset sustainability ratio	**(54.6%)**	**(49.9%)**	**(24.4%)**	**(47.9%)**	**(43.7%)**	**(60.2%)**	**(69.5%)**	**(64.8%)**	**(77.2%)**	**(74.0%)**

Proposed renewals investment are modelled by Council staff and input into relevant asset management plans. The Asset Management Plans are used to prepare the Infrastructure Strategy and Long Term Plan.

WDC's projected levels of renewals investment is currently lower than projected depreciation. However, as a high growth Council and relatively recently earthquake affected Council, the assets owned by the Council are relatively new with the average age of water services assets being less than 30 years old. As most water services assets are expected to last between 80 and 100 years, most assets will not require renewing until the later half of this century.

Total water services investment required over 10 years

Asset investment ratio	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Total capital expenditure – all water services assets	30,370	25,406	37,429	34,925	24,810	13,248	17,381	13,125	12,853	27,488
Depreciation – all water services assets	14,167	14,926	15,600	16,355	17,042	17,548	18,038	18,525	18,997	19,590
Asset investment ratio	**114.4%**	**70.2%**	**139.9%**	**113.5%**	**45.6%**	**(24.5%)**	**(3.6%)**	**(29.1%)**	**(32.3%)**	**40.3%**

Proposed levels of investment are modelled by Council staff and input into relevant asset management plans. The Asset Management Plans are used to prepare the Infrastructure Strategy and Long Term Plan.

The asset investment ratio is higher in the early years due to the more certainty around regulatory requirements and growth forecasts. The asset investment ratio is negative from 2029/30 to 2032/33 due to less certainty around regulatory requirements and growth forecasts.

The asset investment ratio is positive again in 2033/34 due growth which is forecasted to be required in the next 10 years but which exactly of the later years it will be required is uncertain, and so has been budgeted for in 2033/34.

Average remaining useful life of network assets

Asset consumption ratio	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Book value of water infrastructure assets	1,045,000	1,078,000	1,125,000	1,169,000	1,201,000	1,221,000	1,245,000	1,264,000	1,282,000	1,313,000
Replacement value of water infrastructure assets	1,374,000	1,421,000	1,484,000	1,544,000	1,594,000	1,631,000	1,672,000	1,170,000	1,747,000	1,798,000
Asset consumption ratio	**76.1%**	**75.8%**	**75.8%**	**75.7%**	**75.4%**	**74.9%**	**74.4%**	**73.9%**	**73.4%**	**73.0%**

The proposed level of asset investment has minimal impact on average remaining useful life of assets due to relatively younger existing assets from:

1. the relatively recent effect of earthquakes and the significant amount of asset renewals required afterwards;
2. past recent high growth and development in the district

Financially Sustainable Assessment - Financing Sufficiency

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

The 'Projected council net debt to operating revenue' graph shows that WDC borrowing is projected to be within internal policy (LGFA allow higher limits) borrowing limits. From 2031/32 borrowing decreases due to:

1. smaller capital works programmes from less certainty around regulatory requirements and growth forecasts;
2. depreciation collected and invested for future asset renewals

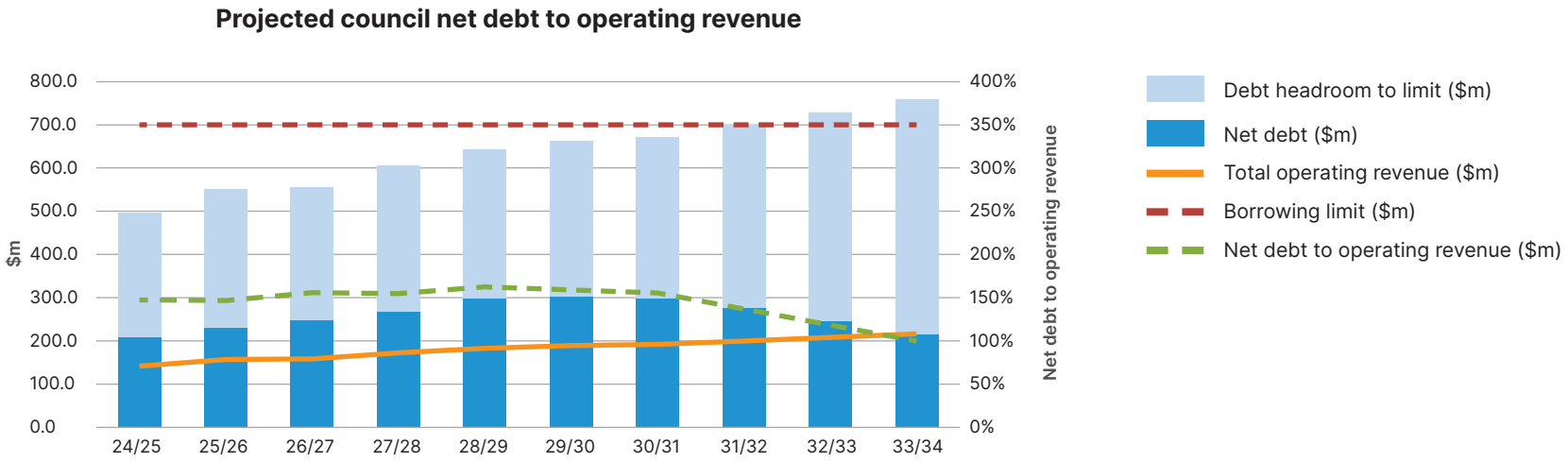
The 'Projected water services net debt to operating revenue' graphs shows that water services will peak around 2027/28 and 2028/29 and remain within internal policy (LGFA allow higher limits) borrowing limits. Then from 2029/30 borrowing decreases due to:

1. smaller capital works programmes from less certainty around regulatory requirements and growth forecasts;
2. depreciation collected and invested for future asset renewals

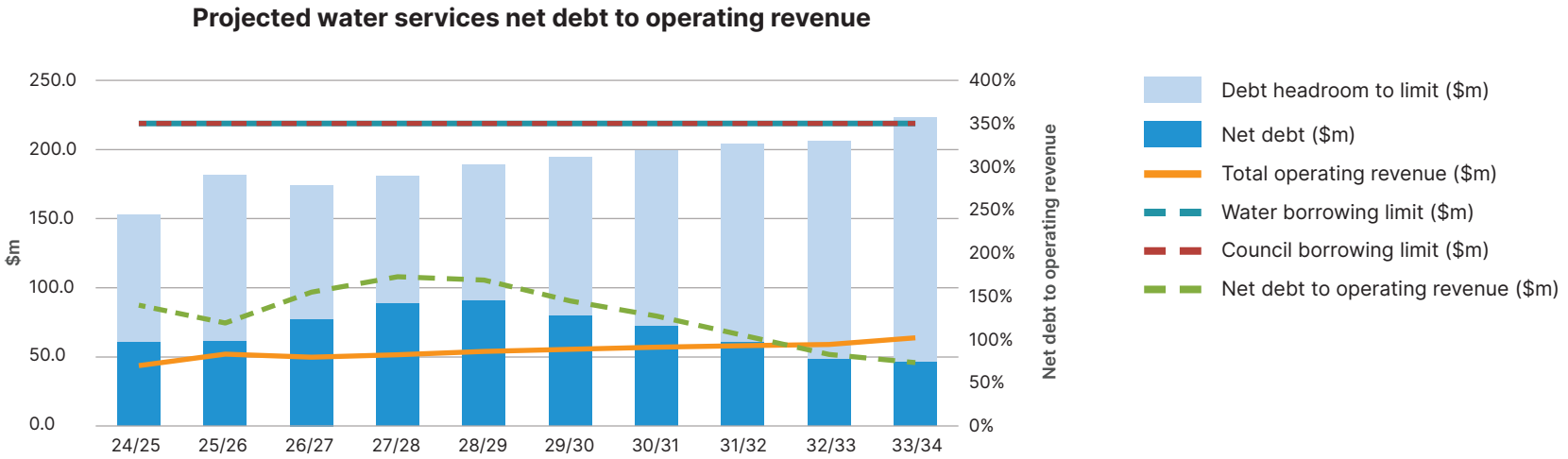
Proposed borrowings will be sourced from Local Government Funding Agency (LGFA).

WDC's water services delivery plan will meet the 'financial sufficiency' test. Asset renewals will be funded by depreciation. Regulatory requirements and increased levels of service will be funded by debt. Growth will be funded by developer contributions.

Projected council borrowings against borrowing limits



Projected water services borrowings against borrowing limits



Projected borrowings for water services

Net debt to operating revenue	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Net debt attributed to water services (gross debt less cash)	61,215	62,038	77,163	89,273	91,369	80,464	72,743	60,696	48,766	46,850
Operating revenue – combined water services	34,275	38,595	39,854	41,642	44,223	45,711	47,035	48,182	49,545	50,726
Net debt to operating revenue %	**179%**	**161%**	**197%**	**214%**	**207%**	**176%**	**155%**	**126%**	**98%**	**92%**

All proposed borrowings will be through the Local Government Funding Agency (LGFA).

WDC's internally determined policy borrowing limit for water services is 250% (LGFA borrowing limit is 350% as a growth Council, 280-290% for non-growth Councils). Projected net debt to operating revenue will peak around 2027/28 and 2028/29 and remain within borrowing limits.

From 2029/30 net debt to operating revenue decreases due to:

1. smaller capital works programmes from less certainty around regulatory requirements and growth forecasts;
2. depreciation collected and invested for future asset renewals

Borrowing headroom/(shortfall) for water services

Borrowing headroom/ (shortfall) against limit	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Operating revenue	34,275	38,595	39,854	41,642	44,223	45,711	47,035	48,182	49,545	50,726
Debt to revenue limit for water services (%)	350%	350%	350%	350%	350%	350%	350%	350%	350%	350%
Maximum allowable net debt at borrowing limit	**119,963**	**135,083**	**139,489**	**145,747**	**154,781**	**159,989**	**164,623**	**168,637**	**173,408**	**177,541**
Projected net debt attributed to water services	61,215	62,038	77,163	89,273	91,369	80,464	72,743	60,696	48,766	46,850
Borrowing headroom/ (shortfall) against limit	**58,747**	**73,044**	**62,326**	**56,474**	**63,411**	**79,524**	**91,879**	**107,941**	**124,641**	**130,691**

Operating revenue is the Local Government Funding Agency's (LGFA) definition of revenue, for simplicity. LGFA defines revenue for this purpose as "Cash earnings from rates, grants and subsidies, user charges, interest, dividends, financial and other revenue and excludes non-government capital contributions (e.g. developer contributions and vested assets)".

WDC's internally determined policy net borrowing limit for water services is 250% (LGFA borrowing limit is 350% as a growth Council, 280-290% for non-growth Councils) of operating revenue.

Combined with insurance, WDC's projected borrowing headroom is currently sufficient to cover a significant unforeseen events.

Borrowing headroom decreases between 2026/27 to 2028/29 due to significant partially growth-related wastewater projects. Borrowings required to fund the levels of service component of the wastewater projects.

Free funds from operations

Free funds from operations	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Projected net debt attributed to water services	61,215	62,038	77,163	89,273	91,369	80,464	72,743	60,696	48,766	46,850
Projected free funds from operations – water services	9,222	11,196	12,407	12,792	12,853	14,240	15,061	15,119	15,416	16,331
Free funds from operations to net debt ratio	**15.1%**	**18.0%**	**16.1%**	**14.3%**	**14.1%**	**17.7%**	**20.7%**	**24.9%**	**31.6%**	**34.9%**

The free funds from operations ratio is projected to start increasing from 2029/30, which is when the capital works programmes reduce and more cash is proposed to be invested towards future asset renewals. This is consistent with the financial strategy of depreciation funding being invested at interest rates higher than inflation over the life of the assets.

The increase in free funds from operations in 2025/26 is due to developer contributions forecasted to be received from a Private Developer Agreement.

Part E:

Projected Financial Statements for Water Services

Projected Financial Statements – for Drinking Water, Wastewater, Stormwater and Combined Water Services

Projected funding impact statement

Projected funding impact statement - water services	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Sources of operating funding										
General rates	159	155	151	146	141	135	130	66	60	53
Targeted rates	32,434	35,328	38,151	40,667	43,236	44,714	46,027	47,221	48,575	49,747
Subsidies and grants for operating purposes	-	-	-	-	-	-	-	-	-	-
Local authorities fuel tax, fines, infringement Projected fees and other	-	-	-	-	-	-	-	-	-	-
Fees and charges	778	786	803	829	846	862	878	895	910	926
Total sources of operating funding	**33,371**	**36,269**	**39,105**	**41,642**	**44,223**	**45,711**	**47,035**	**48,182**	**49,545**	**50,726**
Applications of operating funding										
Payments to staff and suppliers	17,934	19,407	19,102	19,617	21,197	20,950	21,572	22,407	23,444	23,735
Finance costs	3,479	4,085	4,343	5,018	5,702	5,981	5,888	6,017	5,924	5,832
Internal charges and overheads applied	3,640	3,907	4,002	4,215	4,471	4,450	4,514	4,639	4,761	4,828
Other operating funding applications	-	-	-	-	-	-	-	-	-	-
Total applications of operating funding	**25,053**	**27,399**	**27,447**	**28,850**	**31,370**	**31,471**	**31,974**	**33,063**	**34,129**	**34,395**

Projected funding impact statement - water services	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Surplus/(deficit) of operating funding	**8,318**	**8,870**	**11,658**	**12,792**	**12,853**	**14,240**	**15,061**	**15,119**	**15,416**	**16,331**
Source of capital funding										
Subsidies and grants for capital expenditure	904	2,326	749	-	-	-	-	-	-	-
Development and financial contributions	9,086l	12,959	9,388	9,455	9,185	9,081	9,059	8,901	8,064	11,845
Increase/(decrease) in debt	15,618	6,667	17,261	17,474	7,205	(2,292)	3,380	(2,251)	(2,243)	2,142
Gross proceeds from sales of assets	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	357	428	509	568	676	832	982	1,152	1,303	1,228
Total sources of capital funding	**25,965**	**22,380**	**27,907**	**27,497**	**17,066**	**7,621**	**13,421**	**7,802**	**7,124**	**15,215**
Applications of capital funding										
Capital expenditure - to meet additional demand	7,670	10,406	12,084	20,580	8,584	1,094	7,054	1,415	4,385	16,331
Capital expenditure - to improve levels of services	16,273	7,526	13,554	5,819	6,639	5,164	4,831	5,183	4,129	6,073
Capital expenditure - to replace existing assets	6,427	7,474	11,791	8,526	9,587	6,990	5,496	6,527	4,339	5,084
Increase/(decrease) in reserves	3,913	5,844	2,136	5,364	5,109	8,613	11,101	9,796	9,687	4,058
Increase/(decrease) in investments	-	-	-	-	-	-	--	-	-	-
Total applications of capital funding	**34,283**	**31,250**	**39,565**	**40,289**	**29,919**	**21,861**	**28,482**	**22,921**	**22,540**	**31,546**
Surplus/(deficit) of capital funding	**(8,318)**	**(8,870)**	**(11,658)**	**(12,792)**	**(12,853)**	**(14,240)**	**(15,061)**	**(15,119)**	**(15,416)**	**(16,331)**
Funding balance	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Projected statement of comprehensive revenue and expense

Projected statement of profit and loss - water services	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Revenue										
Operating revenue	33,371	36,269	39,105	41,642	44,223	45,711	47,035	48,182	49,545	50,726
Other revenue	10,347	15,713	10,646	10,023	9,861	9,913	10,041	10,053	9,367	13,073
Total revenue	**43,718**	**51,982**	**49,751**	**51,665**	**54,084**	**55,624**	**57,076**	**58,235**	**58,912**	**63,799**
Expenses										
Operating expenses	17,934	19,407	19,102	19,617	21,197	20,950	21,572	22,407	23,444	23,735
Finance costs	3,479	4,085	4,343	5,018	5,702	5,981	5,888	6,017	5,924	5,832
Overheads and support costs	3,640	3,907	4,002	4,215	4,471	4,540	4,514	4,639	4,761	4,828
Depreciation & amortisation	14,167	14,926	15,600	16,355	17,042	17,548	18,038	18,525	18,997	19,590
Total expenses	**39,220**	**42,325**	**43,047**	**45,205**	**48,412**	**49,019**	**50,012**	**51,588**	**53,126**	**53,985**
Net surplus/(deficit)	**4,498**	**9,657**	**6,704**	**6,460**	**5,672**	**6,605**	**7,064**	**6,647**	**5,786**	**9,814**
Revaluation of infrastructure assets	29,091	22,200	25,270	25,252	24,874	24,169	24,656	23,858	24,205	23,598
Total comprehensive income	**33,589**	**31,857**	**31,974**	**31,712**	**30.546**	**30,774**	**31,720**	**30,505**	**29,991**	**33,412**
Cash surplus/(deficit) from operations (ex non-cash items)	**18,665**	**24,583**	**22,304**	**22,815**	**22,714**	**24,153**	**25,102**	**25,172**	**24,783**	**29,404**

Projected statement of cashflows

Projected statement of cashflows - water services	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Cashflows from operating activities										
Cash surplus/(deficit) from operations	18,665	24,583	22,304	22,815	22,714	24,153	25,102	25,172	24,783	29,404
[Other items]	-	-	-	-	-	-	-	-	-	-
Net cashflows from operating activities	**18,665**	**24,583**	**22,304**	**22,815**	**22,714**	**24,153**	**25,102**	**25,172**	**24,783**	**29,404**
Cashflows from investing activities										
Capital expenditure – infrastructure assets	(30,370)	(24,406)	(37,429)	(34,925)	(24,810)	(13,248)	(17,381)	(13,125)	(12,853)	(27,488)
[Other items]	-	-	-	-	-	-	-	-	-	-
Net cashflows from investing activities	**(30,370)**	**(25,406)**	**(37,429)**	**(34,925)**	**(24,810)**	**(13,248)**	**(17,381)**	**(13,125)**	**(12,853)**	**(27,448)**
Cashflows from financing activities										
New borrowings	18,178	10,740	22,954	24,576	13,530	6,969	10,396	7,708	7,524	12,711
Repayment of borrowings	(2,560)	(4,073)	(5,693)	(7,102)	(6,325)	(9,261)	(7,016)	(9,959)	(9,767)	(10,569)
Net cashflows from financing activities	**15,618**	**6,667**	**17,261**	**17,474**	**7,205**	**(2,292)**	**3,380**	**(2,251)**	**(2,243)**	**2,142**
Net increase/(decrease) in cash and cash equivalents	**3,913**	**5,844**	**2,136**	**5,364**	**5,109**	**8,613**	**11,101**	**9,796**	**9,687**	**4,058**
Cash and cash equivalents at beginning of year	31,100	35,013	40,857	42,993	48,357	53,466	62,079	73,180	82,976	92,663
Cash and cash equivalents at end of year	**35,013**	**40,857**	**42,993**	**48,357**	**53,466**	**62,079**	**73,180**	**82,976**	**96,663**	**96,721**

Projected statement of financial position

Projected statement of financial position	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Assets										
Cash and cash equivalents	35,013	40,857	42,993	48,357	53,466	62,079	73,180	82,976	92,663	96,721
Other current assets	-	-	-	-	-	-	-	-	-	-
Infrastructure assets	1,045,214	1,077,894	1,124,993	1,168,815	1,201,457	1,221,326	1,245,325	1,263,783	1,281,844	1,313,340
Other non-current assets	-	-	-	-	-	-	-	-	-	-
Total assets	**1,080,227**	**1,118,751**	**1,167,986**	**1,217,172**	**1,254,923**	**1,283,405**	**1,318,505**	**1,346,759**	**1,374,507**	**1,410,061**
Liabilities										
Borrowings – current portion	-	-	-	-	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-	-	-	-	-
Borrowings – non-current portion	96,228	102,895	120,156	137,630	144,835	142,543	145,923	143,672	141,429	143,571
Other non-current liabilities	-	-	-	-	-	-	-	-	-	-
Total liabilities	**96,228**	**102,895**	**120,156**	**137,630**	**144,835**	**142,543**	**145,923**	**143,672**	**141,429**	**143,571**
Net assets	**983,999**	**1,015,856**	**1,047,830**	**1,079,542**	**1,110,088**	**1,140,862**	**1,172,582**	**1,203,087**	**1,233,078**	**1,266,490**
Equity										
Revaluation reserves	621,526	643,726	668,996	694,248	719,122	743,291	767,947	791,805	816,010	839,608
Other reserves	362,473	372,130	378,834	385,294	390,966	397,571	404,635	411,282	417,068	426,882
Total equity	**983,999**	**1,015,856**	**1,047,830**	**1,079,542**	**1,110,888**	**1,140,862**	**1,172,582**	**1,203,087**	**1,233,078**	**1,266,490**

Water Services Delivery Plan:

Additional Information

Significant Capital Projects

Significant capital projects – drinking water

Significant capital projects – drinking water	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Projects to meet additional demand										
South Belt Reservoir Upgrade	-	-	-	-	-	-	-	-	-	3,850
Northeast Rangiora Supply Main	3,060	-	-	-	-	-	-	-	-	-
Merton Road and Priors Road Water Servicing	-	2,232	-	-	-	-	-	-	-	-
Ayers St Water Treatment Plant to East Belt Supply Main	171	875,	-	-	-	-	-	-	-	-
Lehmans and Oxford Road Link Main	148	-	-	1,066	-	-	-	-	-	-
Chinnerys Road Reservoir Upgrade 1	-	-	-	-	-	-	-	300	2,700	-
Main Street Trunk Main Upgrade	-	-	-	65	600	-	-	-		-
View Hill Storage Upgrade	-	-	-	80	920	-	-	-	-	-
Total investment to meet additional demand	**3,379**	**3,107**	**-**	**1,211**	**1,520**	**-**	**-**	**300**	**2,700**	**3,850**
Projects to improve levels of services										
	-	-	-	-	-	-	-	-	-	-
Total investment to meet improve levels of services	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Significant capital projects – drinking water	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Projects to replace existing assets										
Rangiora Water Reticulation Renewals	800	800	800	570	742	742	742	742	742	742
Kaiapoi Water Reticulation Renewals	350	350	350	307	257	105	257	330	63	198
Rangiora Water Headworks Renewals	-	-	750	224	224	147	224	224	224	224
Woodend Pegasus Headworks Renewals	-	-	670	310	245	245	244	245	245	245
Kaiapoi Water Headworks Renewals	-	-	450	156	156	156	156	156	156	156
Oxford Rural No.2 Water Reticulation Renewals	50	335	180	192	183	65	183	183	183	183,
Oxford Urban Water Reticulation Renewals	140	320	320	294	-	332	332	332	-	-
Oxford No 1 Water Headworks Renewals	-	300	102	102	102	102	102	18	-	-
Ayers St Water Treatment Plant to East Belt Supply Main	-	596	-	-	-	-	-	-	-	-
Main Street Trunk Main Upgrade	-	-	-	45	410	-	-	-	-	-
Total investment to replace existing assets	**1,340**	**2,701**	**3,622**	**2,200**	**2,319**	**1,894**	**2,241**	**2,230**	**1,613**	**1,749**
Total investment in drinking water assets	**4,719**	**5,808**	**3,622**	**3,411**	**3,839**	**1,894**	**2,241**	**2,530**	**4,313**	**5,599**

Significant capital projects – wastewater

Significant capital projects – wastewater	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Projects to meet additional demand										
Kaiapoi Capacity Upgrade	-	250	4,140	2,000	3,000	614	3,000	-	-	-
Woodend - New Oxidation Pond	-	-	-	-	-	150	2,350	-	-	-
Oxford WWTP Upgrade	50	350	350	10,200	-	-	-	-	-	-
Moorcroft Pumpstation and Rising Main Upgrade	-	-	-	-	-	-	-	-	500	6,074
Rangiora - Aeration Basin Upgrade	400	100	3,750	-	-	-	-	-	-	-
Woodend - New Oxidation Pond	-	-	-	-	-	150	2,350	-	-	-
Rangiora - East Pumpstation and Rising Main	-	1,390	786	-	-	-	-	-	-	-
Rangiora - Todds Road Pump Station	-	-	-	-	1,847	-	-	-	-	-
Oxford - Step Screen Replacement	200	-	50	1,450	-	-	-	-	-	-
Oxford WWTP Sludge Treatment	-	50	100	1,450	-	-	-	-	-	-
Rangiora - Central Rangiora Capacity Upgrade Stage 9	480	50	1,019	-	-	-	-	-	-	-
Merton Road and Priors Road Wastewater Servicing	-	1,220	-	-	-	-	-	-	-	-
Total investment to meet additional demand	**1,130**	**3,410**	**10,195**	**15,100**	**4,847**	**914**	**7,700**	**-**	**500**	**6,074**

Significant capital projects – wastewater	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Projects to improve levels of services										
EDSS Treatment Upgrade	-	-	-	-	-	-	-	-	500	1,000
Kaiapoi - Cridland Street sewer repairs	50	50	1,200	-	-	-	-	-	-	-
Projects to replace existing assets										
Rangiora Pipeline Renewals	250	1,500	1,500	1,500	1,500	628	-	-	-	-
Kaiapoi Capacity Upgrade	-	100	2,000	-	2,000	544	-	-	-	-
Kaiapoi Headworks Renewals	300	300	350	357	357	357	357	357	357	208
Rangiora Headworks Renewals	-	-	500	235	235	235	235	235	192	-
Ocean Outfall Headworks Renewals	-	100	100	385	385	385	385	385	341	-
Woodend Headworks Renewals	200	200	225	209	209	209	209	209	137	-
Woodend Pipeline Renewals	-	-	300	704	404	404	304	304	181	-
Moorcroft Pumpstation and Rising Main Upgrade	-	-	-	-	-	-	-	-	-	168
Total investment to replace existing assets	**750**	**2,200**	**4,975**	**3,391**	**5,091**	**2,763**	**1,491**	**1,491**	**1,208**	**376**
Total investment in wastewater assets	**1,930**	**5,660**	**16,370**	**18,491**	**9,938**	**3,677**	**9,191**	**1,491**	**2,208**	**7,450**

Significant capital projects – stormwater

Significant capital projects – stormwater	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Projects to meet additional demand										
Todds Road SW Pond	-	-	-	1,125	-	-	-	-	-	-
Total investment to meet additional demand	**-**	**-**	**-**	**1,125**	**-**	**-**	**-**	**-**	**-**	**-**
Projects to improve levels of services										
Network Discharge Consent Implementation Works Rangiora	-	500	900	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Network Discharge Consent Implementation Works Kaiapoi	-	70	700	700	700	700	700	700	700	700
Global Consent Implementation Works Coastal Urban	-	-	-	300	300	500	500	500	500	-
Cridland Street West Drainage Upgrades	50	150	1,740	-	-	-	-	-	-	-
Dudley Drain PD Upgrade	-	-	-	-	-	-	100	1,500	-	-
Network Discharge Consent Implementation Works Oxford	-	-	30	200	200	330	330	330	300	-
Beswick Street PS Upgrade	-	-	-	-	100	1,500	-	-	-	-
Kaikanui Diversion	50	250	1,200	-	-	-	-	-	-	-
Kaikanui SMA Upgrade	50	250	1,200	-	-	-	-	-	-	-
Blackett Street Piping	500	50	650	-	-	-	-	-	-	-
North Drain Treatment	-	-	-	130	400	100	500	-	-	-

Significant capital projects – stormwater	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33	FY 2033/34
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Box Drain Improvements	50	1,050	-	-	-	-	-	-	-	-
Rotten Row Drainage Improvements	-	-	-	-	1,050	-	-	-	-	-
West Belt Trunk Stormwater Pipeline	-	-	50	100	850	-	-	-	-	-
Total investment to meet improve levels of services	**700**	**2,320**	**6,470**	**2,430**	**4,600**	**4,130**	**3,130**	**4,030**	**2,500**	**1,700**
Projects to replace existing assets										
Kaiapoi Drainage Long Term Headworks Renewals	-	-	-	640	-	-	-	-	-	400
Dudley Drain PD Upgrade	-	-	-	-	-	-	50	250	-	-
Blackett Street Piping	-	-	125	-	-	-	-	-	-	-
Total investment to replace existing assets	**-**	**-**	**125**	**640**	**-**	**-**	**50**	**250**	**-**	**400**
Total investment in stormwater assets	**700**	**2,320**	**6,595**	**4,195**	**4,600**	**4,130**	**3,180**	**4,280**	**2,500**	**2,100**

Assumptions:

- Significant projects have been defined as any project with a total value of $1.0M or more, noting that this also includes projects over 5% of the total capital works budget for the next 10 years for each water.

Risks and Assumptions

Disclosure of risks and material assumptions for water services delivery

The assumptions listed above under each section of this document should be read in conjunction with the key assumptions and risks below. These assumptions and risks are taken from the 2021 to 2051 Waimakariri District Council Infrastructure Strategy and the corporate risk register where relevant to 3 Waters.

At a corporate level the 2021 to 2051 Waimakariri District Council Infrastructure Strategy outlines all of the key assumptions and risks that could potentially impact Council service delivery. Mitigation measures are also explained in response to each identified risk.

Parameters	Drinking supply	Wastewater	Stormwater
Key Risks • Future water service delivery • Network performance • Regulatory compliance • Delivery of Capital Programme • Organisational capacity • Long term issues e.g. providing for growth, climate change	• Natural Disaster - Earthquakes – Alpine Fault Magnitude 8+ (AF8) – Significant earthquakes that cause major damage to Council's assets/infrastructure. • Other Natural Disasters - Significant Unplanned Adverse Events – Fire, floods, windstorms, snowstorms, tsunamis outside of expected risk assessments. • Impacts of Climate Change • Water Quality – Rising regulatory requirements and community expectations in relation to freshwater quality and in the face of deteriorating groundwater and lowland stream water quality. • A pandemic or similar event • Useful Life of Significant Assets and Depreciation Funding • Impact of major adverse events / Civil Defence Emergency: Inability to maintain a sustained response and high demand to fix infrastructure damage causes ongoing community disruption. • Lack of trained/qualified resources with technical/specialist expertise impacts service delivery and staff workloads. • Regulatory change (e.g. Water Services Reforms, RMA, Emergency Management, Waste etc): Increased uncertainty as to who and how services will be delivered impacts council structure/revenue/Long Term Planning. • Lack of collaborative working relationship with iwi limits the ability to partner on decision making of important council services and wider wellbeing of the community.	• Failure to act in a timely manner exacerbates climate risks and mitigation/adaptation costs, reduces benefits arising from new opportunities and increases dissatisfaction from members of the community. • Conflict between urban v rural expectations on environmental issues (e.g. land management, drinking water supply/use) create additional demands on council to resolve. • Changing demands/regulatory requirements for services and community expectations undermine delivery of existing services. • Financial forecasting/planning doesn't account for degree of change in economic environment means funding model is not sustainable. • Insufficient investment in IT and use of new/emerging technologies impacts service delivery and exposes council to system losses. • Community expectations about the role and value of council are not met, especially re perceived value of services for rates paid. • Biodiversity, Natural Environment and Degradation – Invasive species have the potential to reduce native species populations and degrade the natural environment whilst often having the means to be vectors for disease. • Timing and Level of Capital Expenditure • Insurance • Growth distribution	• Asset revaluation • Development contributions • Population growth

Parameters	Drinking supply	Wastewater	Stormwater
Significant assumptions • Future water service delivery • Network performance • Regulatory compliance • Delivery of Capital Programme • Organisational capacity • Long term issues e.g. providing for growth, climate change	• CDEM emergency readiness and infrastructure and buildings seismic resiliency are all reflected in relevant budgets. • Borrowing 'headroom' of $48m to fund the Council's share of rebuild in relation to 'maximum probable loss' scenario is provided for within the Council's FS. • Included in the budgets is the establishment of a permanent infrastructure resilience team and flood recovery and resilience fund to support the works to reduce the impact. This is a total capital works of $2.2m and operating costs of $3.3m over the 10-year period. • Consequences of climate change for asset management are or are soon to be accounted for in relevant plans, budgets and policies. • Council will continue to follow the IPCC and government research guidelines. • Transition decisions will be made in a timely manner. • Adequate resources will be set aside for climate change mitigation, adaption and recovery over the long term. • Climate actions in strategies will be implemented. • Insurance will continue to be made available for Council assets. • Council will continue to enjoy a political mandate from the community to proceed with its climate change work. • Planned expenditure, monitoring and regulatory initiatives are effective in responding to rising regulatory requirements and observed deterioration in water quality. • Increase in funding to ensure health and safety mitigation. • Drinking water safety plans are being implemented, and are successful in delivering safe healthy water. • Covid-19 restrictions have ended. The principles and processes associated with the Covid Pandemic provided a framework for future 'health led, Council supported' responses to such events.	• The Natural Environment Strategy, along with the Implementation Plan is adopted and effective in responding to areas of risk. • Practical restoration of Council owned land is continued. • There is an increase in funding to ensure mitigation measures, particularly all actions noted in the Natural Environment Strategy can be undertaken. • Community members have access to ecological information and advice from a range of sources and events supported by Council. • The Council strives for current inclusive information regarding the natural environment and biodiversity assets. • Long term plan assumes that the timing and cost of capital projects and associated operating costs are as determined through Council's activity management planning process. • Council will retain full replacement cover for above ground assets. • The 60% Government share for below ground assets is maintained. • Borrowing 'headroom' is provided for in the FS, in the unlikely event full cover is not available. • Urban development over the next 10 years occurs within the Infrastructure Boundary and generally in Priority Areas identified in the Canterbury Regional Policy Statement. • The life of significant assets is as set out in Accounting Policies • The effects of climate change are taken into account when determining asset life. • Funding sources for the required replacement of assets are identified in the Council's Revenue and Financing Policy. • Rating levels are set to recover depreciation costs in accordance with the Council's Revenue and Financing Policy. • Depreciation funded can be invested at higher rates the inflation over the life of the assets.

Appendix 1

Water Services Levels of Service

Water Supply - measuring performance

WELLBEING *That this activity contributes to*	COMMUNITY OUTCOME *How this activity contributes to outcome*	WHAT COUNCIL PROVIDES *Major levels of service*	MEASURING PERFORMANCE	TARGETS (2024-2034)
	Council commits to promoting health and wellbeing and minimising the risk of social harm to its communities. Our community has equitable access to the essential infrastructure and services required to support community wellbeing.	**Safety of Drinking Water** All public water supplies comply with Drinking Water Quality Assurance Rules.	The extent to which drinking water complies with the Water Services (Drinking Water Standards for New Zealand) Regulations 2022* for: a. Bacterial compliance b. Protozoal compliance.	100% of people on a public supply receive water from a compliant scheme.

* *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 superseded by the Water Services (Drinking Water Standards for New Zealand) Regulations 2022 (per practice note issued by Taituara (Local Government Professionals Aotearoa) in April 2024). Therefore the Council is reporting against these measures relying upon the relevant incorporation by reference provisions in New Zealand Law.

WELLBEING *That this activity contributes to*	COMMUNITY OUTCOME *How this activity contributes to outcome*	WHAT COUNCIL PROVIDES *Major levels of service*	MEASURING PERFORMANCE	TARGETS (2024-2034)
	Our community has equitable access to the essential infrastructure and services required to support community wellbeing. Our district is resilient and able to quickly respond to and recover from natural disasters and the effects of climate change. The natural and built environment in which people live is clean, healthy and safe. Infrastructure and services are sustainable, resilient, and affordable.	**Maintenance of the Reticulation Network** All public water supplies are actively maintained to minimise the loss of water through leakage.	The percentage of real water loss from the networked reticulation system.	Less than 22%
		Fault Response Times All public water supplies are actively maintained to minimise the outage of water.	The median response time to attend a call-out in response to a fault or unplanned interruption to the network reticulation system:	
			a. Attendance for urgent call-outs from the time that the local authority receives notification to the time that the service personnel reach the site.	a. Less than 60 minutes.
			b. Resolution of urgent call-outs from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption.	b. Less than 480 minutes.
			c. Attendance for non-urgent callouts from the time that the local authority receives notification to the time that service personnel reach the site.	c. Less than 36 hours (2,160 minutes).
			d. Resolution of non-urgent call-outs from the time that the local authority receives notification to the time that service personnel confirm resolution of the fault or interruption.	d. Less than 48 hours (2,880 minutes).

WELLBEING *That this activity contributes to*	COMMUNITY OUTCOME *How this activity contributes to outcome*	WHAT COUNCIL PROVIDES *Major levels of service*	MEASURING PERFORMANCE	TARGETS (2024-2034)
	Council commits to promoting health and wellbeing and minimising the risk of social harm to its communities. Our community has equitable access to the essential infrastructure and services required to support community wellbeing. The natural and built environment in which people live is clean, healthy and safe. Infrastructure and services are sustainable, resilient, and affordable.	**Fault Response Times** All public water supplies are actively maintained to minimise the outage of water.	The number of events that cause water not to be available to any connection for more than 8 hours.	Nil.
		Customer Satisfaction All public water supplies are managed to an appropriate quality of service.	The total number of complaints received about any of the following: a. Drinking water clarity b. Drinking water taste c. Drinking water odour d. Drinking water pressure or flow e. Continuity of supply f. Council's response to any of the above. Expressed per 1,000 connections to the networked reticulation system.	Aggregate of a) to f) to be less than 5 complaints per 1,000 connections.
		Demand Management All public water supplies are managed to ensure demand does not exceed capacity.	The average consumption of drinking water based on litres per day per person within the District.	Less than 450 litres.

Wastewater - measuring performance

WELLBEING *That this activity contributes to*	COMMUNITY OUTCOME *How this activity contributes to outcome*	WHAT COUNCIL PROVIDES *Major levels of service*	MEASURING PERFORMANCE	TARGETS (2024-2034)
	Council commits to promoting health and wellbeing and minimising the risk of social harm to its communities. Our community has equitable access to the essential infrastructure and services required to support community wellbeing. The natural and built environment in which people live is clean, healthy and safe. Infrastructure and services are sustainable, resilient, and affordable.	**System Adequacy** The sewerage system is adequately sized and maintained.	The number of dry weather sewerage overflows from the sewerage system expressed per 1,000 sewerage connections to that sewerage system.	Less than 1 per 1,000 connections..
	The natural and built environment in which people live is clean, healthy and safe. Our communities are able to access and enjoy natural areas and public spaces.	**Discharge Compliance** The treatment and disposal of sewage is managed in accordance with consent conditions.	Compliance with resource consents for discharge from the sewerage system measured by the number of: a. Abatement notices b. Infringement notices c. Enforcement orders; and d. Convictions. Received in relation to those resource consents.	Nil.
	People are supported to participate in improving the health and sustainability of our environment. The natural and built environment in which people live is clean, healthy and safe.	**Consent Breach - Action required**	Percentage of the total number of wastewater consent conditions that have breaches that result in an Environment Canterbury report identifying compliance issues that require action.	0% of consent condition that have breaches.

Mandatory Performance Measures

WELLBEING *That this activity contributes to*	COMMUNITY OUTCOME *How this activity contributes to outcome*	WHAT COUNCIL PROVIDES *Major levels of service*	MEASURING PERFORMANCE	TARGETS (2024-2034)
	Our district is resilient and able to quickly respond to and recover from natural disasters and the effects of climate change. The natural and built environment in which people live is clean, healthy and safe. Our communities are able to access and enjoy natural areas and public spaces.	**Response to Sewerage System Faults** The sewerage system is actively maintained and faults promptly attended to.	The median response times for attendance to sewerage overflows resulting from a blockage or other fault in the sewerage system: a. Attendance time from receipt of notification to the time that service personnel reach the site; and b. Resolution time from receipt of notification to the time that service personnel confirm resolution of the blockage or other fault.	a. Less than 120 minutes b. Less than 480 minutes.
	Our community has equitable access to the essential infrastructure and services required to support community wellbeing. People are supported to participate in improving the health and sustainability of our environment.	**Customer Satisfaction** The wastewater system is managed to an appropriate quality of service.	The number of complaints received about any of the following: a. Sewerage odour b. Sewerage system faults c. Sewerage system blockages; and d. Response to issues with the sewerage system. Expressed per 1,000 connections to the sewerage system.	Aggregate of a. to d. to be less than 5 complaints per 1,000 connections.

Stormwater Drainage - measuring performance

WELLBEING *That this activity contributes to*	COMMUNITY OUTCOME *How this activity contributes to outcome*	WHAT COUNCIL PROVIDES *Major levels of service*	MEASURING PERFORMANCE	TARGETS (2024-2034)
	Council commits to promoting health and wellbeing and minimising the risk of social harm to its communities. Our community has equitable access to the essential infrastructure and services required to support community wellbeing. The natural and built environment in which people live is clean, healthy and safe. Infrastructure and services are sustainable, resilient, and affordable.	**System Adequacy** The stormwater system is adequately sized and maintained. Rural drainage areas are adequately maintained.	**Urban Stormwater** a. The number of flooding events that occur as a result of overflow from the stormwater system that enters a habitable floor.	Nil in less than 50 year storm events.
			b. For each flooding event, the number of habitable floors affected, expressed per 1,000 properties connected to the territorial authority's stormwater system.	Nil per 1,000 connected properties in less than 50 year storm events.
	People are supported to participate in improving the health and sustainability of our environment. The natural and built environment in which people live is clean, healthy and safe.	**Discharge Compliance** The stormwater system is managed in accordance with consent conditions.	Compliance with the territorial authority's resource consents for discharge from its stormwater system, measured by the number of: a. Abatement notices b. Infringement notices c. Enforcement orders; and d. Convictions Received in relation to those resource consents.	Nil.
			Percentage of the total number of water take consents that have breaches that result in an Environment Canterbury report that identifies compliance issues that require action.	0% of water take consents with breaches.

Mandatory Performance Measures

WELLBEING *That this activity contributes to*	COMMUNITY OUTCOME *How this activity contributes to outcome*	WHAT COUNCIL PROVIDES *Major levels of service*	MEASURING PERFORMANCE	TARGETS (2024-2034)
	Our district is resilient and able to quickly respond to and recover from natural disasters and the effects of climate change. The natural and built environment in which people live is clean, healthy and safe.	**Response Times** Flooding events from the stormwater system are promptly attended to.	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.	Less than 180 minutes.
	Our community has equitable access to the essential infrastructure and services required to support community wellbeing.	**Customer Satisfaction** The stormwater system is managed to an appropriate quality of service.	**Complaints** The number of complaints received by a territorial authority about the performance of its stormwater system, expressed per 1,000 properties connected to the territorial authority's stormwater system.	Less than 3 complaints per 1,000 connected properties.
	Our community has access to the knowledge and skills needed to participate fully in society and to exercise choice about how to live their lives. People are supported to participate in improving the health and sustainability of our environment.	**Community Engagement** The community is consulted on drainage related proposals.	Facilitate and engage with all drainage and water race advisory groups.	Three meetings per group per year.

Mandatory Performance Measures

Appendix 2

Identified Critical Assets

Water Scheme	Pipe Length (m)
Cust	3,796
Garrymere	3
Kaiapoi	12,916
Mandeville	9,189
Ohoka	1,126
Oxford	3,821
Oxford No 1	5,770
Oxford No 2	12,608
Rangiora	43,112
Summerhill	3,081
Waikuku Beach	621
West Eyreton	11
Woodend	12,823
Total	**108,877**

Sewer Scheme	Pipe Length (m)
Kaiapoi	30,483
Loburn Lea	95
Mandeville	13,370
Ocean Outfall	26,122
Oxford	4,530
Pegasus	8,577
Pines/ Kairaki	1,264
Rangiora	43,385
Tuahiwi	366
Waikuku Beach	1,115
Woodend	16,142
Woodend Beach	1,405
Total	**146,854**

Drainage Scheme	Pipe Length (m)
Kaiapoi Urban	21,818
Oxford Urban	432
Pegasus Urban	2,073
Pines/ Kairaki Coastal Urban	89
Rangiora Urban	22,018
Woodend Coastal Urban	8,961
Total	**55,391**

Stormwater Headworks Sites
Beswick Street SWPS
Coups Terrace SWPS
Dudley Drain SWPS
Feldwick Drain SWPS
Stone Street SWPS
Williams Street SWPS
Cridland Street SWPS
Bowler Street SWPS
Parnhams Drain SWPS
Alexander Lane SWPS
Otaki Street SWPS
West Eyreton
Woodend

Wastewater Headworks Sites
Parnham Lane WWPS
Ranfurly St WWPS
Reserve Rd WWPS
Southbrook WWPS
Charles Street WestWWPS
Northbrook Road WWPS
Gladstone Rd WWPS
Raven Quay WWPS
Oxford Irrigators
Beach Rd WWPS
Oxford WWTP
Rangiora WWTP
Woodend WWTP
Waikuku WWTP
Kaiapoi WWTP
Hakarau Rd WWPS
Ocean Outfall

Water Headworks Sites
Springbank Well 2
McPhedrons Road WTP
West Eyreton Well 3
McPhedrons Road Well
Cust Rd WPS
Bay Road WPS
Gammans Reservoir
Chinnerys Road WTP
Bay Road Reservoir
Darnley Square WPS
West Eyreton WTP
South Belt WTP
Kings Avenue Well No 1
Two Chain Road Well 2
Two Chain Road WPS
Gammans Reservoir
Kings Ave WPS
Equestrian Well 1
Mairaki Downs Tanks
Domain Road WPS
Pegasus WTP
Smith Street Wells
Hunters Glen WPS

Appendix 3

Castalia's Financial Analysis Modelling Results for Waimakariri District Council In-house Business Unit

Overall, Castalia's financial analysis showed there is little difference between its tariff modelling and the modelling used in Council's Infrastructure Strategy, which supports the In-house Business Delivery option approved by Council as the lowest cost over the next 10 years.

Castalia noted in its modelling report that WDC is in a strong financial position and holds a high council-wide borrowing capacity and cash reserve account. It stated that given WDC's strong financial position its choice of delivery options depends on how it views available efficiencies and savings from joint options, and any strategic reasons to join with the other councils.

It is noted that in preparing the financial model, Castalia applied a different methodology from that used by Council in the current Long-Term Plan and Financial Strategy to determine how much ratepayers and water service users should contribute to services. While the approaches differed, both ultimately supported the same option.

For the purposes of providing future cost projections in the WSDP, Council has chosen to use our current detailed financial planning methodology adopted in the LTP. This methodology is based on the practice of fully funding depreciation. This allows the Council to forecast and project future funding sources in a more transparent way to its community, where the council provides a whole of life infrastructure strategy and what funding is held in reserves to meet future demands. This not only allows Council to use more accurate figures as high-level estimates, but it also aligns with the prudent approach that it has taken to ensure there is not renewal burden in the future for ratepayers which is currently being experienced by some other Councils around New Zealand.

Waimakariri go-alone - internal business unit

Period start	1-Jul-24	1-Jul-29	1-Jul-34	1-Jul-39	1-Jul-44	1-Jul-49	1-Jul-54	1-Jul-59	1-Jul-63
Period end	30-Jun-25	30-Jun-30	30-Jun-35	30-Jun-40	30-Jun-45	30-Jun-50	30-Jun-55	30-Jun-60	30-Jun-64
Financial year	2025	2030	2035	2040	2045	2050	2055	2060	2064

Item	Unit	Input 1								
Ringfenced water entity financial statement forecast										
Profit and loss statement										
Revenue	*$'000*	20,767	31,828	39,500	46,381	53,890	62,124	71,184	81,161	89,871
Staff costs	*$'000*	(8,433)	(9,768)	(11,175)	(12,711)	(14,392)	(16,267)	(18,382)	(20,772)	(22,905)
Plant costs	*$'000*	(554)	(655)	(744)	(788)	(834)	(882)	(934)	(988)	(1,034)
Overhead costs	*$'000*	(10,393)	(12,296)	(13,975)	(14,788)	(15,649)	(16,560)	(17,523)	(18,543)	(19,402)
Opex	**$'000**	**(19,380)**	**(22,719)**	**(25,895)**	**(28,287)**	**(30,874)**	**(33,708)**	**(36,839)**	**(40,303)**	**(43,340)**
EBITDA	**$'000**	**1,387**	**9,110**	**13,606**	**18,094**	**23,016**	**28,416**	**34,345**	**40,858**	**46,531**
Depreciation	*$'000*	-	(2,622)	(3,918)	(5,252)	(6,715)	(8,321)	(10,083)	(12,019)	(13,705)
Finance costs	*$'000*	(2,265)	(7,744)	(9,975)	(11,763)	(13,166)	(14,015)	(14,088)	(13,098)	(11,299)
Net profit	**$'000**	**(878)**	**(1,257)**	**(288)**	**1,079**	**3,134**	**6,080**	**10,175**	**15,742**	**21,527**
Balance sheet										
Cash and cash equivalents	*$'000*	5,492	6,431	7,336	8,055	8,834	9,690	10,640	11,695	12,622
Current assets	**$'000**	**5,492**	**6,431**	**7,336**	**8,055**	**8,834**	**9,690**	**10,640**	**11,695**	**12,622**
Property, plant, and equipment - regulatory asset base	*$'000*	26,903	125,816	187,872	249,036	316,106	389,701	470,506	559,276	636,584
Other assets	*$'000*	48,193	48,193	48,193	48,193	48,193	48,193	48,193	48,193	48,193
Non-current assets	**$'000**	**75,096**	**174,009**	**236,065**	**297,229**	**364,299**	**437,894**	**518,699**	**607,469**	**684,777**
Total assets	**$'000**	**80,588**	**180,440**	**243,402**	**305,285**	**373,133**	**447,585**	**529,339**	**619,164**	**697,400**
Current borrowings	*$'000*	8,147	17,887	23,015	26,842	29,748	31,333	31,078	28,316	-
Long-term borrowings	*$'000*	73,319	160,987	207,133	241,578	267,736	281,998	279,701	254,843	237,354
Total liabilities	**$'000**	**81,466**	**178,874**	**230,148**	**268,420**	**297,484**	**313,331**	**310,779**	**283,159**	**237,354**
Paid-in capital	*$'000*	-	-	-	-	-	-	-	-	-
Retained earnings	*$'000*	(878)	1,566	13,254	36,864	75,649	134,254	218,560	336,005	460,046
Total equity	**$'000**	**(878)**	**1,566**	**13,254**	**36,864**	**75,649**	**134,254**	**218,560**	**336,005**	**460,046**
Liaiblities + equity	**$'000**	**80,588**	**180,440**	**243,402**	**305,285**	**373,133**	**447,585**	**529,339**	**619,164**	**697,400**
Cash flow statement										
Cash revenue	*$'000*	20,767	31,828	39,500	46,381	53,890	62,124	71,184	81,161	89,871
Opex	*$'000*	(19,380)	(22,719)	(25,895)	(28,287)	(30,874)	(33,708)	(36,839)	(40,303)	(43,340)
Cashflow from operations	**$'000**	**1,387**	**9,110**	**13,606**	**18,094**	**23,016**	**28,416**	**34,345**	**40,858**	**46,531**
Capital expenditures	*$'000*	(26,903)	(8,095)	(11,966)	(13,212)	(14,587)	(16,105)	(17,781)	(19,632)	(21,250)
Cashflow from investing	**$'000**	**(26,903)**	**(8,095)**	**(11,966)**	**(13,212)**	**(14,587)**	**(16,105)**	**(17,781)**	**(19,632)**	**(21,250)**
Interest cost	*$'000*	(2,265)	(7,744)	(9,975)	(11,763)	(13,166)	(14,015)	(14,088)	(13,098)	(11,299)
Repayment of borrowings	*$'000*	(4,819)	(17,210)	(22,168)	(26,139)	(29,259)	(31,145)	(31,306)	(29,107)	(25,110)
New borrowings	*$'000*	38,092	23,988	30,640	33,167	34,157	33,027	29,027	21,198	11,368
Dividends	*$'000*	-	-	-	-	-	-	-	-	-
Cashflow from financing	**$'000**	**31,008**	**(966)**	**(1,502)**	**(4,735)**	**(8,268)**	**(12,133)**	**(16,366)**	**(21,007)**	**(25,041)**
Total net cashflow	**$'000**	**5,492**	**49**	**137**	**147**	**161**	**178**	**198**	**220**	**239**
Opening cash balance	*$'000*	-	6,383	7,199	7,908	8,673	9,512	10,442	11,475	12,383
Closing cash balance	*$'000*	5,492	6,431	7,336	8,055	8,834	9,690	10,640	11,695	12,622
Closing cash balance minimum requirement	*$'000*	5,491	6,430	7,335	8,054	8,833	9,689	10,639	11,694	12,621
Council financials										

Waimakariri go-alone - internal business unit

Period start			1-Jul-24	1-Jul-29	1-Jul-34	1-Jul-39	1-Jul-44	1-Jul-49	1-Jul-54	1-Jul-59	1-Jul-63
Period end			30-Jun-25	30-Jun-30	30-Jun-35	30-Jun-40	30-Jun-45	30-Jun-50	30-Jun-55	30-Jun-60	30-Jun-64
Financial year			2025	2030	2035	2040	2045	2050	2055	2060	2064
Item	**Unit**	**Input 1**									
Council interest cost	%		6.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Debt - closing balance											
Council non two waters debt	$'000		156,786	221,835	204,728	226,036	249,562	275,537	304,215	335,878	363,565
Differential between recorded two waters debt and offloaded debt	$'000	-									
Total remaining council debt	$'000		156,786	221,835	204,728	226,036	249,562	275,537	304,215	335,878	363,565
Interest costs	$'000		9,407	11,092	10,236	11,302	12,478	13,777	15,211	16,794	18,178
Council non two waters revenue	$'000		114,250	151,527	175,554	193,826	213,999	236,273	260,864	288,015	311,757
Scenario dashboard											
Live inputs											
Initial regulatory asset base	$'000	-									
Initial debt allocation to the business unit	$'000	48,193									
Trasferred cash	$'000	-									
Initial other assets	$'000	48,193									
Net debt principal raise (repayment)	$'000		38,092	23,988	30,640	33,167	34,157	33,027	29,027	21,198	11,368
Customer tariff reductions	$'000										
Additional cash raise required	$'000		-	-	-	-	-	-	-	-	-
Test metrics - internal busiess unit											
Benchmarks											
Basic financial sustainability requirements											
Cash under the minimum required amount - must be > 0	$'000		-	-	-	-	-	-	-	-	-
Performance											
Basic financial sustainability requirements											
Cash under the minimum required amount - must be > 0	$'000		1	1	1	1	1	1	1	1	1
Test											
Basic financial sustainability requirements		Maximum									
Cash under the minimum required amount - must be > 0	#		-	-	-	-	-	-	-	-	-
Test metrics - council											
Benchmarks											
LGFA covenants											
Net debt-to-revenue ratio - must be < x	%		295.00%	295.00%	295.00%	295.00%	295.00%	295.00%	295.00%	295.00%	295.00%
Net interest-to-revenue ratio - must be < x	%		20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
Performance											
LGFA covenants											
Net debt-to-revenue ratio - less than	%		176.46%	218.54%	202.22%	205.85%	204.21%	197.34%	185.21%	167.68%	149.62%
Net interest-to-revenue ratio - less than	%		6.97%	6.05%	4.76%	4.71%	4.66%	4.62%	4.58%	4.55%	4.53%
Test											
LGFA covenants		Maximum									
Net debt-to-revenue ratio - less than	%	221.89%	-	-	-	-	-	-	-	-	-
Net interest-to-revenue ratio - less than	%	6.97%	-	-	-	-	-	-	-	-	-
Input library											
Scenario 1 - All water debt is transferred over											
Initial regulatory asset base	$'000	-									
Initial debt allocation to the CCO	$'000	48,193									
Trasferred cash	$'000	-									

Waimakariri go-alone - internal business unit

Period start			1-Jul-24	1-Jul-29	1-Jul-34	1-Jul-39	1-Jul-44	1-Jul-49	1-Jul-54	1-Jul-59	1-Jul-63
Period end			30-Jun-25	30-Jun-30	30-Jun-35	30-Jun-40	30-Jun-45	30-Jun-50	30-Jun-55	30-Jun-60	30-Jun-64
Financial year			2025	2030	2035	2040	2045	2050	2055	2060	2064
Item	**Unit**	**Input 1**									
Initial other assets	*$'000*	48,193									
Net debt principal raise (repayment)	*$'000*		38,092	23,988	30,640	33,167	34,157	33,027	29,027	21,198	11,368
Customer tariff reductions	*$'000*										
Regulatory asset base											
Capex											
LTP capex input	*$'000*		26,903	8,095							
Initial set up costs (capitalised, one-off in year 1 only)	*$'000*		-								
LTP capex input - with setup costs	*$'000*		26,903	8,095							
Average	*$'000*				11,966						
Linear progression	*$'000*				11,966	13,212	14,587	16,105	17,781	19,632	21,250
Annual efficiency assumption - compared to FY2024	*$'000*		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total capex assumption	*$'000*		26,903	8,095	11,966	13,212	14,587	16,105	17,781	19,632	21,250
Regulatory asset base waterfall											
Starting regulatory asset base	*$'000*	-									
Assumed average asset life	*years*	45									
Inflation assumption	*%*		2.20%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%
Opening RAB	*$'000*		-	117,983	176,298	236,350	302,191	374,428	453,733	540,846	616,705
Capex	*$'000*		26,903	8,095	11,966	13,212	14,587	16,105	17,781	19,632	21,250
Depreciation	*$'000*		-	(2,622)	(3,918)	(5,252)	(6,715)	(8,321)	(10,083)	(12,019)	(13,705)
Inflation adjustment	*$'000*		-	2,360	3,526	4,727	6,044	7,489	9,075	10,817	12,334
Closing RAB	**$'000**		**26,903**	**125,816**	**187,872**	**249,036**	**316,106**	**389,701**	**470,506**	**559,276**	**636,584**
Regulatory revenue forecast											
Weighted average cost of capital	*%*		5.16%	5.16%	5.16%	5.16%	5.16%	5.16%	5.16%	5.16%	5.16%
Regulatory revenue totals											
Opex allowance	*$'000*		19,380	22,719	25,895	28,287	30,874	33,708	36,839	40,303	43,340
Depreciation allowance	*$'000*		-	2,622	3,918	5,252	6,715	8,321	10,083	12,019	13,705
Return on capital allowance	*$'000*		1,387	6,488	9,688	12,842	16,300	20,095	24,262	28,840	32,826
Revenue requirement	**$'000**		**20,767**	**31,828**	**39,500**	**46,381**	**53,890**	**62,124**	**71,184**	**81,161**	**89,871**
Borrowings											
Inputs											
Opening debt position	*$'000*	48,193									
Interest cost	*%*		4.70%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%
Average tenor	*years*	10									
Borrowings waterfall											
Opening debt position	*$'000*		48,193	172,096	221,675	261,392	292,585	311,449	313,057	291,067	251,096
Principal repayment	*$'000*		(4,819)	(17,210)	(22,168)	(26,139)	(29,259)	(31,145)	(31,306)	(29,107)	(25,110)
New debt raised	*$'000*		38,092	23,988	30,640	33,167	34,157	33,027	29,027	21,198	11,368
Closing debt position	**$'000**		**81,466**	**178,874**	**230,148**	**268,420**	**297,484**	**313,331**	**310,779**	**283,159**	**237,354**
Non-current portion	*$'000*		73,319	160,987	207,133	241,578	267,736	281,998	279,701	254,843	237,354
Current portion	*$'000*		8,147	17,887	23,015	26,842	29,748	31,333	31,078	28,316	-
Interest costs	*$'000*		2,265	7,744	9,975	11,763	13,166	14,015	14,088	13,098	11,299
Equity											
Transferred equity	*$'000*		-	-	-	-	-	-	-	-	-
Net equity injection (dividends)	*$'000*		-	-	-	-	-	-	-	-	-
Paid in equity - end of year	**$'000**		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net profit	*$'000*		(878)	(1,257)	(288)	1,079	3,134	6,080	10,175	15,742	21,527
Revaluation of assets - regulatory inflation	*$'000*		-	2,360	3,526	4,727	6,044	7,489	9,075	10,817	12,334
Retained earnings - end of year	**$'000**		**(878)**	**1,566**	**13,254**	**36,864**	**75,649**	**134,254**	**218,560**	**336,005**	**460,046**

WAIMAKARIRI
DISTRICT COUNCIL

215 High Street
Private Bag 1005
Rangiora 7440, New Zealand

Phone 0800 965 468

waimakairiri.govt.nz

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