TE KAUNIHERA Ā-ROHE O
ŌTOROHANGA
DISTRICT COUNCIL

Ōtorohanga District Council

Open Agenda

Date: Tuesday, 27th October 2026

Time: 9.00am

Location: Council Chambers, 17 Maniapoto Street, Ōtorohanga

Meeting type: Ordinary

Public access: Open to the public

Livestream and recording: Livestreamed and recorded on YouTube

Ōtorohanga District Council

An ordinary meeting of Ōtorohanga District Council will be held in Waikōwhitiwhiti (Council Chambers), 17 Maniapoto Street, Ōtorohanga, on Tuesday, 27th October 2026 commencing at 9.00am.

Tanya Winter, Chief Executive 21 October 2026

Ōtorohanga District Council membership

Chairperson	Mayor Rodney Dow
Deputy Chairperson/Ōtorohanga Councillor	Deputy Mayor Katrina Christison
Kāwhia Tihiroa Councillor	Jo Butcher
Kāwhia Tihiroa Councillor	Kit Jeffries
Kio Kio Korakonui Councillor	Andrew Barker
Ōtorohanga Councillor	Tayla Barclay
Rangiātea Councillor	Tennille Kete
Rangiātea Councillor	Jaimee Tamaki
Waipā Councillor	Michael Woodward
Wharepūhunga Councillor	Shane Carr

Disclaimer

All attendees at this meeting are advised that the meeting will be electronically recorded (audio and video) for the purpose of webcasting to ŌDC's YouTube channel. Attendees are advised they may be recorded as part of the general meeting proceedings.

Public forum

The purpose of the forum is to provide an opportunity at the start of all ordinary public meetings of the Board, for members of the community to speak to their elected members. This reflects the Board's desire to encourage public participation in decision-making. To speak at the forum please use the online form on our website. Alternatively, please contact our Customer Experience team on 07 873 4000.

Deliberation of Submissions to the Draft Ōtorohanga District Alcohol Fees Bylaw 2026	Page 5

Opening formalities	Ngā tikanga mihimihi	Page
Opening prayer/reflection/words of wisdom		50
Apologies		50
Public forum		50
Late items		50
Declaration of conflict of interest		51
Confirmation of minutes	29th September 2026	51
Mayor Dow's verbal report		64

Decision reports	Ngā pūrongo whakatau	Page
Item 70	Appointment of Ōtorohanga representative to the Ōtorohanga District Licensing Committee	66
Item 71	Temporary Road Closure - Ōtorohanga Christmas Parade	72
Item 72	Temporary Road Closure - Kāwhia New Years Day Rowing Regatta	75
Item 73	Temporary Road Closure - Kāwhia Kai Festival	78
Item 74	Waikato Waters Limited – Statement of Expectations	81
Item 75	Ōtorohanga Historical Society request for additional funding for the Rewarewa School House relocation	92
Item 76	Correction of General Rate Amount in 2026/27 Rates Resolution	107
Item 77	Adoption of the 2026/27 Annual Report	113

Information only reports	Ngā pūrongo mōhiohio anake	Page
Item 78	Annual Resident Survey Report and Improvement Plan	253
Item 79	Finance Reporting	313

Other business	Ētahi atu take	320
Councillor updates		
Resolution Register		

Public excluded	Take matatapu	320
Item 80	Resolution to Exclude the Public.	

Closing formalities	Ngā tikanga whakakapi	324
Closing prayer/reflection/words of wisdom	Karakia/huritao/whakataukī	

Workshops		Hui awheawhe
1	Monthly discussion with the Chief Executive	Public not permitted
2	LTP – Funding Community-led Concept Plan Projects 3	Open Workshop
3	LTP – Revenue and Financing Policy – Part 3-	Open Workshop
4	Service Request Dashboard Update	Open Workshop
5	CE Recruitment	Public not permitted

Item	Deliberation of Submissions to the Draft Ōtorohanga District Alcohol Fees Bylaw 2026
To	Ōtorohanga District Council
From	Tony Quickfall, Group Manager Regulatory and Growth
Type	BYLAW DELIBERATIONS PANEL DECISION REPORT
Date	27 October 2026



1. Purpose | Te kaupapa

1.1. The purpose of this report is to present to the Bylaw Deliberations Panel (full Council sitting as a panel) the submissions received on the Draft Ōtorohanga District Alcohol Fees Bylaw 2026 Consultation and provide analysis on these submissions to assist with Council's deliberations.

2. Executive summary | Whakarāpopoto matua

2.1. Ōtorohanga District Council (ŌDC) administers alcohol licenses set by the Sale and Supply of Alcohol (Fees) Regulations 2013 (the Regulations). The Regulations provide default fees that are payable by users of the licensing function under the Sale and Supply of Alcohol Act 2012 (the Act). This means the fees are not set by ŌDC.

2.2. The fees set by the Regulations have not increased since they came into force in 2013 and do not cover the full cost of the processes associated with licensing activities.

2.3. Ratepayers have been subsidising these costs and this is expected to grow year on year. To enable greater cost recovery the option is to adopt an Alcohol Fees Bylaw to allow ŌDC to set alcohol licencing fees (excluding Managers Certificates) rather than use the default fees which are unlikely to increase in the near future.

2.4. On 25 August 2026 Council Meeting, Council passed a resolution proposing to set alcohol licensing fees and determined that a Draft Ōtorohanga District Alcohol Fees Bylaw would therefore be required. Council adopted the Statement of Proposal which includes the Draft Ōtorohanga District Alcohol Fees Bylaw 2026 (the Bylaw) amended to align with the current fees set by Waitomo District Council on 1 July 2026, for public consultation.

2.5. A letter to all the stakeholders in the district was emailed explaining the reasons for the proposed increase in alcohol licensing fees, proposed changes and the consultation process.

2.6. The consultation period was open from 7 September to 6 October 2026. No submitters wished to be heard.

2.7. Members of the public were able to submit online via Council's website, or submit their feedback by their own preferred method (i.e. email).

3. Staff recommendation | Tūtohutanga a ngā kaimahi

That the Ōtorohanga District Council:

Pre-deliberation decisions

a) **Receive** this report on Submissions to the Draft Ōtorohanga District Alcohol Fees Bylaw 2026; and

b) **Consider** conflicts of interest declared from any elected members sitting on the panel; and

c) **Resolve** to hold deliberations in public; and

Post-deliberation decisions

d) **Approve** the Ōtorohanga District Alcohol Fees Bylaw 2026, coming into effect 1 July 2027, with such amendments as the Bylaw Deliberations Panel determine to be reasonable, necessary and within scope of submissions, having regard to submissions received; and

e) **Delegate** the Chief Executive of Ōtorohanga District Council the authority to give effect to Council decisions arising from the consideration of submissions in the responses schedule and all subsequent changes to the Long Term Plan 2027-37 and Fees and Charges 2027-28 prior to adoption.

4. Context | Horopaki

4.1. Sale and Supply of Alcohol (Fees) Regulations 2013

4.2. The Regulations specify the fees that can be charged and how fees are established for alcohol licensing related functions of territorial authorities.

4.3. Sale and Supply of Alcohol Act 2012

4.4. Section 405 of the Act provides the legal framework for the sale, supply and consumption of alcohol and the associated systems of control and licensing. This section permits making an alcohol fees bylaw to increase the fees and charges prescribed for alcohol licensing matters. Under section 405(4) of the Act, ŌDC must consult with affected persons including the ŌDC's licensees and relevant stakeholders.

4.5. Sale and Supply of Alcohol (Fee-setting Bylaws) Order 2013

4.6. This allows local authorities to enact bylaws to prescribe their own alcohol licence fees. The Order does not apply to Manager Certificates because section 11 Regulations states that if fees for Manager's Certificate applications were to increase, they would need to change uniformly across the country. Manager's Certificates can be issued by any District Licensing Committee and used anywhere in the country irrelevant of where they are issued.

5. Discussion | He kōrerorero

5.1. Public Consultation

5.2. Attached for Council's information is a copy of the Statement of Proposal as consulted on (Attachment 1).

5.3. The Statement of Proposal contained a focus on:

- Overview and proposed changes
- Key considerations
- Proposal and options
- Legislative framework

5.4. Public notice was made in the King Country News; information and links were prominent on ŌDC's engagement website; and posts were made to ŌDC Facebook page.

5.5. While there were no scheduled public sessions during the consultation period, the consultation period provided an opportunity for members of the public to speak to ŌDC staff and Elected Members about the proposal. Staff did not receive any queries or information requests on the proposed changes.

5.6. Submissions On Proposal

5.7. Two options were presented to the community:

- Option 1 (Council preferred option): increasing alcohol licensing charges by 70% from 1 July 2027 to bring the total cost recovery closer to 100%.
- Option 2 (status quo): do not adopt an Alcohol Fees Bylaw and continue to charge the alcohol licence fees set by fees regulations.

5.8. At the close of the submission period, one submission was received, and no submitters wanted to be heard at the Council Hearings.

5.9. A summary of submissions and analysis is provided on pages 5-7 of this paper.

6. Procedure

6.1. As ŌDC does not have a hearings committee, submissions on bylaws must be considered by a "panel" of Council sitting as a whole, chaired by the Mayor sitting in the role as panel chair. Where submissions request

to be heard, the Council must hear all submitters. Where submitters do not request to be heard, Council moves straight into deliberations.

6.2. The hearing and deliberation process is based on the following principles:

6.3. Conflicts of interest must be invited from elected members and duly considered. Where there is an actual or potential conflict, the Panel Chair must make a determination around allowing the conflicted member to participate in discussion only or excuse themselves from the panel. A conflict member should not partake in any decision making.

6.4. Where submitters wish to be heard, the panel then hears form submitters. This is not a debate but is inquisitorial with the role of the Panel being to consider presentations, submissions and evidence to inform their decision. Submitters are given a speaking time and duration, and during hearings Panel members may ask questions of submitters and staff. This is no cross-examination whereby submitters and council staff cross-examine each other. The Panel Chair may however, and their sole discretion, allow questions of clarification between parties or "through the chair".

6.5. The Panel then moves into deliberations and must resolve whether to hold deliberations in public or public excluded. Bylaw deliberations are typically held in public.

6.6. The Panel must then consider all submissions, and staff recommendations, with an objective open mind and without bias or pre-determination. The panel must weigh submissions and staff advice, during which they may ask staff questions and invite staff to recommend changes to the bylaw having heard any submitters and the Panel's deliberation. Any amendments must be within scope of submissions received and take into account advice of the reporting staff.

6.7. The final procedural step before a decision on the bylaw is a review of amendments, usually presented by staff as a track-changed version of the bylaw for the panel decision.

7. Strategic Considerations | Ngā whai whakaarotanga

Significance and engagement

7.1. ŌDC's Significance and Engagement Policy require ŌDC to assess the degree of significance of proposals and decisions, which informs the appropriate level of engagement.

7.2. Based on the list of criteria for significance listed in the Significance and Engagement Policy, this draft Bylaw is considered to be of medium significance for the people of the District, which corresponds to the 'consult' level of engagement.

7.3. The public consultation was undertaken in accordance with the requirements of the LGA and its Significance and Engagement Policy.

Mana whenua / Māori

7.4. This decision (Deliberation of Submissions to the Draft Ōtorohanga District Alcohol Fees Bylaw 2026) has no impact specifically on iwi/Māori, all licence holders are impacted equally.

Strategic alignment

7.5. There are no inconsistencies with Council's direction, existing plans, and policies.

7.6. This decision has no bearing on any strategic documents. If ŌDC resolves to proceed with a bylaw, the 2027-37 Long Term Plan activity public/private cost/benefit split will need to reflect ŌDC's decision on transferring alcohol licensing fees from public (subsidised) to private (user pays).

Legal

7.7. This report is prepared in accordance with the relevant legislation and there are no legal implications.

Financial

7.8. There is a financial implication for the Revenue and Financing Policy for ŌDC in making the decisions set out in the recommended resolutions. Waitomo DC staff are supporting this process, and this is budgeted for in operating budgets.

7.9. There will be financial implications for licence holders from increase in fees. The increase in cost recovery from 30% currently to approximately 42% in the financial year 2027/28 better reflects the private benefit to licence holders, which is currently being heavily subsidised by ratepayers.

Risk analysis

7.10. The Statement of Proposal was prepared as per the requirements of sections 83 and 87 of the Local Government Act 2002 (LGA). A consultation period of 1 month for public submissions was allowed to meet the legislative requirement. Hence, the level of risk involved is low.

8. Options analysis | Tātari Kōwhiringa

Options summary of considerations

	Option 1	Option 2	Option 3
Summary	Panel considers the submission, deliberates and addresses the points raised by the submitter and approves the bylaw, with amendments to the bylaw as reasonably necessary to give effect to submission.	Panel approves the bylaw with no amendments.	Panel does not approve the bylaw.

Recommended option and rationale

8.1. Based on the advice and reports presented to council, and the submission received, staff recommend option 1 OR option 2 if no amendments are considered to be necessary.

9. Appendices | Ngā āpitihanga

Number	Title
1	Statement of Proposal and Draft Ōtorohanga District Alcohol Fees Bylaw 2026
2	Copy of Business Paper - 25 August 2026 Council Meeting - Determinations of Draft Ōtorohanga District Alcohol Fees Bylaw 2026 and Approval of the Statement of Proposal for Consultation

Summary and Commentary on Submissions received to Draft Alcohol Fees Bylaw 2026 Consultation

Proposal: Proposing a new Alcohol Fees Bylaw to set fees and charges for alcohol licences in Ōtorohanga District.

Question: Do you have any further suggestions or recommendations for changes to the Bylaw?

Option 1 (Council preferred option): increasing alcohol licensing charges by 70% from 1 July 2027 to bring the total cost recovery closer to 100%.

Option 2 (status quo): do not adopt an Alcohol Fees Bylaw and continue to charge the alcohol licence fees set by fees regulations.

Sub.	Name and Organisation	Preferred Option	Submission Points (Summary)	Analysis and Recommendation
1	Jack Walters	We completely understand there will need to be an increase to fees, however, encourage council to have a thorough review of how various systems and processes are carried out. As a commercial operator within the district, Pungent Pukeko Limited recognises that national default licensing fees set in 2013 have not been updated for inflation and that rising operational costs place pressure on local council budgets. However, we oppose the proposed fee increases under Option 1.	• Council focus on internal operational efficiency and wait for central government legislative updates. • Attempting to bridge operational cost recovery gaps by increasing local fee rates without first optimising internal systems places an unnecessary burden on local businesses operating under tight trading conditions. • The proposed fee structure should not be evaluated in isolation, as alcohol licensing represents only one part of a heavy compliance stack borne by commercial operators. In addition to initial licence application and annual operating fees, businesses must maintain certified duty managers, incurring ongoing application, renewal, and upskilling. • Furthermore, hospitality businesses face recurring compliance costs under the Food Act 2014 for National Programmes or Food Control Plan registrations, verifications, and annual audits, various other compliance costs. When every regulatory requirement increases in cost, the cumulative financial impact quickly undermines commercial viability. • From a stakeholder perspective, processing a standard alcohol licence appears to involve a straightforward administrative workflow: receiving documentation, checking statutory compliance criteria, seeking reports from Police and Public Health, and issuing a decision. If internal administration requires resources far exceeding current fee recovery, Council should provide stakeholders with a transparent, itemised breakdown of staff processing hours and overhead allocations so operators can understand where their money is going. • This issue is further compounded by central government funding arrangements: despite collecting over a billion dollars nationwide in alcohol excise duty, central government provides no excise tax funding to local councils to run local alcohol compliance, monitoring, or DLC functions. Instead, councils are required to remit a statutory portion of local licence fees back to the central ARLA. We appreciate this is beyond councils' immediate control, however, we want to highlight this as even though businesses should certainly be paying licensing fees, contributions that are already taken from tax should be on the table to help carry out the functions associated with licensing events. • Considerable administrative savings could be achieved by restructuring how DLC sittings are organised. Council could establish a fixed monthly DLC meeting schedule with a published application cutoff date, allowing non-	**Staff recommendation:** 9.1. The submission is in scope so can be considered. 9.2. The submission point opposing the proposed fee increase is not accepted for the reasons mentioned below. The points around administration efficiency and the need to increase fees are noted. While Council is committed to identifying operational efficiencies, these measures alone are not sufficient to address the current gap between the licensing fees and the actual costs involved. The cost of delivering these services has increased significantly over time, and the existing fee levels do not provide adequate cost recovery. While Council officers note the compliance costs faced by the hospitality sector, it is considered that the proposed increase in fees is necessary to reduce the amount of subsidisation applied to this activity from the general rate. Council officers have based the fee increase on the staff time to process each application and tried to ensure that we are consistent with neighbouring Districts who have introduced an alcohol fees bylaw. This was

			contested applications to be batched and processed efficiently in a single sitting. • If an applicant misses the monthly cutoff and requires an urgent hearing, Council should charge a specific premium fee for that special meeting to cover the isolated cost, rather than inflating baseline fees for all standard operators. • Administrative efficiency would be markedly improved by modernising Council's digital portal to handle all application correspondence. Managing communication through separate email threads and external file attachments creates unnecessary friction and wastes staff time searching for records across multiple systems. • Centralising all emails, requests for further information, statutory agency reports, and supporting evidence directly within the specific application workspace on the portal would establish a single digital record. • This operational fix would eliminate lost paperwork, reduce staff processing hours, and lower administrative handling costs over time. Further efficiency could be created by having clear, easy-to-access guidelines, or videos on their website about alcohol education, how various processes work, etc. This in turn could reduce the number of emails and conversations staff need to have to clarify rules and requirements across the board. • Information is currently available, but it is scattered across government, council, and various other sources and not standardised in one place. Progressing a localised fee-setting bylaw in 2026 - scheduled to take effect in July 2027 - feels somewhat premature while there government discussions around standardising alcohol licensing frameworks nationwide remain ongoing. Introducing local changes ahead of upcoming elections risks wasting ratepayer funds, staff time, and stakeholder effort on local rules that may be superseded or rendered non-compliant by post-election legislative reforms, even if they occur a year later. • Finally, we suggest that Council improve its stakeholder notification processes for future public consultations. When notifying stakeholders about proposed regulatory or fee changes, Council should ensure that all relevant information - including full PDF consultation documents and monetary dollar values, rather than just percentage summaries - is provided directly within the original notification email. • Providing all information upfront enables stakeholders to evaluate the practical impact on their operations without having to search through website links, but also maintains transparency and trust between parties. We appreciate that budgets are tight and resources are limited. • If council has not done a thorough review of their systems and processes on how to undertake licensing procedures or related events, we encourage them to do so prior to passing the cost on to businesses. It could free up staff resources / time by optimising council systems more effectively and for long-term, sustainable district growth.	set out in the determinations report (Table 2 Estimate of hours and costs associated with processing an alcohol licence application). By using a shared service arrangement ŌDC has optimised the costs of alcohol licencing. Continued cost reduction measures will be pursued to increase cost recovery further and reduce ratepayer contribution. It is unlikely that central government will provide funding for this activity and considering the recent review of the Sale and Supply of Alcohol Act did not extend to fees it could be quite some time for legislated fee increases. Aligning to neighbouring councils' places ŌDC in better position for future reforms. Council has considered the cost, benefits and social issues that alcohol sales generate and agreed that the benefits of selling alcohol are to the businesses making the sales and therefore should cover most of the licencing costs. **Phased fee increases** We have taken a phased approach where other Councils have gone with an immediate move to full cost recovery. This allows businesses time to adjust pricing (if they consider it necessary, as it is noted that the licence fees would only be a small portion of their operating costs), some fees are only charged every 3 years so this timeframe aligns with the cost recovery to our 3-yearly long term plan review cycle which considers delivery options of council activities. Full fee details were accessible on the website during consultation and hardcopies were also made available. **Council transparency**

				Council have been very transparent through this process which has been discussed through public Council meetings that are live streamed and open to the public. The information on costings has been outlined during the determination process on whether an Alcohol Fees Bylaw would be required. A copy of this Council paper from 25 August 2026 Council Meeting is attached. Each year we assess the costs of each activity through our annual plan process. This activity was part of that process and efficiencies found incorporated in the budget setting process. We will continue to look for efficiencies in our day-to-day operations and with our contracted parties.

TE KAUNIHERA Ā-ROHE O
ŌTOROHANGA
DISTRICT COUNCIL

DRAFT ALCOHOL FEES BYLAW 2026

BYLAW REVIEW, STATEMENT OF PROPOSAL AND CONSULTATION DOCUMENT

PROPOSAL

Ōtorohanga District Council (Council) is seeking feedback following the development of the Draft Ōtorohanga Alcohol Fees Bylaw 2026 (the Bylaw).

Council is proposing the new Bylaw to set fees and charges for alcohol licences in Ōtorohanga District. Introducing this Bylaw would allow Council to set the amount it charges to alcohol licence holders (e.g. bars, alcohol stores and supermarkets), to help cover costs relating to alcohol licensing.

Council is proposing to increase alcohol licensing charges from 1 July 2027 to bring the total cost recovery closer to 100%. After the initial increase, the Bylaw will be reviewed as part of review of Council's Fees and Charges Schedule, with the next review anticipated coming into effect on 1 July 2028.

If the Bylaw is adopted, alcohol licensing fees would increase as shown in the Draft Bylaw 2026 (provided as part of this Statement of Proposal). This document includes further information about the proposal, including the reasons for the proposal and the Draft Bylaw.

HAVE YOUR SAY

Before making any final decisions, Council would like to know your views. You can tell us what you think of this proposal between 7 September to 6 October 2026.

Further information on how to let us know what you think about the proposal is included in this document.

Key dates

Feedback period:	7 September to 6 October 2026
Hearing and Deliberations:	27 October 2026
Decision of Council:	24 November 2026

CONSULTATION DOCUMENT

Table of Contents:

Introduction
Reasons for the proposal and Legislative Context
Need for the Bylaw
Proposed Bylaw

Introduction

Council currently use the fees set by legislation; however, these fees have not increased since they came into force in 2013 and do not cover the full cost of the processes associated with licensing activities. This means every time Council processes an alcohol licence it costs more than the fee paid by the licensee.

Ratepayers have been subsidising these costs and this is expected to grow year on year. Therefore, by introducing the Bylaw Council will have the ability to enable greater cost recovery and reduce public rates subsidising alcohol fees, which are largely for private benefit.

Costs are increasing due to inflation and an increase in alcohol licensing activities, including more District Licensing Committee hearings, education, monitoring, and enforcement. Costs are expected to continue to increase, in part because of legislative changes. The Bylaw would enable Council to set fees that would recover most of the costs of undertaking these licensing activities.

Consulting on these options provides an opportunity for the Council to discuss the intention of the draft Bylaw, hear community opinions, and consider feedback to the proposal.

Reasons for the proposal and Legislative Context

Is the Bylaw the most appropriate way of addressing the problem?

The development of the Draft Alcohol Fees Bylaw 2026 is in accordance with the Sale and Supply of Alcohol Act 2012 (the Act), the Sale and Supply of Alcohol (Fee-setting Bylaws) Order 2013, Sale and Supply of Alcohol (Fees) Regulations 2013, and the Local Government Act 2002 (LGA 2002).

The Regulations specify the fees that can be charged and how fees are established for alcohol licensing related functions of territorial authorities. Section 405 of the Act provides the legal framework for the sale, supply and consumption of alcohol and the associated systems of control and licensing. This section permits making an alcohol fees bylaw to increase the fees and charges prescribed for alcohol licensing matters.

Bylaws do not have the authority to override primary legislation but rather seek to supplement and support national rules with local rules. Bylaws must focus on providing a remedy to the identified problem, in this case the problem is only around 30% of the licencing cost is recovered through fees, the remainder is covered by ratepayers', however most of the benefit is to the private business owner.

All bylaws must be reasonable. The requirement to be reasonable relates to the bylaw not unnecessarily impacting upon a person's freedoms and rights, as protected by the New Zealand Bill of Rights Act 1990 (NZBORA). Our assessment of the proposed bylaw is that there are no implications under the NZBORA, and this assessment will be reviewed before a final bylaw is made.

In reviewing and developing bylaws, the Council must follow both the decision making and consultation requirements set out in the LGA. Each bylaw must be evaluated in terms of its costs and benefits to the community, as well as an assessment of the other options available to the Council to regulate or remedy the problem.

OPTIONS CONSIDERED

Below is a summary of the options considered, and reasons given for the chosen option.

Option 1 (Council preferred option): increasing alcohol licensing charges by 70% from 1 July 2027 to bring the total cost recovery closer to 100%.

Option 2 (status quo): do not adopt an Alcohol Fees Bylaw and continue to charge the alcohol licence fees set by fees regulations.

Table 1: Summary of options

Option	Key Points
Option 1 (preferred): Creating the Bylaw would mean:	• Council would increase the fees and charges for alcohol licenses by 70% in 2027/28. • Cost recovery would increase from 30% currently to approximately 42% in the financial year 2027/28. • A portion of the costs would continue to be subsidised by ratepayers – but less than Option 2
Option 2 (status quo): Not adopting the Bylaw would mean:	• Fees and charges for alcohol licences would not increase. • Council's cost recovery rate would decrease year-on-year. • Alcohol licensing activities undertaken by Council would continue to be mostly subsidised with ratepayer contributions.

Based on this analysis, creating the Bylaw is the most efficient, effective, and appropriate way to address the problem of increasing alcohol licensing costs and to set the alcohol licensing fees to enable greater cost recovery, thereby reducing the ratepayers' subsidisation of these costs.

Is the Bylaw required?

Ōtorohanga District Council administers alcohol licenses set by the Sale and Supply of Alcohol (Fees) Regulations 2013 (the Regulations). This is a statutory obligation on ŌDC along with administering the District Licensing Committee (DLC).

The actual cost of regulating alcohol licenses comprises staff time and administering the District Licensing Committee. The fees set by the Regulations have not increased since they came into force in 2013 and do not cover the full cost of the processes associated with licensing activities.

The only way Ōtorohanga District Council can change the fees is if a Bylaw is developed.

Proposed Bylaw

The proposed Bylaw is shown in the following pages.

Ōtorohanga District Council

Draft Ōtorohanga Alcohol Fees Bylaw 2026

ŌTOROHANGA DISTRICT COUNCIL

Draft Ōtorohanga Alcohol Fees Bylaw 2026

This Bylaw is made pursuant to the Sale and Supply of Alcohol Act 2012, the Sale and Supply of Alcohol (Fee-setting Bylaws) Order 2013, and the Local Government Act 2002. Ōtorohanga District Council makes and ordains this Bylaw.

1. TITLE

This Bylaw shall be cited and referred to as the "Ōtorohanga District Alcohol Fees Bylaw 2026''.

2. PURPOSE OF THE BYLAW

2.1 The purpose of this Bylaw is to set fees for any matter for which fees payable to territorial authorities are prescribed in the Sale and Supply of Alcohol (Fees) Regulations 2013.

2.2 This Bylaw applies only to the district of Ōtorohanga.

3. DEFINITIONS

In this Bylaw, unless the context otherwise requires:

"Act" means the Sale and Supply of Alcohol Act 2012.

"Application fee" has the meaning given by the Sale and Supply of Alcohol (Fees) Regulations 2013 and means the fee for any of the following:

(a) an application for an on-licence, off-licence, or club licence:

(b) an application to vary an on-licence, off-licence, or club licence:

(c) an application to renew an on-licence, off-licence, or club licence

"2027/28 year'' means the period commencing 1 July 2027 and ending 30 June 2028.

"Subsequent years" means the period commencing 1 July 2028 onwards.

"Council" means the Ōtorohanga District Council.

4. BYLAW

Unless the context requires another meaning, a term of expression that is defined in the Act and used in this Bylaw, but not defined, has the meaning given by the Act. Any guidance or explanatory notes do not form part of this Bylaw, and may be made, amended and revoked without formality. To avoid doubt, the Legislation Act 2019 applies to this Bylaw.

5. Fees payable for premises in each fees category

5.1 The application fees and annual fees are:

5.2 Regulations 5 and 6 of the Sale and Supply of Alcohol (Fees) Regulations 2013 provides information on how the Council must assign the cost/risk rating and fees category to any premises for which an on-licence, off-licence or club licence (including renewals) is held or sought.

Period fee applies:	**2027/28 year**		**Subsequent years**	
Fees category for premises	**Application fee**	**Annual fee**	**Application fee**	**Annual fee**
Very low	$544.00	$238.00	$544.00	$238.00
Low	$901.00	$578.00	$901.00	$578.00
Medium	$1207.00	$935.00	$1207.00	$935.00
High	$1513.00	$1530.00	$1513.00	$1530.00
Very high	$1785.00	$2125.00	$1785.00	$2125.00

6. Fees payable for special licences

6.1 The fee payable to the Council for a special licence is as follows:

Period fee applies:	**2027/28 year**	**Subsequent years**
Special License class	**Fee**	**Fee**
Class 1	$850.00	$850.00
Class 2	$306.00	$306.00
Class 3	$93.50	$93.50

Guidance note:
Regulation 9 of the Sale and Supply of Alcohol (Fees) Regulations 2013 sets out how Council must assign classes for special licenses. Under this provision, every special licence issued by a territorial authority must be one of the following classes:

Special Licence class	**Issued in respect of**
Class 1	1 large event More than 3 medium events More than 12 small events
Class 2	3 to 12 small events 1 to 3 medium events
Class 3	1 or 2 small events

For this purpose:
Large event means an event that the territorial authority believes on reasonable grounds will have patronage of more than 400 people.

- **Medium event** means an event that the territorial authority believes on reasonable grounds will have patronage of between 100 and 400 people.
- **Small event** means an event that the territorial authority believes on reasonable grounds will have patronage of fewer than 100 people.

7. Temporary Authority

7.1 The fees payable under section 136 (2) of the Act for a temporary authority to carry on the sale and supply of alcohol is:

(a) for the 2027/28 year, $438.60; and

(b) for subsequent years, $438.60.

8. Temporary Licence

8.1 A person applying under section 74 of the Act to sell alcohol pursuant to a licence from premises other than premises to which the licence relates must pay an application fee to the Council of:

(a) for the 2027/28 year, $438.60; and

(b) for subsequent years, $438.60.

9. Permanent Club Charter

9.1 The holder of a permanent club charter (as described in section 414 of the Act) must, if the club's premises are located in the district of the Council, pay an annual fee to the Council of:

(a) for the 2027/28 year, $935.00; and

(b) for subsequent years, $935.00.

10. Extract from Register

10.1 The fee payable to a licensing committee under section 66(2) of the Act for an extract from a register is:

(a) for the 2027/28 year, $85.00; and

(b) for subsequent years, $85.00.

11. Goods and Services Tax Exclusive

11.1 The fees prescribed by this Bylaw are exclusive of goods and services tax.

THIS BYLAW WAS CONFIRMED BY COUNCIL ON [INSERT DATE]

This Bylaw was made by the **ŌTOROHANGA DISTRICT COUNCIL** under the Sale and Supply of Alcohol Act 2012, the Sale and Supply of Alcohol (Fee-setting Bylaws) Order 2013, and the Local Government Act 2002 at a meeting of the Ōtorohanga District Council held [INSERT DATE]

The Common Seal of the **ŌTOROHANGA DISTRICT COUNCIL** was hereunto affixed pursuant to a resolution of Council passed on the XXXXXX 2026.

The Common Seal of the **ŌTOROHANGA DISTRICT COUNCIL**
was hereto affixed in the presence of:

_____ _____

Mayor Date

_____ _____

Chief Executive Date

TE KAUNIHERA Ā-ROHE O
ŌTOROHANGA
DISTRICT COUNCIL

Item 62	Determinations of Draft Ōtorohanga District Alcohol Fees Bylaw 2026 and Approval of the Statement of Proposal for Consultation
To	Ōtorohanga District Council
From	Tony uickfall, Group Manager Regulatory and Growth
Type	**DECISION REPORT**
Date	25 August 2026



1. Purpose | Te kaupapa

1.1. To seek direction on se ng alcohol licensing fees, thereby determining if a Draft Ōtorohanga District Alcohol Fees Bylaw is required.

1.2. To seek approval of the Statement of Proposal for Consultation on Draft Ōtorohanga District Alcohol Fees Bylaw 2026.

COPY

2. Executive summary | Whakarāpopoto matua

2.1. Ōtorohanga District Council (ŌDC) administers alcohol licenses set by the Sale and Supply of Alcohol (Fees) Regulations 2013 (the Regulations). This is a statutory obligation on ŌDC along with administering the District Licensing Committee (DLC). The DLC is an independent committee run in conjunction with Waipa, Waitomo and Ōtorohanga Councils. Alcohol licensing is undertaken by ŌDC's Environmental Health Officer (EHO), noting this is only one of several EHO functions.

2.2. The Regulations provide default fees that are payable by users of the licensing function under the Sale and Supply of Alcohol Act 2012 (the Act). This means the fees are not set by ŌDC.

2.3. The actual cost of regulating alcohol licenses comprises staff time and administering the District Licensing Committee. The fees set by the Regulations have not increased since they came into force in 2013 and do not cover the full cost of the processes associated with licensing activities.

2.4. Fees are recovered under a fees schedule that is prescribed. Total annual costs to ŌDC of administering alcohol licenses are 87,145. Current cost recovery without alcohol fees bylaw is 30 . Ratepayers have been subsidising these costs and this is expected to grow year on year.

2.5. The only way ŌDC can change the fees is if a bylaw is developed, specifically for this purpose[1]. Therefore, it is recommended to introduce the Ōtorohanga District Alcohol Fees Bylaw (the Bylaw) to enable greater cost recovery.

[1] Sale and Supply of Alcohol (Fee-se ng Bylaws) Order 2013

2.6. Section 405 of Sale and Supply of Alcohol Act 2012 (the Act) permits making an alcohol fees bylaw to increase the fees and charges prescribed for alcohol licensing matters. Under section 405(4) of the Act, ŌDC must consult with affected persons including ŌDC's licensees and relevant stakeholders.

2.7. While ŌDC does not have a bylaw, many councils (including Waitomo and Waipā) are using the bylaw powers to achieve greater cost recovery. Waitomo's and Waipā's bylaws were adopted in 2025, and over a 2-year period they will be increasing their fees to achieve closer to 100 cost recovery.

3. Staff recommendation | Tūtohutanga a ngā kaimahi

That the Ōtorohanga District Council:

a) **PROPOSES** to set alcohol licensing fees.

b) **DETERMINES** that a Draft Ōtorohanga District Alcohol Fees Bylaw is required.

c) **DETERMINES** that the draft Bylaw does not give rise to implications under the New ealand Bill of Rights Act 1990 (N BORA).

d) **APPROVES** the Statement of Proposal, which includes the Draft Ōtorohanga District Alcohol Fees Bylaw 2026, for public consultation.

e) **CONFIRMS** that the public consultation period begins on 7 September 2026 and concludes on 6 October 2026.

f) **AUTHORISES** the Chief Executive to make any editorial or layout changes to the Statement of Proposal that may be necessary before it is made publicly available.

COPY

4. Context | Horopaki

Sale and Supply of Alcohol (Fees) Regulations 2013

4.1. The Regulations specify the fees that can be charged and how fees are established for alcohol licensing related functions of territorial authorities.

Sale and Supply of Alcohol Act 2012

4.2. Section 405 of the Act provides the legal framework for the sale, supply and consumption of alcohol and the associated systems of control and licensing. This section permits making an alcohol fees bylaw to increase the fees and charges prescribed for alcohol licensing matters. Under section 405(4) of the Act, ŌDC must consult with affected persons including the ŌDC's licensees and relevant stakeholders.

Sale and Supply of Alcohol (Fee-setting Bylaws) Order 2013

4.3. This allows local authorities to enact bylaws to prescribe their own alcohol licence fees. The Order does not apply to Manager Certificates because section 11 Regulations states that if fees for Manager's Certificate applications were to increase, they would need to change uniformly across the country. Manager's Certificates can be issued by any District Licensing Committee and used anywhere in the country irrelevant of where they are issued.

5. Discussion | He kōrerorero

Determinations

5.1. Under section 155 of the Local Government Act 2002 (LGA), ŌDC is required to determine whether a bylaw is the most appropriate way of addressing the perceived problem, determine whether the proposed bylaw is the most appropriate form of bylaw, and determine that the proposed bylaw is not inconsistent with the New ealand Bill of Rights Act 1990 (N BORA). This determinations report fulfils the first requirement of section 155, an assessment against the N BORA to be completed when a proposed draft bylaw is presented to ŌDC for consideration.

Perceived Problem Analysis

5.2. ŌDC staff have undertaken a comprehensive review of the current alcohol licencing costs. The current cost recovery without an alcohol fees bylaw is 30 (26,143) of the total costs associated with the administration and monitoring of alcohol licences with the re ainder of the shor all being funded through rates.

5.3. It is proposed to increase the fees and charges pr hed for alc l licensing matters by making an alcohol fees bylaw. The Draft Ōtorohanga Di ict Alc hol Fees Bylaw 2026 is included as part of **Appendix 1**. The proposed new Bylaw ensur that ŌDC can continue to provide essential services without relying on a high level of subsidisation by epayers.

5.4. Making a bylaw of this nature is pe mitted und r sec n 405 of the Act and the Sale and Supply of Alcohol (Fee-se ng Bylaws) Order 013 (Order).

Administering Alcohol l ensing

5.5. The alcohol licensing fee re compri d of two components:

- The application fee paid wh obtaining or renewing an already issued licence; and
- The annual fee paid annually for premises licences.

5.6. The application fee/renewal fee is paid on the initial application, then the first renewal (after one year), then every three years after that. There are also application fees for special licences, temporary authorities and temporary licences. The annual fee covers monitoring of the licence to make sure conditions set on the licence are being met.

5.7. The actual cost of regulating alcohol licenses comprises staff time and administering the DLC. The DLC make all the decisions on the issue of alcohol licenses. Annual costs are made up of:

Alcohol licensing proportion of EHO's staff time (salary and overheads)	80,509
Administration of District Licencing Authority[2]	6,636
Total	**$87,145**

[2] Member fees and logistical costs e.g. hearings.

COPY

5.8. ŌDC staff investigated two options to shift the costs from ratepayer subsidisation of alcohol licensing, to a more user pays regime. This change to user pays also recognises that most of the benefits of the alcohol license regime are private benefits, while alcohol harm, attributed to a private benefit, comes at a public cost.

- Option 1A: 100 cost recovery from commercial premises and a lower percentage from clubs.
- Option 1B: Increasing cost recovery to 70 uniformly over a period of 2 years in line with approach taken by Waitomo's and Waipā's implementation of their Alcohol Fee Bylaws.

Analysis of the options based on the legislative framework

Option 1A - 100% cost recovery from commercial premises and a lower percentage from clubs

5.9. Under Regulation 7(2)(a) of the Act, fees must be set in the context of the cost/risk rating (Regulation 5) and resulting fees category (Regulation 6). The framework classifies premises by an objective cost/risk score (type of premises, trading hours, enforcement history) into Very Low through Very High categories, with set fees attached to each category.

5.10. The Regulations already account for the fact that most commercial premises create higher regulatory costs. For example, taverns, nightclubs and supermarkets tend to score higher on the cost/risk weightings than most clubs, so they land in higher fee categories.

5.11. Due to this requirement ŌDC can't impose a flat percentage split that overrides the category outcome as this would bypass the cost/risk methodology.

5.12. Although, there is a narrower discretion under Regulation 6(4) to step individual premises down one category where circumstances justify it. Regulation 5's cost/risk weightings for club premises already have lower weightings than commercial on-licence/off-licence types.

5.13. Below table shows the typical licensing fees currently paid by various premises in the district.

Table 1: Current licensing fees by premises, GST included

Premises	Risk Ranking	Application fee	Annual fees
Off-licence (bottle store, supermarket)	Medium	$816.50	632.50
Off-licence (remote sales /manufacturer)	Low	609.50	391.00
On-licence (hotel, pub, tavern)	Medium	$816.50	632.50
On-licence (restaurant, caf)	Low	609.50	391.00
Club licence class 1 (Large club 1000 of purchase age) and which, in the opinion of the relevant TA, operate in the nature of a tavern (for example a large working men's club, combined clubs, or large 'cossie' clubs))	Medium	$816.50	632.50

COPY

Premises	Risk Ranking	Application fee	Annual fees
Club licence class 3 (fewer than 250 members of purchase age) and which operate a bar for 40 hours or less per week (for example small sports clubs like bowling clubs, golf clubs, bridge clubs, and small RSAs))	Very-low	368.00	$161.00
Club licence class 2 (not fit into the above)	Low	609.50	391.00

5.14. As seen in the above table, the licensing fees paid by clubs are typically lower than commercial premises (except for the Ōtorohanga Returned and Services Association (RSA) which is covered by the Ōtorohanga Club license).

Option 1B - A stepped increase over two years

5.15. Option 1B provides a stepped increase to allow business owners time to adjust and aligns with the cost/risk framework as per the regulation.

5.16. Hence, as option 1A overrides the cost/risk framework, ŌDC staff recommend proceeding with option 1B achieving closer to 100 cost recovery. At 35 cost recovery (comparable to Waitomo) this equates to an additional 4,357 per annum, a 0.03 annual transfer from rates to user pays over the two years.

5.17. Expenditure for alcohol licensing in the 2025/26 financial year totalled approximately 87,145[3]. ŌDC received 26,143.00 (including GST through fees). This means the current fees covers 30 of the total cost of the administration and monitoring of alcohol licences.

5.18. With increasing costs over the 2-year period and some fees on a 3-year cycle the cost recovery is likely to be 70 once the two fee increases are implemented. With a Bylaw in place, regular review of the fees can be undertaken to retain a high percentage of cost recovery. A percentage of public benefit could be retained recognising the benefit of having well run licenced premises and clubs.

5.19. The costs associated with the activities relate to employing the alcohol licensing inspectors, associated administration functions, the cost of reimbursing the expenses of the District Licencing Committee and overhead costs. The only exception to this is the fees for Managers' Certificates which cannot be changed and any cost shor all for this area cannot be directly recovered from these applications certificate under section 11(2) of the Regulations.

5.20. The proposed bylaw will increase fees for alcohol premises annual and application fees as well as application fees for special licences and temporary authorities. The Bylaw will not impact Manager's Certificate fees.

5.21. Fees will be set in proportion to the costs to ŌDC for each category of licence (on-licence, off-licence, or club licence). The proposed bylaw seeks to increase the current licence fees by between 50 to 89 in 2027/28 (for a 35 cost recovery). For comparative purposes:

[3] This costing includes fees paid to the Alcohol Regulatory Licencing Authority, District Licencing Committee, Waipa District Council for providing the Licencing Inspector service, and ŌDC staff time.

COPY

- A 35 cost recovery would result in initial fee increase between 50 to 89 over current fees.
- A 45 cost recovery (the maximum under ŌDC's current Revenue and Funding Policy) would result in fee increases of between 93 and 142 .
- A 70 cost recovery (requiring a change to ŌDC's revenue and Funding Policy) equates to a fee increase of between 200 to 277 from the current fees.

5.22. Introducing the Bylaw would ensure those who use the alcohol licensing services contribute an appropriate share of the costs of licensing, education, monitoring, and enforcement.

5.23. Below table shows the estimated worst-case costs associated with the processing of a licence application, and a cost recovery increase of 35 . This is in line with the increase in labour market inflation since 2013 when the fees were set by the Regulations as well as taking into account the original fees not covering costs and the bylaw review period. There is also no direct cost recovery, such as when hearings are required.

Table 2 Estimate of hours and costs associated with processing a alcohol licence application

Application	Initial Admin (hours)	Inspector (hours)[4]	Admin (hours)	DLC (hours)	Secretary (hours)	Total Hours	Approximate Cost
New licence	1.25	10	1.25	1	0.5	14	2243
Licence renewal	1	9	1.25	1	0.5	12.75	2,043
Special (medium)	1	10	1.25	1	0.5	13.75	2203
Special (small)	0.75	4		1	0.25	7	$1122
Managers Certificate	0.75	2.5	1	1	0.25	5.5	$881.00

COPY

Future cost recovery

5.24. If the Bylaw is adopted, it is anticipated to come into effect 1 July 2027. It is proposed to include a stepped approach to increases, meaning a further increase of the fees on 1 July 2028 to bring the total cost recovery closer to 70 per cent, taking into consideration a percentage of public good.

5.25. After the initial (35 cost recovery) and secondary (70 cost recovery) increases, it is intended that the Bylaw can be reviewed as part of any review of ŌDC's Fees and Charges Schedule. The Bylaw would require, as a minimum, a review 5 years after it was made.

5.26. The tables below show the application of proposed fee increases.

[4] Includes report, visit, review of application requiring very little effort, interview.

Table 3: Special licence fees (including GST)

Special Licence Class	Description	Current Fee	Proposed Fee From 1 July 2027 (@35% cost recovery)	Proposed Fee From 1 July 2028 (@70% cost recovery)
Class 1	1 large event : more than 3 medium events : more than 12 small events	$575.00	$1,084.17	2,168.33
Class 2	3 to 12 small events: 1 to 3 medium events	$207.00	390.30	$780.60
Class 3	1 or 2 small events	63.25	$119.26	238.52
large event means an event that the territorial authority believes on reasonable grounds will have patronage of more than 400 people medium event means an event that the territorial authority believes on reasonable grounds will have patronage of between 100 and 400 people small event means an event that the territorial authority believes on reasonable grounds will have patronage of fewer than 100 people.				

COPY

Table 4: On, off, and club licences (including renewals) (including GST)

Fees category for premises	Number of licences in category (July 2026)	Current Application Fee	Proposed Application Fee from 1 July 2027 (@35% cost recovery)	Proposed Application Fee from 1 July 2028 (@70% cost recovery)	Current Annual Fee	Proposed Annual Fee from 1 July 2027 (@35%) cost recovery	Proposed Annual Fee from 1 July 2028 (@70% cost recovery)
Very low	4	368.00	579.40	1,158.80	$161.00	241.36	$482.72
Low	9	609.50	$958.84	1,917.69	391.00	$586.16	1,172.33
Medium	9	$816.50	1,284.76	$2,569.51	632.50	$947.46	$1,894.91
High		1023.50	1,610.67	3,221.34	1035.50	1,551.61	3,103.22
Very High		$1207.50	1,900.337	$3,800.74	1437.50	2,154.26	4,308.53
A territorial authority must assign a fees category (very low to very high) to any premises for which an on-licence, off-licence, or club licence is held or sought, based on the type of premises, its trading hours and its enforcement history.							

Table 5: Other fees (excluding GST)

Type	Description	Current Fee	Proposed Fee From 1 July 2027 (@35% cost recovery)	Proposed Fee From 1 July 2028 (@70% cost recovery)
Temporary Authority	Section 136(2) of the Act for a temporary authority to carry on the sale and supply of alcohol	$258.00	$470.15	$940.31
Temporary licence	Under section 74 of the Act to sell alcohol pursuant to a licence from premises other than the premises to which the licence relates during repairs etc.	$258.00	$470.15	940.31
Permanent club charters	The holder of a permanent club charter (as described in section 414 of the Act)	$550.00	$1,002.26	2,004.54
Extract from register	Under section 66(2) of the Act for an extract from a register	$50.00	91.11	182.23

COPY

5.27. The proposed new alcohol fee is not expected to result in substantial increase in revenue immediately. The changes in funding percentages from 1 July 2027 are in accordance with ŌDC's Revenue and Financing Policy (RFP) which provides for up to 40% cost recovery. The increase from 1 July 2028 will require a change ŌDC's Revenue and Financing Policy (RFP) – this will be incorporated into the review of the RFP as part of the Long Term Plan 2027-37.

Consultation

5.28. ŌDC must consult with affected persons including the ŌDC's licensees and relevant stakeholders. Under section 405(4) of the Act, ŌDC must, to the extent that is reasonably practicable having regard to the circumstances of the particular case, consult the persons the authority has reason to believe are representative of interests likely to be substantially affected by the bylaw.

5.29. Prior to public engagement, staff will send a letter to all licensed premises to advise them that ŌDC is consulting on the Bylaw and inviting them to submit.

Other Councils

5.30. Waikato councils who have introduced an alcohol fees bylaw include Waipā District Council, Waitomo District Council, and Hamilton City Council, also many other councils around the country.

5.31. The Bylaw is the only way ŌDC can change alcohol licensing fees, aligning the charges with the actual costs and inflation. Therefore, emphasising the importance of a new Bylaw as the most appropriate way to set alcohol licensing fees.

Statement Of Proposal

5.32. The special consultative procedure in section 86 of the LGA is required to be used when making Bylaws under the LGA. Section 86(2) of the LGA requires a statement of proposal for a Bylaw to include:

- A draft of the bylaw as proposed to be made.
- The reasons for the proposal.

5.33. The statement of proposal in **Appendix 1** to this report complies with these requirements.

Determinations under section 155 of the LGA

5.34. Before adopting a Draft Ōtorohanga District Alcohol Fe[illegible]law[illegible]r consultation, ŌDC must make the following determinations:

- That the draft Bylaw is the most appropri[illegible]te way t[illegible]address the perceived problem
- That the draft Bylaw is the most appropria[illegible]fo[illegible]n of Bylaw.
- That the draft Bylaw does not [illegible]ve rise t[illegible]impl[illegible]tions under the New ealand Bill of Rights Act 1990 (N BORA).

5.35. There are no other mechanisms to s[illegible] the alcoh[illegible] licensing fees other than introducing a new Bylaw. ŌDC has Bylaw-making p[illegible]vers that allo[illegible]make Bylaws to address the perceived problems.

5.36. Staff do not consider th[illegible]draft Bylaw [illegible]ves rise to any implications under the N BORA.

COPY

6. Strategic Considerations | Ngā whai whakaarotanga

Significance and engagement

6.1. ŌDC's Significance and Engagement Policy require ŌDC to assess the degree of significance of proposals and decisions, which informs the appropriate level of engagement.

6.2. Based on the list of criteria for significance listed in the Significance and Engagement Policy, this draft Bylaw is considered to be of medium significance for the people of the District, which corresponds to the 'consult' level of engagement.

6.3. Additionally, the Significance and Engagement Policy states that ŌDC will use the special consultative procedure set out in section 83 of the LGA for reviewing Bylaws.

6.4. Staff therefore recommend that ŌDC undertake public consultation in accordance with the requirements of the LGA and its Significance and Engagement Policy.

6.5. Section 83 of the LGA requires ŌDC to make some specific decisions which are summarised as follows:

- Prepare and adopt a Statement of Proposal.
- Ensure the Statement of Proposal is publicly available.

6.6. Ensure a description of how ŌDC will provide persons interested in the Proposal with an opportunity to present their views.

6.7. Ensure a statement of the period (not less than 1 month) within which views on the Proposal may be provided to ŌDC.

6.8. Provide an opportunity for persons to present their views to ŌDC in a manner that enables spoken interaction between the person and Elected Members (or delegated representatives) and ensure that any such person is informed about how and when they may take up that opportunity.

6.9. The proposed timetable for consultation and the adoption process is:

Key Milestone	Planned timeframe
Council Meeting: adoption of the proposed Bylaw for public consultation	25 August 2026
Letter to current license holders	End of August
Consultation Period	September 2026
Hearing of submitters who wish to speak to their submissions	27 October
Deliberations Council discusses feedback from the community and changes are agreed to if appropriate	27 October
Council Meeting – adoption of a final bylaw	24 November 2026

COPY

Mana whenua / Māori

6.10. This decision (whether to proceed to consultation on a draft Alcohol Fees Bylaw) has no impact specifically on iwi/Māori.

Strategic alignment

6.11. This decision has no bearing on any strategic documents. If ŌDC resolves to proceed with a bylaw, the 2027 Long Term Plan activity public/private cost/benefit split will need to reflect ŌDC's decision on transferring alcohol licensing fees from public (subsidised) to private (user pays).

6.12. In respect of Local Government reform, a decision to proceed with a consultation on the draft Bylaw has no material impact on any future Local Government reorganisation (potentially from the end of 2028). ŌDC would continue to benefit from the financial benefits of increased cost recovery, from 1 July 2027.

Legal

6.13. This report is prepared in accordance with the relevant legislation and there are no legal implications.

Financial

6.14. There are no financial implications for ŌDC in making the decisions set out in the recommended resolutions. Waitomo DC staff are supporting this process, and this is budgeted for in operating budgets.

6.15. There will be financial implications for licence holders from increase in fees. The stepped increase in cost recovery (35 and 70) better reflects the private benefit to licence holders, which is currently being heavily subsidised by ratepayers.

Risk analysis

6.16. There is very little risk involved in consulting on the proposed Bylaw. The Statement of Proposal has been prepared to fulfil the requirements of sections 83 and 87 of the LGA. A consultation period of 1 month allowing public submissions has been suggested which meets the legislative requirement.

7. Options analysis | Tātari Kōwhiringa

Options summary of considerations:

	Option 1	Option 2
Summary	Set the alcohol licensing fees thereby determining a Draft Ōtorohanga District Alcohol Fees Bylaw as the most appropriate way to set alcohol licensing fees.	Do not set the alcohol licensing fees and retain the fees as set by the Sale and Supply of Alcohol (Fees) Regulations 2013 (i.e. Bylaw does not proceed)
Advantages	If ŌDC determines a bylaw is appropriate, this initiates a full public consultation process for a proposed bylaw allowing interested parties to provide feedback. If the bylaw is approved, this provides for improved cost recovery and rates savings (over time) from reduced subsidisation of alcohol licensing. Many councils in the country have either introduced or consulting on the introduction of an Alcohol Fees Bylaw. ŌDC's approach will be consistent with current practice across other councils.	Cost saving in not preparing the bylaw.

COPY

	Option 1	Option 2
Disadvantages	One-off cost of preparing the bylaw (estimated at 7,940 which is well within operational budgets)	No opportunity to revise alcohol licensing fees. Ratepayers continue to heavily subsidise alcohol licensing beyond the assessed public benefit, and this is expected to grow year on year.

Recommended option and rationale

7.1. Option 1 is recommended because it is the only available legislative mechanism for ŌDC to address the growing gap between alcohol licensing costs and fee revenue.

7.2. Proceeding to consultation enables ŌDC to test community support for a phased user-pays approach, reduces ongoing ratepayer subsidisation of a service that primarily benefits licence holders, supports long-term financial sustainability, and satisfies the statutory requirements of sections 155 and 405 of the relevant legislation before any decision is made.

8. Appendices | Ngā āpitihanga

Number	Title
1	Draft Statement of Proposal – Draft Ōtorohanga District Alcohol Fees Bylaw 2026 and Draft Ōtorohanga District Alcohol Fees Bylaw 2026

COPY

TE KAUNIHERA Ā-ROHE O
ŌTOROHANGA
DISTRICT COUNCIL

Draft Ōtorohanga District Alcohol Fees Bylaw 2026

ŌTOROHANGA DISTRICT COUNCIL

Statement of Proposal

COPY

PROPOSAL

Ōtorohanga District Council (Council) is seeking feedback following the development of the Draft Ōtorohanga Alcohol Fees Bylaw 2026 (the Bylaw).

Council is proposing the new Bylaw to set fees and charges for alcohol licences in Ōtorohanga District. Introducing this Bylaw would allow Council to set the amount it charges to alcohol licence holders (e.g. bars, alcohol stores and supermarkets), to help cover costs relating to alcohol licensing.

Council is proposing to increase cost recovery to 70% uniformly over a period of two years, with initial 35% cost recovery in July 2027, followed by a further 35% in July 2028 to bring the total cost recovery closer to 100%. After the initial and secondary increases, the Bylaw will be reviewed as part of review of Council's Fees and Charges Schedule, with the next review anticipated coming into effect on 1 July 2029.

If the Bylaw is adopted, alcohol licensing fees would increase as shown in the Draft Bylaw 2026 (provided as part of this Statement of Proposal). This document includes further information about the proposal, including the reasons for the proposal and the Draft Bylaw.

HAVE YOUR SAY

Before making any final decisions, Council would like to know your views. You can tell us what you think of this proposal between 7 September and 6 October 2026.

Further information on how to let us know what you think about the proposal is included in this document.

COPY

Key dates

Feedback period:	7 September to 6 October 2026
Chat with a Councillor:	xxx .....
Hearing and Deliberations:	27 October 2026
Decision of Council:	24 November 2026

CONSULTATION DOCUMENT

Table of Contents:

Introduction
Reasons for the proposal and Legislative Context
Need for the Bylaw
Proposed Bylaw

COPY

Introduction

Council currently use the fees set by legislation; however, these fees have not increased since they came into force in 2013 and do not cover the full cost of the processes associated with licensing activities. This means every time Council processes an alcohol licence it costs more than the fee paid by the licensee.

Ratepayers have been subsidising these costs and this is expected to grow year on year. Therefore, by introducing the Bylaw Council will have the ability to enable greater cost recovery and reduce public rates subsidising alcohol fees, which are largely for private benefit.

Costs are increasing due to inflation and an increase in alcohol licensing activities, including more District Licensing Committee hearings, education, monitoring, and enforcement. Costs are expected to continue to increase, in part because of legislative changes. The Bylaw would enable Council to set fees that would recover most of the cost of undertaking these licensing activities.

Consulting on these options provides an opportunity for the Council to discuss the intention of the draft Bylaw, hear community opinions, and consider feedback to the proposal.

COPY

Reasons for the proposal and Legislative Context

Is the Bylaw the most appropriate way of addressing the problem?

The development of the Draft Alcohol Fees Bylaw 2026 is in accordance with the Sale and Supply of Alcohol Act 2012 (the Act), the Sale and Supply of Alcohol (Fee-setting Bylaws) Order 2013, Sale and Supply of Alcohol (Fees) Regulations 2013, and the Local Government Act 2002 (LGA 2002).

The Regulations specify the fees that can be charged and how fees are established for alcohol licensing related functions of territorial authorities. Section 405 of the Act provides the legal framework for the sale, supply and consumption of alcohol and the associated systems of control and licensing. This section permits making an alcohol fees bylaw to increase the fees and charges prescribed for alcohol licensing matters.

Bylaws do not have the authority to override primary legislation but rather seek to supplement and support national rules with local rules. Bylaws must focus on providing a remedy to the identified problem, in this case the problem is only around 30% of the licencing cost is recovered through fees, the remainder is covered by ratepayers', however most of the benefit is to the private business owner.

All bylaws must be reasonable. The requirement to be reasonable relates to the bylaw not unnecessarily impacting upon a person's freedoms and rights, as protected by the New Zealand Bill of Rights Act 1990 (NZBORA). Our assessment of the proposed bylaw is that there are no implications under the NZBORA, and this assessment will be reviewed before a final bylaw is made.

In reviewing and developing bylaws, the Council must follow both the decision making and consultation requirements set out in the LGA. Each bylaw must be evaluated in terms of its costs and benefits to the community, as well as an assessment of the other options available to the Council to regulate or remedy the problem.

OPTIONS CONSIDERED

Below is a summary of the options considered, and reasons given for the chosen option.

Option 1 (Council preferred option): Increasing cost recovery to 70% uniformly over a period of two years with initial 35% cost recovery in July 2027 followed by a further 35% in July 2028.

Option 2 (status quo): do not adopt an Alcohol Fees Bylaw and continue to charge the alcohol licence fees set by fees regulations.

COPY

Table 1: Summary of options

Option	Key Points
Option 1 (preferred): Creating the Bylaw would mean:	• Council would increase the cost recovery for alcohol licences by 35% in 2027-28, followed by a further 35% in 2028-29. • A 35% cost recovery would result in initial fee increase between 50% to 89% over current fees. • A 70% cost recovery equates to a fee increase of between 200% to 277% from the current fees. • Cost recovery would increase from approximately 35% in the financial year 2027/28 to 70% in the financial year 2028/29 of the Bylaw. • A portion of the costs would continue to be subsidised by ratepayers – but less than Option 2
Option 2 (status quo): Not adopting the Bylaw would mean:	• Fees and charges for alcohol licences would not increase. • Council's cost recovery rate would decrease year-on-year. • Alcohol licensing activities undertaken by Council would continue to be mostly subsidised with ratepayer contributions.

COPY

Based on this analysis, creating the Bylaw is the most efficient, effective, and appropriate way to address the problem of increasing alcohol licensing costs and to set the alcohol licensing fees to enable greater cost recovery, thereby reducing the ratepayers' subsidisation of these costs.

Is the Bylaw required?

Ōtorohanga District Council administers alcohol licenses set by the Sale and Supply of Alcohol (Fees) Regulations 2013 (the Regulations). This is a statutory obligation on ŌDC along with administering the District Licensing Committee (DLC).

The actual cost of regulating alcohol licenses comprises staff time and administering the District Licensing Committee. The fees set by the Regulations have not increased since they came into force in 2013 and do not cover the full cost of the processes associated with licensing activities.

The only way Ōtorohanga District Council can change the fees is if a Bylaw is developed.

Proposed Bylaw

The proposed Bylaw is shown in the following pages.

Ōtorohanga District Council

Draft Ōtorohanga Alcohol Fees Bylaw 2026

COPY

Page 49

ŌTOROHANGA DISTRICT COUNCIL

Draft Ōtorohanga Alcohol Fees Bylaw 2026

This Bylaw is made pursuant to the Sale and Supply of Alcohol Act 2012, the Sale and Supply of Alcohol (Fee-setting Bylaws) Order 2013, and the Local Government Act 2002. Ōtorohanga District Council makes and ordains this Bylaw.

1. TITLE

This Bylaw shall be cited and referred to as the "Ōtorohanga District Alcohol Fees Bylaw 2026''.

2. PURPOSE OF THE BYLAW

2.1 The purpose of this Bylaw is to set fees for any matter for which fees payable to territorial authorities are prescribed in the Sale and Supply of Alcohol (Fees) Regulations 2013.

2.2 This Bylaw applies only to the district of Ōtorohanga.

COPY

3. DEFINITIONS

In this Bylaw, unless the context otherwise requires:

"Act" means the Sale and Supply of Alcohol Act 2012.

"Application fee" has the meaning given by the Sale and Supply of Alcohol (Fees) Regulations 2013 and means the fee for any of the following:

(a) an application for an on-licence, off-licence, or club licence:

(b) an application to vary an on-licence, off-licence, or club licence:

(c) an application to renew an on-licence, off-licence, or club licence

"2027/28 year'' means the period commencing 1 July 2027 and ending 30 June 2028.

''Subsequent years'' means the period commencing 1 July 2028 onwards.

"Council" means the Ōtorohanga District Council.

4. BYLAW

Unless the context requires another meaning, a term of expression that is defined in the Act and used in this Bylaw, but not defined, has the meaning given by the Act. Any guidance or explanatory notes do not form part of this Bylaw, and may be made, amended and revoked without formality. To avoid doubt, the Legislation Act 2019 applies to this Bylaw.

5. Fees payable for premises in each fees category

5.1 The application fees and annual fees are:

5.2 Regulations 5 and 6 of the Sale and Supply of Alcohol (Fees) Regulations 2013 provides information on how the Council must assign the cost/risk rating and fees category to any premises for which an on-licence, off-licence or club licence (including renewals) is held or sought.

Period fee applies:	**2027/28 year**		**Subsequent years**	
Fees category for premises	**Application fee**	**Annual fee**	**Application fee**	**Annual fee**
Very low	$579.40	$241.36	$1,158.80	$482.72
Low	$958.84	$586.16	$1,917.69	$1,172.33
Medium	$1,284.76	$947.46	$2,569.51	$1,894.91
High	$1,610.67	$1,551.61	$3,221.34	$3,103.22
Very high	$1,900.337	$2,154.26	$3,800.74	$4,308.53

6. Fees payable for special licences

6.1 The fee payable to the Council for a special licence is as follows:

Period fee applies:	**2027/28 year**	**Subsequent years**
Special License class	**Fee**	**Fee**
Class 1	$1,[illegible]4.17	$2,168.33
Class 2	$3[illegible].30	$780.60
Class 3	$[illegible]19.26	$238.52

COPY

Guidance note:
Regulation 9 of the Sale and Supply of Alcohol (Fees) Regulations 2013 sets out how Council must assign classes for special licenses. Under this provision, every special licence issued by a territorial authority must be one of the following classes:

Special Licence class	Issued in respect of
Class 1	1 large event More than 3 medium events More than 12 small events
Class 2	3 to 12 small events 1 to 3 medium events
Class 3	1 or 2 small events

For this purpose:
Large event means an event that the territorial authority believes on reasonable grounds will have patronage of more than 400 people.

- **Medium event** means an event that the territorial authority believes on reasonable grounds will have patronage of between 100 and 400 people.
- **Small event** means an event that the territorial authority believes on reasonable grounds will have patronage of fewer than 100 people.

COPY

7. Temporary Authority

7.1 The fees payable under section 136 (2) of the Act for a temporary authority to carry on the sale and supply of alcohol is:

(a) for the 2027/28 year, $470.15; and

(b) for subsequent years, $940.31.

8. Temporary Licence

8.1 A person applying under section 74 of the Act to sell alcohol pursuant to a licence from premises other than premises to which the licence relates must pay an application fee to the Council of:

(a) for the 2027/28 year, $470.15; and

(b) for subsequent years, $940.31.

9. Permanent Club Charter

9.1 The holder of a permanent club charter (as described in section 414 of the Act) must, if the club's premises are located in the district of the Council, pay an annual fee to the Council of:

(a) for the 2027/28 year, $1,002.26; and

(b) for subsequent years, $2,004.54.

10. Extract from Register

10.1 The fee payable to a licensing committee under section 66(2) of the Act for an extract from a register is:

(a) for the 2027/28 year, $91.11; and

(b) for subsequent years, $182.23

11. Goods and Services Tax Exclusive

11.1 The fees prescribed by this Bylaw are exclusive of goods and services tax.

COPY

THIS BYLAW WAS CONFIRMED BY COUNCIL ON [INSERT DATE]

This Bylaw was made by the **ŌTOROHANGA DISTRICT COUNCIL** under the Sale and Supply of Alcohol Act 2012, the Sale and Supply of Alcohol (Fee-setting Bylaws) Order 2013, and the Local Government Act 2002 at a meeting of the Ōtorohanga District Council held [INSERT DATE]

The Common Seal of the **ŌTOROHANGA DISTRICT COUNCIL** was hereunto affixed pursuant to a resolution of Council passed on the XXXXXX 2026.

The Common Seal of the **ŌTOROHANGA DISTRICT COUNCIL** was hereto affixed in the presence of:

COPY

_____ _____

Mayor Date

_____ _____

Chief Executive Date

TE KAUNIHERA Ā-ROHE O
ŌTOROHANGA
DISTRICT COUNCIL

COPY

Commencement of meeting — Te tīmatanga o te hui

The Chairperson will confirm the meeting is quorate, advise whether the meeting is being livestreamed/recorded, and declare the meeting open.

Opening prayer/reflection/words of wisdom — Karakia/huitao/whakataukī

The Chairperson will invite a member to provide opening words and/or prayer/karakia.

Apologies — Ngā hōnea

Members may submit apologies for absence. The meeting will resolve whether to accept them.

Staff recommendation

That Ōtorohanga District Council receive and accept the apology from Councillor XXXX for non-attendance, lateness or early departure and grant leave of absence under standing orders.

Public forum — Hui tūmatanui

Public forum allows members of the community to speak on matters of interest. Requests to speak must be received **at least two working days before the meeting**. Speakers may present for up to five minutes. No decisions will be made on matters raised unless already on the agenda.

Late items — Ngā take tōmuri

Late items may only be considered in accordance with section 46A of the Local Government Official Information and Meetings Act 1987. A resolution is required, and the Chairperson must explain why the item was not included and why it cannot be delayed.

If a late item is raised, staff recommend that: *Ōtorohanga District Council consider the late item titled [item title] pursuant to section 46A(7) of the Local Government Official Information and Meetings Act 1987 because [reason item was not on agenda] and because the item cannot be delayed until a subsequent meeting because [reason].*

Declaration of conflict of interest Te whakapuakanga pānga taharua

Members must declare any actual, potential, or perceived conflicts of interest. A member with a conflict must not participate in the item unless permitted under law or standing orders.

If a conflict is declared, use wording such as: *That Ōtorohanga District Council receive the declaration of interest from [member name] in relation to item [x], note that [member name] [will remain / will not participate / will leave the table] for that item, and record the declaration in the conflicts register.*

Confirmation of minutes Te whakaū i ngā meneti

The unconfirmed open minutes are attached for confirmation.

Staff recommendation

That Ōtorohanga District Council confirm the open minutes of the ordinary meeting held on 29th September 2026 as a true and correct record, subject to any amendments resolved by the meeting.

Note: The confirmed minutes will be kept as the official record of the meeting in accordance with the Public Records Act 2005.

TE KAUNIHERA Ā-ROHE O
ŌTOROHANGA
DISTRICT COUNCIL

Ōtorohanga District Council

Unconfirmed Open Minutes

Date: Tuesday, 29 September 2026

Time: 9.00am

Location: Council Chambers, 17 Maniapoto Street, Ōtorohanga

Meeting type: Ordinary

Public access: Open to the public

The recording is available on ŌDC's YouTube channel
(otorohangadistrictcouncil2783).

Open Minutes of an ordinary meeting of Ōtorohanga District Council held in Waikōwhitiwhiti (Council Chambers), 17 Maniapoto Street, Ōtorohanga, on Tuesday, 29 September commencing at 9.00am.

Tanya Winter, Chief Executive 8 October 2026

Ōtorohanga District Council attendance

Chairperson	Mayor Rodney Dow	Present
Deputy Chairperson/Ōtorohanga Councillor	Deputy Mayor Katrina Christison	Apology
Kāwhia Tihiroa Councillor	Jo Butcher	Present
Kāwhia Tihiroa Councillor	Kit Jeffries	Present
Kio Kio Korakonui Councillor	Andrew Barker	Present
Ōtorohanga Councillor	Tayla Barclay	Apology
Rangiātea Councillor	Tennille Kete	Present
Rangiātea Councillor	Jaimee Tamaki	Present
Waipā Councillor	Michael Woodward	Present
Wharepūhunga Councillor	Shane Carr	Present

ŌDC senior staff in attendance

Chief Executive	Tanya Winter	Attended
Group Manager Engineering Assets	Mark Lewis	Attended
Group Manager Regulatory Growth	Tony uickfall	Attended
Group Manager Strategy Community	Nardia Gower	Attended

Chairperson's Certification

These open minutes of the ordinary meeting of the Ōtorohanga District Council held on29 September 2026 are confirmed as a true and correct record of the proceedings of that meeting.

Chairperson Date:

Opening formalities	**Ngā tikanga mihimihi**	**Page**
Opening prayer/reflection/words of wisdom		5
Apologies	Deputy Mayor Katrina Christison and Councillor Tayla Barclay	5
Public forum	None	5
Late items		5
Declaration of conflict of interest		5
Confirmation of minutes	04 August and 25 August 2026	5
Mayor Dow's verbal report		6

Decision reports	**Ngā pūrongo whakatau**	**Page**
Item 65	Carryovers – 2025/26 to 2026/27	6
Item 66	Ōtorohanga Kiwi House – Investigation of Council's Future Financial Relationship	7

Information only reports	**Ngā pūrongo mōhiohio anake**	**Page**
Item 67	Economic Wellbeing Strategy Implementation Plan Report 2026	8
Item 68	Finance Report to 31 August 2026	9

Other business	**Ētahi atu take**	**Page**
Councillor updates		9
Resolution Register		10

Public excluded	**Take matatapu**	**Page**
Item 69	Resolution to exclude the public for Item PE11	10

Closing formalities	**Ngā tikanga whakakapi**	**Page**
Closing prayer/reflection/words of wisdom	Karakia/huritao/whakataukī	11

Workshops		**Hui awheawhe**
1	Long Term Plan - Assumptions	Open to the public
2	Monthly discussion with the Chief Executive	Public not permitted
3	Long Term Plan – Revenue and Financing Policy	Open to the public
4	Aotea seawall	Open to the public
5	Legislation update	Open to the public
6	Service request dashboard update	Open to the public

Commencement of meeting

Mayor Dow declared the meeting open at 9.00am.

Opening prayer/reflection/words of wisdom

Mayor Dow led the meeting in a recitation of the karakia provided in the agenda.

Apologies

Resolved C90: That Ōtorohanga District Council **RECEIVE** and **ACCEPT** the apology from Deputy Mayor Christison and Councillor Tayla Barclay for non-attendance, and grant leave of absence under standing orders.

Mayor Dow | Councillor Carr

Public forum

None

Late items

There were no late items.

Declaration of conflict of interest

There were no Declarations made.

Confirmation of minutes Te whakaū i ngā meneti

Resolved C91: That Ōtorohanga District Council:

a) **CONFIRM** the open minutes of the extra-ordinary meeting on 04 August 20226 as a true and correct record subject to any amendments resolved by the meeting; and,

b) **CONFIRM** the open minutes of the ordinary meeting held on 25 August 2026 as a true and correct record subject to any amendments resolved by the meeting.

Councillor Woodward Mayor Dow

Mayor Dow's verbal report

Mayor Dow reported that he had attended Koroneihana at Ngāruawāhia, the Ōtorohanga Kiwi House AGM, a Regional Transport Committee meeting and a public transport meeting, where Councillor Jeffries presented the case for a public transport service from Kāwhia. He also attended a Primary Cluster Group meeting focused on planning for natural ha ard events, including briefings on a forecast El Ni o event and avian influen a. He also commented on the Government's Head Start announcement, acknowledging the disappointment arising from the lack of a decision, thanking staff for the work undertaken, and noting that the work remained valuable for any future local government reorganisation.

Resolved C92: That Ōtorohanga District Council receive the verbal update from Mayor Dow.

Mayor Dow | Councillor Jeffries

Decision reports

Item 65: Carryovers – 2025/26 to 2026/27

The Chief Executive introduced the report and Brendan O'Callaghan, Project Accountant, explained the purpose, funding and treatment of carryovers. Discussion covered project delivery, consent and weather-related delays, funding sources, progress on water renewals, the Kāwhia wharf and pound improvements, the resource recovery centre feasibility study, and the distinction between accounting and cash surpluses. It was noted that most work-in-progress items were expected to be completed in the short term.

The report was amended to carry forward 250,000 for the Kāwhia/Aotea seawall and to add 518,000 for town concept plan implementation, with the consequential adjustment to the total carryover.

Resolved C93: That Ōtorohanga District Council approve the carrying over of 3,958,250 to the 2026/27 financial year for the following projects:

Tihiroa Rural Water Resource Consent Renewal - 150,000	Ōtorohanga Water Supply Mains Renewals - 750,000	Ōtorohanga Wastewater Mains Renewals - 750,000
Ōtorohanga Stormwater consent Renewal - 200,000	Ōtorohanga Stormwater Mains Renewals - 150,000	Kāwhia Stormwater Resource Consent Renewal - 220,000
Swimming Pools Building and Pool Upgrades - 100,000	Kāwhia Medical Centre Building Renewals - 18,000	Organisational Development - 184,150

IT Equipment Hardware Software - 82,466	IT Equipment Website Development - 10,000	Kāwhia Public Conveniences Interior Upgrades - 15,000
Library Building Renewals - 11,000	Library Building Covered Parking - 14,550	Swimming Pools Sundry Renewals - 40,000
Housing Driveway Sealing - 10,000	Housing External Painting - 8,000	Housing Healthy Homes - 27,000
District Property Pound Improvements - 38,000	Ōtorohanga Cemetery Berm Extensions - 15,000	Ōtorohanga Parks Reserves Lake Huiputea Wetlands Projects - 39,951
Ōtorohanga Parks Reserves Interpretive Signage - 5,000	Ōtorohanga Public Conveniences External Painting - 10,000	Kāwhia Wharf Re-pile Wharf - 22,773
Ōtorohanga Flood Protection Sundry Renewals - 11,126	Ōtorohanga Flood Protection Inlet/Outlet Renewals - 60,908	Ōtorohanga Flood Protection Weir Renewals - 50,000
Ōtorohanga Refuse Resource Recovery Centre Feasibility Study - 75,000	Arohena Rural Water Pipe Renewals - 100,000	Ranginui Rural Water Sundry Renewals - 13,611
Ōtorohanga Board Discretionary Fund - 5,941	Kāwhia Board Discretionary Fund - 2,774	Kāwhia/Aotea Seawall – Maintenance and Resource Consent - 250,000
Town concept plans 518,000		

Mayor Dow | Councillor Jeffries

Item 66: Ōtorohanga Kiwi House – Investigation of Council's Future Financial Relationship

Nardia Gower, Group Manager Strategy and Community, presented the report and clarified that no decision was being sought to convert or forgive the existing 2 million loan, provide further capital, or adopt a particular investment, ownership or governance structure. Approval was sought to investigate potential investment and ownership pathways, undertake staged legal, financial, governance and structural due diligence within a budget of up to 75,000, and develop any viable proposal for community consultation through the 2027–37 Long Term Plan process.

Discussion covered protection of ratepayer interests, allocation of work between ŌDC and the Ōtorohanga Kiwi House Trust, the proposed confidentiality agreement with a potential third-party investor, treatment of foregone interest and investigation costs if an investment proceeds, and the need to complete the work before the current interest-free loan period ends in June 2027.

Resolved C94: That Ōtorohanga District Council:

a) CONFIRMS its preferred strategic direction is Strategic Pathway 3 – Investment/ Ownership: Explore an ongoing investment relationship that may preserve opportunities for future value to return to the community and provide varying degrees of governance or ownership participation; and

b) CONFIRMS its preference for Option 1 – Investigate First, then consult on a developed proposal; and

c) RE UESTS the Chief Executive to progress the necessary legal, financial, governance and structural investigations to assess Strategic Pathway 3; and

d) APPROVES a budget of up to 75,000 for specialist legal, financial, governance and related advisory services to support investigation of Strategic Pathway 3, with expenditure to be staged and additional work to be commissioned only when required; and

e) NOTES that this is unbudgeted expenditure that will be funded from Community Development which is District Rates Funded and will be an overspend in this account.

f) APPROVES the proposed programme of work and timeline to support development of the 2027-37 Long Term Plan; and

g) RE UESTS that the Chief Executive report back to Ōtorohanga District Council by November 2026 with the progress of the investigation work, associated risks, costs and recommendations for further consideration.

Mayor Dow | Councillor Jeffries

Information only reports Ngā pūrongo mōhiohio anake

Item 67: Economic Wellbeing Strategy Implementation Plan Report 2026

Cheryl Reynolds, Manager Economic Wellbeing, presented the report and explained that the implementation plan reflected collective delivery across ŌDC, partner organisations and the community. The review retained the outcomes of the Economic Wellbeing Strategy while updating the timing and delivery of actions to reflect current circumstances.

Discussion covered the status of the community-led housing plan, with Elevate remaining kaitiaki and no current appetite for ŌDC to assume the lead role; examples of partnership support for mana whenua initiatives, including energy security and solar engineering training; and continued relationship-building with Te Nehenehenui and Waikato-Tainui to identify practical opportunities for alignment of mutual outcomes

Resolved C95: That the Ōtorohanga District Council RECEIVE the report 'Economic Wellbeing Implementation Plan Report 2026' and accompanying appendices.

Councillor Carr Councillor Kete

Item 68: Finance Report to 31 August 2026

Brendan O'Callaghan, Project Accountant, presented the Finance Report to 31 August 2026 and advised that ŌDC was in a healthy financial position following receipt of the first rates instalment. Discussion covered adjustments to water-by-volume income, year-end accruals, consultant expenditure associated with the Water Services Strategy, internal overhead recoveries and regional initiatives funded through shared services. It was agreed that the line item security patrol would be amended to security patrol and noise control .

Councillor Carr left the meeting at 10.05am and returned at 10.07am.

Resolved C96: That Ōtorohanga District Council RECEIVE the report titled 'Finance Report to 31 August 2026' by Brendan O'Callaghan, Project Accountant.

Councillor Jeffries Councillor Butcher

Councillor updates Ngā kōrero hou a ngā Kaikaunihera

Councillor Butcher reported that she had recently returned from overseas after visiting family. She had monitored ŌDC matters while away and acknowledged that matters had remained well managed.

Councillor Carr reported that he had attended elected member workshops and the Ōtorohanga Kiwi House AGM, where he discussed possible future ownership arrangements with trust members. He had received considerable correspondence from constituents in his ward concerning the Wharepūhunga Road skidpad. He had also been approached about lowering the speed limit on Waikeria Road. Councillor Carr hosted a fundraising qui for Korakonui School, which raised approximately 24,400, and had subsequently been approached to host similar events for other organisations. He was also due to host a fundraiser for Riding for the Disabled.

Councillor Barker reported that he had attended an elected member workshop and had otherwise been occupied with commitments at home.

Councillor Woodward reported that he had attended the Ōtorohanga Charitable Trust AGM, where recipients spoke about funded initiatives and the Trust's strategic approach to distributing community funding. He had also attended a North King Country Development Trust meeting at which Elevate, Legendary Te Kuiti, the Maniapoto Māori Trust Board and other community providers discussed potential partnerships and future funding opportunities. A further meeting was scheduled to continue those discussions.

Councillor Tamaki reported that she had attended Koroneihana, monthly Te Maruata hui online, a Chief Executive Review Committee meeting, Meet the Candidates events and Local Government New ealand

webinars. She had also attended a hui at Meremere Pā concerning prospective oil and gas exploration along the western coastline. The proposals remained at the desktop and application stage. Councillor Tamaki also attended the Waiwaia Festival, which she described as particularly well attended and involving several generations of the community.

Councillor Kete reported that she had attended the Waiwaia kapa haka festival at Ōtorohanga College. She had commenced two Council-supported micro-credential papers in financial and governance leadership and was also undertaking a wānanga paper in Māori governance. Councillor Kete attended a petroleum and gas exploration meeting at Marokopa, where companies outlined proposed onshore and offshore exploration and answered questions from mana whenua and whānau. She also attended a Waikato Civil Defence Emergency Management workshop concerning proposed changes to emergency management arrangements and their implications for ŌDC.

Councillor Jeffries reported that he had attended a Civil Defence Emergency Management response-plan meeting, a meeting concerning the Kāwhia fitness trail, the Kāwhia Community Board meeting, an elected member workshop and the Ōtorohanga Kiwi House AGM. He had presented to the Waikato Regional Council Public Transport Committee in support of a proposed bus service to Kāwhia. Preparations were underway for the Kāwhia Kai Festival on 6 February 2027, with a particular focus on the significance of Te Tiriti o Waitangi to Kāwhia. He also reported progress on the Kāwhia Sports Club, including operating tennis courts and the donation of a virtual golf screen, with the facility expected to open by Christmas. Councillor Jeffries noted that he had provided personal comments to the local newspaper regarding the Government's Head Start announcement and had made clear that he was not speaking on behalf of ŌDC.

Resolution Register — Rēhita tatūnga

Resolved C97: That Ōtorohanga District Council confirm the removal of Resolution C88 from the Register.

Mayor Dow | Councillor Tamaki

Public excluded — Take matatapu

Item 69: Resolution to exclude the public for Item PE11

Resolved C98: That the Ōtorohanga District Council exclude the public from the following parts of the proceedings of this meeting confirming:

a) This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987. The grounds are those specified in section 7(2)(a) of that Act, as the public conduct of the relevant part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists; and

b) The general subject of each matter to be considered while the public is excluded and the reason for passing this resolution in relation to each matter and the specific grounds for the passing of this resolution are as follows:

General subject of each matter to be considered	Ground(s) under section 48(1) for the passing of this resolution	Interest
Item PE11: Chief Executive annual performance review	Section 7(2)(a)	To protect the privacy of natural persons, including that of deceased natural persons.

Councillor Woodward Councillor Tamaki

The public were excluded at 10.29am and were re-admitted at 11.56pm.

Meeting closure — Katinga o te hui

Mayor Dow declared the meeting closed at 11.57am.

Workshops — Hui awheawhe

1	Long Term Plan - Assumptions	Open to the public
2	Monthly discussion with the Chief Executive	Cancelled due to time limitations
3	Long Term Plan – Revenue and Financing Policy	Open to the public
4	Aotea seawall	Open to the public
5	Legislation update	Open to the public
6	Service request dashboard update	Cancelled due to time limitations

Adoption of Minutes

Resolution to be added.

Version control

Version	Status	Date	Description
1.0	Draft	08 October 2026	Initial draft prepared following the meeting
2.0	Confirmed	insert adoption date	Minutes adopted by the Ōtorohanga District Council

Mayor Dow's verbal report — Te pūrongo ā-waha a te kahika

The Mayor will give a verbal update on activities since the previous ordinary meeting. If the Mayor is absent, the item will lapse.

Staff recommendation

That Ōtorohanga District Council receive the verbal update from Mayor Dow.

Decision reports

Ngā pūrongo whakatau

Reports in this section contain recommendations for a decision.

Item	Re-appointment of Ōtorohanga representative to the Ōtorohanga District Licensing Committee
To	Ōtorohanga District Council
From	Tony Quickfall, Group Manager Regulatory & Growth
Type	**DECISION REPORT**
Date	27 October 2026



1. Purpose | Te kaupapa

1.1. To re-appoint a local representative to the Ōtorohanga District Licensing Committee as part of the statutory renewal of the District Licensing Committee.

2. Executive summary | Whakarāpopoto matua

2.1. Former Councillor Roy Johnson currently operates as an Independent Commissioner and Alternate Chairperson on the Ōtorohanga District Licensing Committee, which makes decisions on issuing alcohol licenses for the District.

2.2. Like many District Licensing Committee members, Mr. Johnson is part of a "pool" across the Ōtorohanga, Waitomo and Waipā District Licensing Committee. Appointments are made for a period of five years, and the current District Licensing Committee appointments terminate on 30 November 2026, after which new appointments will be made. This report is to re-appoint members of the Ōtorohanga District Licensing Committee under sections 192 and 193 of the Sale and Supply of Alcohol Act 2012. Waipā District Council has confirmed the incumbent chair and independent members are seeking re-appointment. Waipā DC and Waitomo DC will each appoint their own Elected Member. On this basis, ŌDC needs to: appoint one local Ōtorohanga District representative; reappoint the independent members; endorse the Elected Members from the other councils. Mr. Johnson has expressed interest in reappointment as Independent Commissioner representing Ōtorohanga District, if no Elected Members are interested. Council could choose to an Elected Member and Mr. Johnson (as Independent Commissioner) if they deemed this appropriate.

2.3. ŌDC's Mayor would like to invite expressions of interest from current sitting Councillors who may be interested in sitting on the District Licensing Committee. In accordance with the Sale and Supply of Alcohol Act 2012:

a. an elected member of a territorial authority and an independent member is appointed by the Council

b. an elected member may also be a Deputy Chair, and a Deput Chari must be an Elected Member; or

c. an Independent Commissioner and alternate chairperson is appointed by the Chief Executive of the territorial authority, at the request or recommendation of the territorial authority (ŌDC).

2.4. This report sees to re-appoint either one elected member representative on the Ōtorohanga District Licensing Committee as Deputy Chair, or re-appoint the incumbent (Mr Roy Johnson), as independent Commissioner and Alternate Chair, and the reappointment of incumbent independent members.

3. Staff recommendation | Tūtohutanga a ngā kaimahi

That the Ōtorohanga District Council:

EITHER

a) **Recommend to the Ōtorohanga District Council Chief Executive** they re-appoint Mr Roy Johnson as Commissioner of the Ōtorohanga District Licensing Committee to act as alternate Chairperson if the incumbent Chairperson is unavailable or has a conflict of interest, pursuant to section 193 of the Sale and Supply of Alcohol Act 2012 from 30 November 2026 for a period of five years to 29 November 2031, noting that Ms Tegan McIntyre is currently the Chair of the District Licensing Committee.

OR

b) **Appoint** Councillor xxxxxx as Deputy Chair of the Ōtorohanga District Licensing Committee, pursuant to section 193 of the Sale and Supply of Alcohol Act 2012 from 30 November 2026 for a period of five years to 29 November 2031, noting that Ms Tegan McIntyre is currently the Chair of the District Licensing Committee.

AND

c) **Endorse** any respective Elected Member appointments by Waipā District Council and Waitomo District Council; and

d) **Approve** the following appointments to the list of persons approved to be members of the Council's District Licensing Committee from 30 November 2026 for a period of five years to 29 November 2031 pursuant to section 192 of the Sale and Supply of Alcohol Act 2012:

i) Mr Ross Murphy,

ii) Dr Patsi Davies,

iii) Dr Michael Cameron,

AND

e) Recommend to the Ōtorohanga District Council Chief Executive to appoint Tegan McIntyre as the Independent Chair of the Ōtorohanga District Licensing Committee pursuant to section 193 of the Sale and Supply of Alcohol Act 2012 from 30 November 2026 for a period of five years to

29 November 2031, noting that Ms Tegan McIntyre is currently the Chair of the District Licensing Committee.

4. Context | Horopaki

4.1. In November 2021, ŌDC formally approved the appointment of a District Licensing Committee and an Independent Commissioner Chair, pursuant to the Sale and Supply of Alcohol Act 2012. The Ōtorohanga District Licensing Committee is independent but shares a pool of members across Waitomo, Ōtorohanga and Waipā district councils. The District Licensing Committee determine all applications for alcohol licences and managers' certificates filed within the district. District Licensing Committee appointments are for a maximum term of five years.

4.2. Mr Roy Johnson is current Independent Commissioner and Alternate Chair of the ŌDC District Licensing Committee and has expressed an interest in continuing on the ŌDC District Licensing Committee for the next 5 year term.

4.3. Under the Sale and Supply of Alcohol Act 2012, each licensing committee consists of members appointed by the territorial authority for that territorial authority's district. Ōtorohanga, Waipā and Waitomo Councils individually appoint the same pool of members and Chairperson, with their own elected members as Deputy Chairs. A territorial authority must appoint one member as the chairperson and that person must be a member of that territorial authority or (as in our case) a commissioner appointed to the licensing committee (with the chairperson appointment being made by the local authority Chief Executive).

4.4. The incumbent DLC independent members (Cair Tegan McIntyre, Dr Patsi Davies, Dr Michael Cameron, and Mr Ross Murphy) have all expressed their interest in reappointment to the pool of independent members who can operate across all three council DLCs.

4.5. A territorial authority **may** appoint a member of that territorial authority to be *deputy* chairperson, and act in place of the chairperson, if the chairperson is unable to act because of illness or absence from New Zealand, or for other sufficient reason. While acting in place of the chairperson, the deputy chairperson is a member of the committee and has all the powers and duties of the chairperson. Under the Act the appointment of a deputy chairperson is discretionary, and a deputy chairperson **must** also be an elected member of a territorial authority. If the Chair is unavailable, and there is any matter where the Deputy cannot act (such as a conflict of interest), the Act does not allow committee members to deal with applications on their own, and offers no remedy until the Chairperson, or Deputy is able to act.

4.6. The Act provides for the appointment of a non-elected Commissioner as an *alternate* chairperson to the incumbent chairperson. The Commissioner Chair appointment is made by the local authority Chief Executive based on the request or recommendation of the local authority. The local authority itself appoints elected member and independent members.

4.7. There are statutory limitations around appointments:

4.8. A territorial authority must not approve a person unless that person has experience relevant to alcohol licensing matters.

4.9. A territorial authority must not approve a person with involvement in the alcohol industry that could create actual or perceived bias.

4.10. The three councils have historically appointed members who possess the following skill sets:

a. Understand community expectations around alcohol licensing;

b. Have experience in decision-making relevant to licensing;

c. Possess strong analytical and communication skills;

d. Have knowledge of the Sale and Supply of Alcohol Act 2012 and alcohol-related harm; and

e. Have no involvement, or perceived involvement, in the alcohol industry

4.11. District Licensing Committee remuneration is determined by the Minister of Justice under the Cabinet Fees Framework. The current rates are $624 per day ($78/hour) for chairs and $408 per day ($51/hour) for members.

4.12. In terms of workload, in the period June 2925 to July 2026 , 25 decisions were made by the local ŌDC DLC member, with all these decisions being made "on the papers" (i.e. without a hearing).

5. Discussion | He kōrerorero

Option 1: Reappoint Mr Roy Johnson and the incumbent independent chair and independent members

5.1. This option ensures continuity of decision-making and representation of local (Ōtorohanga) interests in ŌDC District Licensing Committee decisions. Re-appointment of Mr Johnson as a member, rather than deputy chairperson, means there would be no deputy chairperson on the District Licensing Committee. However, re-appointing Mr Johnson (by ŌDC) as member and as alternate Commissioner chairperson (by ŌDC's Chief Executive) would mean he could act as a chairperson if needed, and there is no need to deputise an elected member.

5.2. Under this option, Council would also direct the ŌDC CE to reappoint the independent chair and 3 independent pool members.

Option 2: Appoint an eligible Elected Member and reappoint the incumbent independent chair and independent members

5.3. Under the Act, an appointment of an elected member needs to be as Deputy Chair to enable to Committee to operate in the absence of the Chair. The elected member should possess the requisite skills in paragraph 4.6. Under this option, Council would direct the ŌDC CE to reappoint the independent chair and 3 independent pool members.

5.4. **Option 3**: **Reappoint Mr Roy Johnson and the incumbent independent chair and independent members AND appoint an eligible Elected Member**

5.5. This option ensures continuity of decision-making and representation of local (Ōtorohanga) interests in ŌDC District Licensing Committee decisions, expands the available pool of independent members,

and would establish local decision-making via an Elected Member. It provides additional capacity if either member was unavailable.

5.6. Under this option, there would need to be an agreement between the Elected Member and Mr Johson over sharing decisions. The options are alternate the decisions evenly between the 2 members or have the one primary member and one alternate/backup.

Recommended option and rationale

5.7. Staff recommendation is Option 3, on the basis of continuity of decision making, increased capacity, and local representation.

6. Strategic Considerations | Ngā whai whakaarotanga

Significance and engagement

6.1. This decision does not meet ŌDC's threshold for being a significant decision under the Significance and Engagement Policy.

Mana whenua / Māori

6.2. There are no impacts on Māori arising from this decision.

Legal

6.3. There are no legal ramifications from this reappointment.

Financial

6.4. There are no financial ramifications from this reappointment.

Policy and plans

6.5. This appointment is consistent with ŌDC's combined Alcohol Policy and Bylaw.

Risk analysis

6.6. Mr Johnson is of good standing, is a trained and qualified mediator, and is an experienced member of the District Licensing Committee. There are no known risks arising from his re-appointment as an independent commissioner member.

6.7. Provided an elected member meets the requisite skills and is has no involvement or perceived involvement in the alcohol industry, apart from induction and initial training there are no known risks for appointment of an appropriate elected member.

7. Appendices | Ngā āpitihanga

Number	Title
1	n/a

Item	Application for Temporary Road Closure – Kāwhia Kai Festival
To	Ōtorohanga District Council
From	**Paul Strange, Manager Roading**
Type	**DECISION REPORT**
Date	27th October 2026



1. Purpose | Te kaupapa

1.1. To consider an application for road closures within the Kāwhia area to enable the Kāwhia Kai Festival 2027.

2. Executive summary | Whakarāpopoto matua

2.1. An application has been received from Kāwhia Kai Festival for a road closure on Jervois Street from the intersection of Tainui Street and Omimiti Street, Kāwhia on Saturday 6th February 2027 from 5:00am to 4:00pm.

2.2. Kāwhia Kai Festival are in the process of obtaining consents from residents of the affected areas, indicating agreement for the road closures.

2.3. The proposed event was advertised on Thursday 17th of September 2026, and no objections were received. Objections closed on 6th October 2026.

2.4. The event is planned for one day only. This generates local interest and provides additional income to the Community.

3. Staff recommendation | Tūtohutanga a ngā kaimahi

That the Ōtorohanga District Council

a Approve the Temporary Road Closure for the Kawhia Kai Festival, in accordance with Sections 319(h) and 342, and Section 11 of Schedule 10 of the Local Government Act 1974, of **Jervois Street** from the intersection of Tainui Street and **Omimiti Street, Kāwhia** on Saturday 6 February 2026 from 5:00am to 4:00pm**.**

b Authorise public notification of the approved road closure before the event, as required by the Local Government Act 1974.

4. Context | Horopaki

4.1. This event is an annual event and provides an opportunity to attract interest in the district.

4.2. If approved, the application process includes the following conditions are met:

- Public notice advertisements are to be published in the King Country News, Council's website and Facebook page.
- Applicant is responsible for obtaining public liability insurance, (and paying the cost thereof), to a minimum value of $2,000,000.
- Applicant is to liaise and provide evidence of liaison with all operators and businesses that may be affected by the road closures. A subsequent mail-drop is to be completed no later than ten full days before the proposed closures.

4.3. Applicant is solely responsible for submitting the appropriate Traffic Management Plan for approval, for signposting and policing of the roads to be closed, to ensure that only vehicles connected with the event have access to the road closure areas. This includes arranging the delivery, erection and staffing of all road closure barriers, and the removal thereof, after closures.

4.4. Emergency Services always have right of passage during closure.

5. Considerations | Ngā whai whakaarotanga

Significance and engagement

5.1. Roading is defined as a significant activity. However, as this is a discretionary activity with a low cost and impact is assessed as not significant.

5.2. If approved this event will be publicly advertised.

Impacts on Māori

5.3. The Kāwhia Kai Festival is expected to have a positive impact on Māori through the celebration of food, culture, and heritage. The event provides opportunities for cultural expression, community participation, and the sharing of local traditions with the wider community. Staff consider that the event does not impact sites of significance or waterways.

Risk analysis

5.4. The applicant has applied for this road closure pursuant to the Tenth Schedule of the Local Government Act 1974. It raises no significant risks for Council.

Policy and plans

5.5. Staff confirm that the recommendation in this report complies with Council's Policies and Plans.

Legal

5.6. The road closure is being dealt with under the provisions of the Tenth Schedule of the Local Government Act 1974 for this event.

Financial

5.7. This is no cost to Council except through any grant application, and closure advertising.

6. Discussion | He kōrerorero

Option 1: Council approve the temporary road closure

6.1. This is a community event held in the district which provides entertainment and promotes the district. Participants and spectators will visit the district and spend money with local businesses.

6.2. The location of the event is central in Kāwhia Town. It will attract visitors.

Option 2: Council decline the temporary road closure

6.3. The opportunity to provide entertainment and district promotion would be lost along with associated increased spending within the district.

Recommended option and rationale

6.4. The preferred option is that Council grant approval. The reason for this is because the benefits outweigh the negatives.

7. Appendices | Ngā āpitihanga

Number	Title	Document number
There are no appendices		

Item	**Application for Temporary Road Closure – Elevate Ōtorohanga Christmas Parade 2026**
To	Ōtorohanga District Council
From	Paul Strange, Roading Manager
Type	**DECISION REPORT**
Date	27 October 2026

1. Purpose | Te kaupapa

1.1. To consider an application for road closures within the Ōtorohanga District to enable Elevate Ōtorohanga to hold the annual Christmas Parade.

2. Executive summary | Whakarāpopoto matua

2.1. An application has been received from Elevate Ōtorohanga, Ōtorohanga District Development Board for road closures within the Ōtorohanga Township on 4th December 2026 from 5pm – 8:30pm.

2.2. Elevate Ōtorohanga are in the process of obtaining consents from business of the affected areas, indicating agreement for the road closures.

2.3. The proposed event was advertised on Thursday 17th September 2026 and no objections were received. Objections closed on 6th October 2026.

2.4. This event is important to our small town; it is a display of community engagement and celebration for the benefit and enjoyment of children and families of our District-wide community. As well as the economic returns for our local retail and hospitality businesses.

3. Staff recommendation | Tūtohutanga a ngā kaimahi

That the Ōtorohanga District Council:

a. Approve the Temporary Road Closure, in accordance with Sections 319(h) and 342, and Section 11 of Schedule 10 of the Local Government Act 1974, Maniapoto Street, (from Te Kanawa Street to Ranfurly Street), Tūrongo Street, (from Kakamutu Road to Balance Street), Pine Street, Wahanui Crescent, Whittington Lane, Cowley Lane and Ranfurly Street, on Friday 4th December 2026 from 5pm – 8:30pm.

b. Authorise public notification of the approved road closure before the event, as required by the Local Government Act 1974.

4. Context | Horopaki

4.1. This event is an annual event and provides an opportunity to attract interest in the district.

4.2. If approved, the application process includes the following conditions are met:

- Public notice advertisements are to be published in the King Country News, Council's website and Facebook page.
- Applicant is responsible for obtaining public liability insurance, (and paying the cost thereof), to a minimum value of $2,000,000.
- Applicant is to liaise and provide evidence of liaison with all operators and businesses that may be affected by the road closures. A subsequent mail-drop is to be completed no later than ten full days before the proposed closures.

4.3. Applicant is solely responsible for submitting the appropriate Traffic Management Plan for approval, for signposting and policing of the roads to be closed, to ensure that only vehicles connected with the event have access to the road closure areas. This includes arranging the delivery, erection and staffing of all road closure barriers, and the removal thereof, after closures.

- Emergency Services have complete right of passage at all times during closure.
- Applicant to liaise with all necessary emergency services.
- Applicant to liaise with all bus companies to ensure they have alternative access to bus stops.

5. Considerations | Ngā whai whakaarotanga

Significance and engagement

5.1. Roading is defined as a significant activity. However, as this is a discretionary activity with a low cost and impact is assessed as not significant.

5.2. If approved this event will be publicly advertised.

Impacts on Māori

5.3. Staff consider the matters set out in this report do not have a direct impact on cultural wellbeing, sites of significance or waterways.

Risk analysis

5.4. The applicant has applied for this road closure pursuant to the Tenth Schedule of the Local Government Act 1974. It raises no significant risks for Council.

Policy and plans

5.5. Staff confirm that the recommendation in this report complies with Council's Policies and Plans.

Legal

5.6. The road closure is being dealt with under the provisions of the Tenth Schedule of the Local Government Act 1974 for this event.

Financial

5.7. This is no cost to Council except through any grant application, and closure advertising.

6. Discussion | He kōrerorero

Option 1: Council approve the temporary road closure

6.1. This is a community event held in the district which provides entertainment and promotes the district. Participants and spectators will visit the district and spend money with local businesses.

6.2. The location of the event is central in Ōtorohanga Town. It will attract visitors.

Option 2: Council decline the temporary road closure

6.3. The opportunity to provide entertainment and district promotion would be lost along with associated increased spending within the district.

Recommended option and rationale

6.4. The preferred option is that Council grant approval. The reason for this is because the benefits outweigh the negatives.

7. Appendices | Ngā āpitihanga

Number	Title	Document number
There are no appendices		

Item	Application for Temporary Road Closure – Kāwhia Rowing Regatta Club Annual New Years Regatta
To	**Ōtorohanga District Council**.
From	**Paul Strange, Manager Roading**
Type	**DECISION REPORT**
Date	27th October 2026

1. Purpose | Te kaupapa

1.1. To consider an application for road closures within the Kāwhia area to enable the Kāwhia Rowing Regatta Club Annual New Years Regatta.

2. Executive summary | Whakarāpopoto matua

2.1. An application has been received from Kāwhia Rowing Regatta club for road closure on Jervois Street from the intersection of Tainui Street and Omimiti Street, Kāwhia on Friday 1st January 2027 from 6am - 5pm.

2.2. Kāwhia Rowing Regatta Club are in the process of obtaining consents from residents of the affected areas, indicating agreement for the road closures.

2.3. The proposed event was advertised on 17th of September 2026, and no objections were received. Objections closed on 6th October.

2.4. The event is planned for one day only. This generates local interest and provides additional income to the Community.

3. Staff recommendation | Tūtohutanga a ngā kaimahi

That the Ōtorohanga District Council:

a) Approve the Temporary Road Closure for the Kāwhia Regatta, in accordance with Sections 319(h) and 342, and Section 11 of Schedule 10 of the Local Government Act 1974, of Jervois Street from the intersection of Tainui Street and Omimiti Street, Kāwhia on Wednesday 1st January 2027 from 6am – 5pm.

b) Authorise public notification of the approved road closure before the event, as required by the Local Government Act 1974.

4. Context | Horopaki

4.1. This event is an annual event and provides an opportunity to attract interest in the district.

4.2. If approved, the application process includes the following conditions are met:

- Public notice advertisements are to be published in the King Country News, Council's website and Facebook page.
- Applicant is responsible for obtaining public liability insurance, (and paying the cost thereof), to a minimum value of $2,000,000.

4.3. Applicant is to liaise and provide evidence of liaison with all operators and businesses that may be affected by the road closures. A subsequent mail-drop is to be completed no later than ten full days before the proposed closures.

4.3. Applicant is solely responsible for submitting the appropriate Traffic Management Plan for approval, for signposting and policing of the roads to be closed, to ensure that only vehicles connected with the event have access to the road closure areas. This includes arranging the delivery, erection and staffing of all road closure barriers, and the removal thereof, after closures.

- Emergency Services have right of passage at all times during closure.

5. Considerations | Ngā whai whakaarotanga

Significance and engagement

5.1. Roading is defined as a significant activity. However, as this is a discretionary activity with a low cost and impact is assessed as not significant.

5.2. If approved this event will be publicly advertised.

Impacts on Māori

5.3. The Kāwhia Rowing Regatta is expected to have a positive impact on Māori by supporting community participation and celebrating the unique identity and heritage of the Kāwhia community. Staff consider that the event does not impact sites of significance or waterways.

Risk analysis

5.4. The applicant has applied for this road closure pursuant to the Tenth Schedule of the Local Government Act 1974. It raises no significant risks for Council.

Policy and plans

5.5. Staff confirm that the recommendation in this report complies with Council's Policies and Plans.

Legal

5.6. The road closure is being dealt with under the provisions of the Tenth Schedule of the Local Government Act 1974 for this event.

Financial

5.7. This is no cost to Council except through any grant application, and closure advertising.

6. Discussion | He kōrerorero

Option 1: Council approve the temporary road closure

6.1. This is a community event held in the district which provides entertainment and promotes the district. Participants and spectators will visit the district and spend money with local businesses.

6.2. The location of the event is central in Kāwhia Town. It will attract visitors.

Option 2: Council decline the temporary road closure

6.3. The opportunity to provide entertainment and district promotion would be lost along with associated increased spending within the district.

Recommended option and rationale

6.4. The preferred option is that Council grant approval. The reason for this is because the benefits outweigh the negatives.

7. Appendices | Ngā āpitihanga

Number	Title	Document number
There are no appendices.		

Item	Waikato Waters Ltd – Statement of Expectations Endorsement
To	Ōtorohanga District Council
From	Tanya Winter, Chief Executive
Type	**DECISION REPORT**
Date	27th October 2026



1. Purpose | Te kaupapa

1.1. The purpose of this report is to seek Council endorsement for the Statement of Expectations (SOE) agreement between Waikato Waters Limited and each of the member council owners being part of the Shareholder Representative Forum, of which the Ōtorohanga District Council is a member.

2. Executive summary | Whakarāpopoto matua

Council is asked to endorse the Waikato Waters Limited Statement of Expectations, which sets shareholder expectations for the company from 1 July 2026 to 30 June 2036.The SoE (attached as Appendix 1) reflects Shareholder Representative Forum feedback and is the same version workshopped with Council on 8 September 2026. Endorsement will enable Council's representative to support its approval at the Forum meeting on 23 November 2026, ahead of the December 2026 deadline.

3. Staff recommendation | Tūtohutanga a ngā kaimahi

That the Ōtorohanga District Council:

a) **Receives** the report ***Waikato Waters Ltd – Statement of Expectations*** (Ōtorohanga District Council, 27th October 2026) and;

a) **Endorse** the Waikato Waters Statement of Expectations (Attachment 1).

4. Background | Papakorero

4.1. The Waikato Waters SOE sets out the shareholder expectations for Waikato Waters Ltd (WWL), as required by the Local Government (Water Services) Act 2024 (LG(WS)A). It is adopted by WWL's shareholders through the Shareholders Representative Forum (SRF) established under the WWL Shareholders' Agreement. WWL's Shareholders are Hauraki District Council, Ōtorohanga District Council, Matamata-Piako District Council, South Waikato District Council, Waipā District Council and Waitomo District Council. Ōtorohanga District Council's representative on this Forum is Mayor Rodney Dow.

4.2. The Statement applies from 1 July 2026 to 30 June 2036, with a particular focus on the first three years. During that phase, the Shareholders expect WWL to prioritise a safe and effective transition, service continuity, workforce capability, core systems and organisational stability, while laying foundations for improved performance, efficiency and long-term benefits.

4.3. The document needs to be resolved by December 2026 and will be going to the SRF on 23 November 2026 for approval.

5. Discussion | He kōrerorero

5.1. A version was initially drawn up by Council Chief Executives which the SRF indicated was too long, operational and detailed.

5.2. Following the feedback provided by the SRF a shorter version was drawn up and received positive feedback from the SRF. The second document (Attachment 1) was more in line with what a SOE would look like. This version was sent to SRF members for final ratification and is the version used as the basis of the workshop held with ŌDC on 8 September 2026.

5.3. The SOE provides for clearly defined expectations of WWL to ensure a successful and effective transition with minimal disruption to communities.

6. Strategic Considerations | Ngā whai whakaarotanga

Significance and engagement

6.1. The matter is considered to be of low significance under Council's Significance and Engagement Policy and does not require separate public consultation.

Mana whenua / Māori

6.2. No specific impacts on Māori have been identified and no additional engagement with Māori is necessary.

Strategic alignment

6.3. This decision aligns with the previous Council decision to join Waikato Waters Ltd. The SoE is considered to be a foundation document the enables that entity to operate effectively.

Legal

6.4. This report is prepared in accordance with the relevant legislation and there are no legal implications.

Financial

6.5. There are no financial implications for ŌDC in making the decisions set out in the recommended resolutions.

Risk analysis

6.6. There is minimal risk involved with endorsing the proposed Statement of Expectations.

7. Options analysis | Tātari Kōwhiringa

Options summary of considerations

	Option 1	Option 2
Summary	Endorses the Statement of Expectations (SOE)	Modifies the Statement of Expectations (SOE) and recommends the amended version.
Advantages	Enables WWL to commence operating with clear expectations from Council as one of the shareholders	Council puts forward a version that includes aspects that are important to them.
Disadvantages		Potential to be in misalignment with other Shareholder Councils.

Recommended option and rationale

7.1. Staff recommend Option 1: Endorsement of the Statement of Expectations (Attachment 1). The Statement of Expectations is concise and contains an appropriate level of detail that enables clear direction from the shareholders to Waikato Waters Limited. The attached SOE is the same version that Council workshopped earlier.

8. Appendices | Ngā āpitihanga

Number	Title
1	Draft Statement of Expectations
2	Text

STATEMENT OF EXPECTATIONS

DRAFT

Pre-amble

This Statement of Expectations is the fundamental accountability document for Waikato Waters Ltd (WWL), a commercially disciplined water services company owned by its Shareholding Councils. It is not a guide, operational handbook or procedural manual. Rather, it establishes the basis on which the Shareholders may hold the Company to account; records the expectations, responsibilities and commitments of each party; and defines the framework through which the relationship, performance, decision-making and shared interests will be governed and managed.

The Shareholding Councils, the Board and management have distinct and complementary responsibilities, and each contributes to WWL's success within its respective mandate. The Shareholding Councils exercise ownership responsibilities by articulating strategic expectations, exercising rights reserved to Shareholders under the Shareholders' Agreement and monitoring performance. The Board governs WWL, exercises independent judgement and oversees management. Management leads and manages the business within the authority delegated by the Board. These roles are to be carried out through respectful, constructive engagement and an acknowledgement of the expertise, statutory obligations and decision-making authority of each party.

WWL must have operational freedom to manage people, assets, systems, investment delivery, customers, procurement, pricing implementation and risk within the law, the Shareholders' Agreement, approved plans, funding settings and applicable shareholder approvals.

Accordingly, this Statement provides a durable framework for mutual accountability, constructive engagement and timely decision-making. It respects the governance and operational responsibilities of the Board and management while ensuring Shareholders receive the information and assurance needed to discharge their ownership responsibilities.

Waikato Waters operates in a highly regulated environment and has significant compliance obligations including for natural resource protection and drinking water safety. Waikato Waters is also subject to economic regulation under the *Commerce Act 1986*. This regulatory framework operates in the interests of the environment and consumers.

The Statement of Expectations cannot contradict the legal obligations of the Directors under company law, nor the regulatory requirements of the Commerce Commission and the covenant requirements of the New Zealand Local Government Funding Authority.

DRAFT

Contents

STATEMENT OF EXPECTATIONS 0
Pre-amble 0
Statement of Expectations 2
Term and Review 2
Commercial Focus 2
Shareholder and Company Relationship 2
Establishment Expectations 3
Enduring Expectations 4
Strategic Direction and Priority Expectations 4
Resource Management and Land-use Planning 5
Statutory Obligations and Relationships with Iwi and Hapū 5
Reporting 5

Statement of Expectations

1. This Statement is the fundamental expression of the Shareholders' expectations for WWL and the primary reference point for accountability between the Shareholders and the Company. It is not a guide to day-to-day operations. It establishes the basis for assessing and holding the Company to account, defines the principal responsibilities and commitments of the Shareholders and the Company, and sets out how their relationship, performance, decisions and shared interests will be governed so that WWL can operate as a financially sustainable, customer-focused and commercially disciplined water services company.

2. Shareholding Councils will act collectively through the Shareholder Representative Forum (SRF) and the reserved-matters framework set out in the Shareholders' Agreement.

Term and Review

3. This Statement applies from 1 July 2026 to 30 June 2036 and is subject to any review, approval or replacement requirements in legislation. It may also be reviewed following a material ownership, funding, scope or obligations change.

Commercial Focus

4. WWL's core task is to operate a professional water utility with accountability for customers, assets, service performance, compliance, revenue, investment delivery, debt and long-term financial sustainability.

Shareholder and Company Relationship

5. The relationship between the Shareholders and the Company is founded on mutual respect, good faith, clarity of mandate and shared accountability for agreed outcomes. Each party recognises the legitimate responsibilities and expertise of the others. Shareholders articulate ownership expectations and exercise reserved rights; the Board governs WWL, applies independent judgement and oversees management; and management leads and manages the business under the Board's authority.

6. The parties acknowledge that clear ownership oversight and appropriate commercial and operational independence are mutually reinforcing. WWL requires sufficient freedom to deliver safe, reliable, compliant and efficient services, while Shareholders require timely information and assurance to discharge their ownership responsibilities. Consistent with the respective mandates of the parties, operational decisions—including individual projects, procurement and staffing—are matters for the Board and management unless Shareholder involvement is required by law, the Shareholders' Agreement, approved plans or an applicable council decision.

7. The operating principles are:
    a. Shareholders speak through agreed shareholder channels, principally the SRF, within the SRF's mandate its Terms of Reference
    b. WWL and the Shareholders maintain a mutual no-surprises approach on material ownership, financial, service, regulatory and reputational matters, supported by timely formal reporting and appropriate informal engagement.
    c. Shareholders focus on outcomes, efficiency, performance, risk and reserved matters, not operational inputs.
    d. Reporting is concise, exception-based and decision-useful.
    e. Disputes are escalated quickly through the processes in the Shareholders' Agreement, so delivery is not delayed.
    f. Where WWL becomes aware that an approved strategy, plan, performance target or material Shareholder expectation cannot, or is unlikely to, be delivered in full or within the agreed timeframe, it will advise the Shareholders at the earliest reasonable opportunity. The advice will state clearly what is not expected to be achieved and why; explain the causes, assumptions and likely consequences; identify material risks, dependencies and trade-offs; quantify the variance where practicable; and set out proposed mitigation, recovery actions, decisions required, revised timeframes and any recommended amendment to the relevant expectation or plan. Subsequent reporting will track the agreed response and progress until the matter is resolved or a revised expectation is approved.
    g. The parties agree and maintain clear points of contact, escalation pathways and communication protocols. Informal engagement should enable early discussion and resolution, while decisions, material commitments and matters requiring assurance are recorded and progressed through the appropriate formal channels.
8. Unless a matter is reserved to shareholders, required by law, required by the Shareholders' Agreement, or is a material departure from approved plans, it is for WWL's Board and management to decide and implement.

Establishment Expectations

9. During establishment (being until 1 July 2027), WWL is expected to:
    a) complete the transfer of people, assets, liabilities, contracts, consents, obligations and systems from Shareholders in accordance with respective transfer agreements without service disruption;
    b) adopt a transparent investment prioritisation framework that balances risk, growth, compliance, asset condition and service levels;
    c) build direct customer, billing, revenue, collections and communication capability (with date of effect to be confirmed with Councils in accordance with the terms of their respective post-completion services agreement);
    d) develop transparent pricing that supports financial sustainability;

e) establish effective working relationships with iwi, hapū, regulators, customers and Shareholders;
f) use shared services only where efficient, transitional or commercially justified; and
g) operate within approved budgets, manage cashflow and debt prudently, and protect long-term service resilience.

Enduring Expectations

10. WWL must meet all statutory, regulatory, Treaty settlement, environmental, public health, employment, financial and governance obligations. Compliance is a baseline requirement, not a basis for shareholders to manage operations.

Strategic Direction and Priority Expectations

11. Shareholders' strategic priorities are:
    a. safe establishment and seamless transfer of water services;
    b. financially sustainable, customer-focused and reliable services;
    c. commercial benefits from scale, including reduced duplication, stronger capability, better procurement, improved asset intelligence and disciplined capital delivery;
    d. public health, environmental and regulatory compliance; and
    e. capital investment aligned with growth, resilience and the Investment Prioritisation Framework.

Performance Expectations

12. Waikato Waters is committed to supporting its obligations to deliver to customers, compliance with regulatory demands and shareholder aspirations by establishing policy , procedures , systems and reporting mechanisms that demonstrate its commitment to these outcomes and to one of continuous improvement

13. WWL will maintain a performance framework that enables Shareholders to assess whether their expectations and approved strategic outcomes are being met and to hold the Company to account on an informed basis. The framework will provide clear, balanced and decision-useful visibility of service, financial, compliance, customer, asset, workforce, efficiency, transition and strategic delivery performance, without unnecessarily duplicating Board reporting and consistently with the Shareholders' and Transfer Agreements.

14. Performance requirements and reporting will be reviewed periodically with Shareholders to confirm that they remain sufficient to address Shareholder expectations, provide meaningful assurance and support timely consideration where performance, strategy or delivery is at risk. Reporting will distinguish matters requiring Shareholder decision or attention, including material exceptions, from operational matters for the Board and management. It will also provide transparent explanation whenever current strategy or

DRAFT

approved plans cannot be delivered as intended, including the reasons, implications, available options, corrective action and any proposed resetting of expectations.

15. Reporting should show:
    a) performance against agreed shareholder expectations and approved plans;
    b) material exceptions, risks, dependencies and trade-offs, including a transparent explanation of any approved strategy, plan, target or Shareholder expectation that cannot be delivered as intended, the reasons for the variance, its consequences, corrective actions, revised outlook and any matter requiring Shareholder decision; and
    c) evidence that WWL is improving efficiency, customer outcomes, asset performance, compliance and financial sustainability.

Resource Management and Land-use Planning

16. In resource management and land-use planning, WWL acts as the specialist water utility. Councils retain statutory planning and regulatory roles. WWL provides technical input, identifies network constraints, advises on infrastructure implications and protects the integrity of water services investment and operations. The shared interests' arrangements between each Council and WWL are as set out in Schedule 3 of their respective transfer agreements (as may be amended by agreement from time to time).

Statutory Obligations and Relationships with Iwi and Hapū

17. WWL must meet all applicable statutory, regulatory, Treaty settlement, joint management, environmental, public health, financial and governance obligations across its service area.
18. Nothing in this Statement changes or reduces existing commitments owed by any Shareholding Council to iwi, hapū or other parties, including commitments under Treaty settlement arrangements, joint management agreements or Te Ture Whaimana.
19. WWL should build practical and respectful working relationships with iwi and hapū, regulators, customers and Shareholders in a way that supports its role as a water services utility and its statutory and contractual obligations.

Reporting

19. Until 1 July 2027, WWL will report every two months to the SRF on transfer readiness, service continuity, critical risks, financial position, customer readiness and matters requiring shareholder attention.
20. From 1 July 2027, WWL will report quarterly to the SRF on performance, exceptions, strategic risks, shareholder matters and material progress against approved plans.

21. SRF meetings should focus on shareholder-level matters: performance, financial sustainability, major projects by exception, material risks, regulatory issues, customer outcomes and reserved matters.
22. Six-monthly reporting should cover capital delivery by exception, compliance, financial outlook, critical risks, material stakeholder relationships and transition progress.
23. Operational engagement between WWL and council officers should support agreed interfaces, statutory processes, emergency management, development planning, shared services, transfer obligations and material no-surprises matters. The parties will use those informal channels constructively for early awareness and coordination, while ensuring that approvals, directions and material commitments are made only through the authorised formal channels and do not create unintended approval rights.
24. Individual council briefings should be by exception or agreed annual programme and must not duplicate SRF reporting or direct company operations.

DRAFT

Item	Ōtorohanga Historical Society request for additional funding for the Rewarewa School House relocation
To	Ōtorohanga District Council
From	Mark Lewis, GM Engineering & Assets
Type	**DECISION REPORT**
Date	27 October 2026



1. Purpose | Te kaupapa

1.1. To consider a request from the Ōtorohanga Historical Society (ŌHS) for additional funding assistance from Ōtorohanga District Council (ŌDC) for the Rewarewa Schoolhouse (the building) relocation.

2. Executive summary | Whakarāpopoto matua

2.1. ŌDC has previously agreed to the relocation of the building, managed by ŌHS, to the Ōtorohanga Museum – Te Whare Taonga o Ōtorohanga (Museum) operations site in Kakamutu Road.

2.2. ŌHS has secured $51,200 in donations and pledges towards their budgeted relocation and repair costs of $50,915.89. ŌHS has subsequently requested additional financial assistance from ŌDC for costs associated with the consent process, a stormwater retention tank and building foundations.

2.3. The full value of the additional funding request is unable to be quantified at the time of writing this report. Known costs relate to a consent invoice received and an estimate for the stormwater tank. All other costs are still being defined.

2.4. Based on the information available at the time of writing this report, staff consider a maximum funding allowance of $20,000 would be sufficient to accommodate the additional costs which are yet to be confirmed.

2.5. There is no existing ŌDC budget allocated for this additional funding request. This report presents four options with varying levels of support, financial exposure and delivery responsibility for ŌHS or ŌDC. Council is asked to consider these options and determine its preferred approach to the additional funding request received.

3. Staff recommendation | Tūtohutanga a ngā kaimahi

That the Ōtorohanga District Council

3.1. Receives the report *Ōtorohanga Historical Society request for additional funding for the Rewarewa Schoolhouse relocation* (27 October 2026); and

a) Considers the additional funding request from Ōtorohanga Historical Society and agrees to one of the following options:
   i. Option 1: Provides a grant to Ōtorohanga Historical Society up to a total value of $20,000 upon receipt of invoices, to cover the additional costs requested for the Rewarewa Schoolhouse relocation including outstanding consent invoice, stormwater retention tank, any further consent processing costs and building foundations; or
   ii. Option 2: Credits the current outstanding Council consent invoice and agree that Ōtorohanga District Council will cover any further cost relating to consent requirements only, for the Rewarewa Schoolhouse relocation; or
   iii. Option 3: Ōtorohanga District Council funds to a total value up to $20,000 to cover the additional costs as requested for the Rewarewa Schoolhouse relocation relating to the outstanding consent invoice, future consent costs, stormwater tank installation and foundation works, and project management all works relating to these items.
   iv. Option 4: Decline the request from Ōtorohanga Historical Society for any additional funding towards the Rewarewa Schoolhouse relocation.
b) Confirms that the funding and/ or support approved under resolution b) represents Ōtorohanga District Council's final contribution to the Rewarewa Schoolhouse and relocation project, and that no further funding or staff resource will be allocated to this project.
c) That, should Council agree to provide additional funding for the project, Council delegates authority to the Chief Executive to approve necessary additional project expenditure up to a maximum cumulative value of $20,000, with the additional expenditure and updated total project cost to be reported back to Council once the final costs are known.

4. Context | Horopaki

ŌHS

4.1. ŌHS was established in October 1974 as a community response to residents losing many taonga/ treasures, records and documents due to damage from the Waipā awa/ river flood of 1958.

4.2. ŌHS is a not-for-profit organisation and governs the Museum operations. ŌHS aims to protect valued taonga and unique local histories in a safe environment, and to provide the Museum as a place where the community's history is preserved and accessible

4.3. The Museum is located at 17 Kakamutu Road and comprises six buildings, most were transported to the site from other locations in the Ōtorohanga township over several decades. Several buildings are of historical interest - the earliest building is dated to 1896 and the most recent was built on site in 2006.

4.4. Council owns the land (being 5,633 m2 held in Certificate of Title 837546) is owned fee simple (also known as freehold) and is classified as a Local Purpose (Community Facilities) Reserve under the Reserves Act.

4.5. ŌDC maintains the exterior of the Museum buildings, while ŌHS maintains the interior.

4.6. Annual visitor numbers from 1 July 2025 to 19 June 2026 were 1,240.

Rewarewa Schoolhouse Relocation

4.7. The building was originally opened in 1917, relocated to its current site on Barber Road, Ōtewa in 1939 and ceased operating as a school in 1973. Over the years there have been multiple ŌDC reports noting the ongoing challenges in managing the site.

4.8. At its 29 April 2025 meeting, ŌDC considered a staff report on the future of the Schoolhouse and resolved (C361 outlined in Appendix 1) to confirm that, subject to specific conditions, no further ŌDC funding or staff time be allocated to the building on its current site. ŌDC agreed to give the ŌHS the first right to remove the building to the Museum site, provided confirmation of acceptance was received by 31 July 2025 and removal completed by 31 December 2025.

4.9. A letter was received by ŌHS on the 23 July 2025, confirming acceptance of the offer with various conditions including removal of a tree, funding support for building and resource consent costs and a septic tank solution prior to the relocation of the building.

4.10. A report presented to the 26 August 2025 ŌDC meeting resolving (C431 outlined in Appendix 1) to support the wastewater connection, removal of the Golden Elm, and required ŌHS to complete a planning pre-application process.

4.11. A report presented to the 9 December 2025 ŌDC meeting, provided an update following the consent pre-application meeting for the building relocation. It was resolved (C25 outlined in Appendix 1) to partially fund regulatory costs by not charging for staff time, Council fees or Independent hearing commissioner costs, and approved replacement of existing stormwater pipe.

4.12. Since ŌHS agreed to relocate the building, staff have been working with ŌHS to confirm a Memorandum of Understanding (MOU) for the building. A MOU has been with ŌHS since November 2025 and is yet to be signed.

ŌDC funding contribution to OHS

4.13. In previous reports and discussions, ŌHS has indicated financial hardship. The Museum is a valued community asset that regularly seeks financial support from ŌDC to maintain operations and pursue capital projects. Appendix 2 outlines the funding support provided to ŌHS since 2021/2022 by ŌDC, for Council's awareness when considering this additional funding request.

4.14. As resolved in previous reports, staff will continue to consider funding opportunities through the 2027-37 Long Term Plan (LTP) processes, ensuring any support aligns with ŌDC's strategic priorities, budget constraints and wider community needs.

5. Discussion | He kōrerorero

5.1. A meeting was held on 1 October 2026, between ŌDC and ŌHS to discuss the MOU. At this meeting ŌHS requested further funding support for the relocation of the building.

5.2. It was confirmed subsequent to the meeting, Council would need to approve any additional funding request for the building relocation and for ŌHS to confirm their additional funding request. This information was received on 12 October 2026 and is included within Appendix 3.

5.3. ŌHS confirm they have secured $51,200.00 in donations/ pledges for the building relocation project including $2,750 from the ŌDC Community Fund, which aligns with their budgeted relocation and repair costs of $50,915.89. This information is outlined in Appendix 3.

5.4. As the additional funding request from ŌHS did not quantify all costs. At the time of writing the report, staff have had to estimate the total funding required.

Description	**Indicative costs ($)**
Council/ Consent Fees (Invoiced)	396.85
Stormwater retention tank (estimate)	3,000 – 4,000
Any other costs for consent process (unknown and unquantified)	To be confirmed (TBC)
Cost of required foundations for building (unknown)	TBC
Total additional Funding requested	*20,000*

5.5. A further breakdown of the additional funding requests is outlined as follows.

Council/ Consent Fees

5.6. The outstanding invoice has been applied as part the Council resolution C25 (9 December 2025 meeting), with ŌHS only charged the building levies as applicable to this building consent. All other costs relating to consent processes have been partially funded by ŌDC as per the resolution.

Stormwater Retention Tank

5.7. As part of the building consent process, a stormwater detention tank is required to manage stormwater runoff from the building's roof. On-site stormwater management is required for buildings within the urban catchment to help manage capacity within the Council stormwater network.

5.8. The proposed detention tank would have a capacity of approximately 1,500 litres and would be located at the rear of the building. It would collect rainwater from the roof and control the rate at which stormwater is discharged into the public stormwater network.

5.9. While the Museum is not opposed to the installation of the detention tank, it considers that Council should meet the cost of providing it. The actual cost is not yet known but is currently estimated to be between $3,000 and $4,000.

Any other costings for consent process

5.10. There is no resource consent required for the building relocation. Initial indication of costs for building consent was assessed at $2,750. At the time of writing this report, all regulatory costs for the building relocation had been invoiced and confirmation of any future costs were being sought.

Building Foundations

5.11. As part of the relocation project, Council replaced a section of the existing 750 mm stormwater pipe to enable the building to be located above it. The pipe replacement formed part of an existing stormwater renewal project provided for through the Annual Plan. As part of these works, it was also agreed that Council would provide a suitable building platform when backfilling the area, ready for the relocated building.

5.12. There have been some delays in obtaining the necessary producer statements for the building platform to satisfy the building consent requirements. While the final foundation requirements are still being confirmed, there remains a possibility that additional foundation work may be required to enable the building to be located in the proposed position. This matter was discussed with ŌHS at the meeting on 1 October, where ŌHS indicated that it considered any additional foundation costs should be met by Council.

5.13. More recent discussions between staff indicate that a standard piled foundation may be achievable with a minor adjustment to the location of the building. If this approach is confirmed, there may be no additional foundation cost. However, should deeper piles or other additional foundation work be required, this would result in additional expenditure that has not currently been allowed for within the project by either ŌHS or ŌDC.

5.14. Should Council wish to meet any additional foundation costs, it is proposed that authority be delegated to the Chief Executive to approve the necessary expenditure, up to a maximum of $10,000. This would provide sufficient flexibility to address any additional foundation requirements and avoid unnecessary delays to the relocation project.

6. Strategic Considerations | Ngā whai whakaarotanga

Significance and engagement

6.1. This matter is not considered significant under ŌDC's Significance and Engagement Policy, and therefore consultation is not required. Given the impact of this report's decision on this matter, it will require an engagement of 'inform'.

6.2. A key consideration under the Significance and Engagement Policy is the cumulative effect of closely related decisions. There is a risk that considering additional expenditure on this project on an incremental basis understates the overall significance of the project and the total financial commitment being made by Council.

6.3. Had the full project scope and anticipated cost been established through a comprehensive business case at the outset, Council may have considered a broader range of options and determined that a different level of engagement was appropriate. Accordingly, any further funding decisions should be

considered in the context of the total project cost and cumulative decisions made to date, rather than the additional expenditure in isolation.

Mana whenua / Māori

6.4. One of the potential future uses of the relocated schoolhouse is to host Te Reo Māori classes, which could provide a positive cultural benefit. It has been determined that this decision has a low impact in terms of statutory requirements and does not require specific engagement with Māori under the current process.

Strategic alignment

6.5. The Museum site is part of a Local Purpose Reserve under ŌDC management.

6.6. The proposal aligns partially with aspirations of the Multipurpose Community Hub concept outlined within the Ōtorohanga Town Concept Plan, though no budget is allocated specifically for the development of this project.

6.7. The building is not included in any adopted ŌDC plan nor is this additional funding request budgeted for.

Legal

6.8. As the building is not heritage-listed, relocation would not trigger heritage protections or any other statutory limitations or restrictions.

Financial

6.9. The following table identifies the estimated costs for the additional funding request:

Description	Indicative costs ($)
Council/ Consent Fees (Invoiced)	396.85
Stormwater retention tank (estimate)	3,000 – 4,000
Any other costs for consent process (unknown and unquantified)	TBC
Cost of required foundations for building (unknown)	TBC
Total additional funding cost requested	*20,000*

6.10. There is currently no allocated budget for these expenses. Should ŌDC approve funding, the costs will need to be meet through the Sundry Reserve Improvements budget under the Otorohanga Parks & Reserves activity.

Risk analysis

6.11. Matters being considered in this report are not identified as impacting on any of ŌDC's top risks.

6.12. ODC's previous resolutions as outlined in Appendix 1 intended to limit expenditure and staff time on the building.

6.13. The ongoing staff commitment to this project continues to divert limited ŌDC resources away from community-endorsed priority initiatives.

7. Options analysis | Tātari Kōwhiringa

7.1. The following options are presented for consideration:

Options summary of considerations

	Option 1	Option 2
Summary	Provide a grant to ŌHS up to a total value of $20,000 based on receipted invoices, to cover the additional costs requested for the building relocation including the outstanding ŌDC consent invoice, stormwater retention tank, any future consent processing costs and building foundations.	Credit current outstanding ŌDC consent invoice and cover the costs of future consent requirements only.
Advantages	• Provides greatest level of financial support to ŌHS • Reduces the risk that these additional costs prevent or further delay the completion of the building relocation • ŌHS retains responsibility for coordinating and delivering the works • Does not require further staff time or resource to manage building works.	• Provides targeted support for costs directly associated with ŌDC's consent process • Limits ŌDCs financial exposure compared with funding all additional project costs • ŌHS retains responsibility for the delivery of the building relocation, which was confirmed in July 2025.
Disadvantages	• Total financial commitment is currently unknown, as not all additional funding costs have been quantified by ŌHS • Exposes ŌDC to the greatest financial risk if further costs arise • Limited ŌDC control over expenditure if funding is provided as a grant • May create expectations regarding ŌDC funding of cost increases for community-led projects • Further costs outside the agreed scope may still be sought by ŌHS.	• Does not address the gap in funding faced by ŌHS for the stormwater tank or building foundations • Will result in a further delay for and/ or potentially jeopardise the success of the building relocation • Further costs outside the agreed scope may still be sought by ŌHS.

	Option 3	Option 4
Summary	Provide funds to a total value of $20,000 to cover the additional costs as requested for the building relocation relating to the outstanding ŌDC consent invoice, future consent costs, stormwater tank installation and foundation works, and project management all works relating to these items	Do not provide any additional funding for the relocation of the building.
Advantages	• Provides ŌDC support for key physical works relating to stormwater tank and foundations • Provides ŌDC greater oversight of the scope, procurement and cost of works it funds • Reduces the financial burden on ŌHS, while maintaining control over ŌDC expenditure.	• No additional financial commitment required from ŌDC • Avoids ŌDC assuming responsibility for unquantified project costs or cost overruns.
Disadvantages	• The total amount of the additional funding request is unknown, creating uncertainty regarding ŌDC's financial commitment • ŌDC assumes responsibility and delivery risk for managing these works, with lack of knowledge regarding discussions had by ŌHS with their contractors and pricing of works • Requires additional ŌDC staff time for procurement, contractor management and co-ordination with ŌHS contractors, which is not planned nor budgeted for • Further costs outside the agreed scope may still be sought by ŌHS.	• ŌHS would be required to meet all costs associated with the building relocation • May result in delays to the building relocation while alternative funding is secured • Could affect the ability of ŌHS to complete the building relocation • Further costs outside the agreed scope may still be sought by ŌHS.

Recommended option and rationale

7.2. At the time of preparing this report, the full extent of the additional project costs is not yet known. Known costs include an ŌDC consent invoice of $396.85 and an estimated $3,000–$4,000 for the stormwater detention tank, while the final costs associated with the building foundations and any further consent requirements are still to be determined. Based on the information currently available, staff consider that up to $20,000 would provide sufficient allowance to address the costs yet to be confirmed.

7.3. Consequently, Options 1 and 3 would result in Council accepting a financial commitment that currently cannot be fully quantified. Option 2 requires ŌDC to waive all consent costs, while Option 4 will result in no additional financial burden for ŌDC.

7.4. The options outlined above provide different levels of financial support to ŌHS and result in varying levels of financial and delivery risk for ŌDC.

7.5. Given the nature of the additional funding request and that some costs remain unquantified, there is no clear operationally preferred option. The level of additional support provided is therefore a matter for Council to determine.

7.6. Council is asked to consider the options outlined in this report and determine its preferred funding approach.

7.7. Should Council select an option that provides additional funding towards the costs of relocating the building, it is suggested authority be delegated to the Chief Executive, on the advice of the GM Engineering & Assets, to approve expenditure as costs are confirmed up to a maximum total value. This would enable the approved funding approach to be implemented without individual costs being referred to Council for further approval.

8. Appendices | Ngā āpitihanga

Number	Title
1	Ōtorohanga District Council Resolutions relating to Ōtorohanga Historical Society since December 2024
2	Ōtorohanga Historical Society Funding from Ōtorohanga District Council
3	Ōtorohanga Historical Society Rewarewa School relocation & Repair Budget received 12 October 2026

Appendix 1 – Ōtorohanga District Council Resolutions relating to Ōtorohanga Historical Society since December 2024

---

1. Ōtorohanga District Council Report Item 202 - Funding request from Ōtorohanga Historical Society Incorporated 10 December 2024, resolution C317 as follows:

> Resolved C317: That Ōtorohanga District Council:
>
> a. Grants the Ōtorohanga Historical Society Incorporated **$29,005** which is pro rata of the $58,010 from the General District Reserve Fund,
>
> b. Notes this funding will provide for two staff with a total of **35 hours per week for six months** from 1 January to 30 June 2025, which aligns to their current capacity and Council's financial year,
>
> c. Directs the Chief Executive to include any ongoing funding for the Society as an item for consideration as part of the draft Annual Plan 2025/26 development process.
>
> Deputy Mayor Williams | Councillor Willison

2. Ōtorohanga District Council Report Item 227 – Rewarewa School House 25 April 2025, resolution C361 as follows:

> Resolved C361: That the Ōtorohanga District Council:
>
> a) Confirms that, subject to b), no further Council funding or staff time be given to Rewarewa Schoolhouse matters on its current site; and,
>
> b) Agrees to give the Ōtorohanga Historical Society first right of removal of the Rewarewa Schoolhouse from the Rewarewa Reserve to the Ōtorohanga Museum site on the condition that:
>
> i) Confirmation of acceptance of the offer is received by 31 July 2025; and,
>
> ii) The Schoolhouse is removed from the site by 31 December 2025; and,
>
> b) That if the Ōtorohanga Historical Society declines the offer, the Rewarewa Schoolhouse is offered to the public for purchase and removal; and,
>
> c) Reaffirms its commitment to manage the Rewarewa Reserve in accordance with relevant legislation, policies and plans.
>
> His Worship the Mayor | Councillor Tamaki

Councillor Johnson requested his vote against be recorded.

3. Ōtorohanga District Council Report Item 273 – Ōtorohanga Historical Society – Request for Assitance with Rewarewa Schoolhouse Relocation Costs 26 August 2025, resolution C431 as follows:

> Resolved C431: That the Ōtorohanga District Council:
>
> a) Facilitate the connection of the Museum site to the mains wastewater system and cover the associated costs, funded through the development sundry budget in the wastewater account, subject to confirmation that no significant conflicts exist with underground stormwater infrastructure that would prevent or substantially increase the cost of the works.
>
> b) Approves the request for removing the Golden Elm and that this is funded from the Ōtorohanga Parks and Reserves budget,
>
> c) Requires the Ōtorohanga Historical Society (ŌHS) to undertake the pre-application process with ŌDC's planning team prior to lodging any resource consent application, to clarify consent requirements, identify potential issues and streamline the approval process, and that the fees for this are waived by ŌDC.
>
> d) Requires that the outcome of the pre-application process is brought back to ŌDC in order to determine next steps.
>
> e) Agree to consider future funding opportunities for the Museum as part of the next Annual Plan process and the subsequent Long Term Plan (LTP) review.
>
> Councillor Christison | Councillor Dow

4. Ōtorohanga District Council Report Item 18 – Ōtorohanga Historical Society – Rewarewa Schoolhouse Relocation and Funding 9 December 2025, Resolution C25 as follows:

> Resolved C25: That the Ōtorohanga District Council:
>
> a) **RESOLVES** to partially fund the regulatory costs by not charging for staff time, Council fees, or Independent Hearing Commissioner Costs relating to the building consent assessed at $2,750 and resource consent (estimated at $5,000 if resource consent is required); and,
>
> b) **APPROVES** the replacement of the existing stormwater pipe in its current location as soon as practically possible; and,
>
> c) **ACCEPTS** that this project will be funded from budgets as approved in the 2024-27 Long Term Plan; and,
>
> d) **ACCEPTS** that this project will take place as soon as practically possible and may delay the relocation of the Rewarewa Schoolhouse.
>
> Councillor Woodward | Councillor Butcher

Appendix 2 – Ōtorohanga Historical Society Funding from Ōtorohanga District Council

Description	Allocation ($)
Ōtorohanga Community Grant	
Round 1 2021/2022 for mobile display boards	5,000
Round 1 2022/2023 for RSA display cabinets	5,000
Round 1 2023/2024 for heat pumps	5,000
Round 1 2024/2025 towards exhibition lighting tracks	2,875
Round 1 2026/2027 for Rewarewa Schoolhouse electrics	2,750
Ōtorohanga Creative Community Grant	
Round 1 2024/2025 towards the Richard and Ruve Wallace exhibition for Art Beat Weekend November 2024	1,544
Round 2 2024/2025 to set up a creative 'Kids Club'	1,200
Round 1 2025/2026 to stage an exhibition exploring the theme of weddings	1,367
Ōtorohanga Ora – Contestable Fund	
2024 – to deliver preservation of taonga Māori	10,000
Ōtorohanga District Council Funding (excluding GST)	
Staff Wages Grant – 1 January – 30 June 2025	29,005
Staff Wages Grant 1 July 2025 – 30 June 2027	116,020
Removal of Golden Elm Tree	3,000
Mains Wastewater system	64,136
Stormwater Pipe Replacement – Foundation Pad	82,196

Ōtorohanga Historical Society

Rewarewa School relocation & repair budget

Donations/pledges for relocation project

- Ōtorohanga Lions Club (relocation cost)- tagged $18,000 .00
- Private donations -tagged $ 13,000.00
- Rewarewa School plumbing (Ōtorohanga Charitable Trust) -tagged $ 3450.00
- Rewarewa School electrical fitout (partial funding)
  (ŌDC Community Fund) -tagged $ 2750.00
  - Museum reserves -tagged $ 14,000

TOTAL **$51,200.0**

Budgeted Relocation & Repair costs

- Relocation (Waikato Building Relocators) $18,055 (in. GST)
- Plumbing (Pratts Plumbing) $3450 (incl. GST)
- Painting (interior & exterior) $19,000
- Phillip Phillips $1000
  Repairs (windows, remove sink & zip hot water unit,
  rehang doors, minor exterior repairs)
- Power connection & lighting $5,877.89 (incl. GST)
  - Floor sanding/coating $3500 (40 sq.m @ $75/sq. m.)

Total **$50915.89**

Additional costs required by Council

The Society is requesting council assistance to meet these additional costs

- Council / consent fees (invoiced) $ 396.85
- Stormwater retention tank (awaiting quote- expected to be
  $3000-4000)

- Any other as yet unknown and unquantified costs required from the consent process

- Cost of required foundations for building. (We have recently been advised that there are 2 possible options depending on engineering reports not yet costed by ŌDC and not budgeted for by ŌHS.)

Item	Correction of General Rate Amount in 2026/27 Rates Resolution
To	Ōtorohanga District Council
From	Tanya Winter, Chief Executive
Type	**DECISION REPORT**
Date	27 October 2026



1. Purpose | Te kaupapa

1.1. To seek approval to correct an error in the General Rate component of the 2026/27 rates resolution. The Funding Impact Statement correctly recorded a General Rate of **0.0010521 cents in the dollar on the Capital Value of all rating units,** however the rates resolution that was adopted incorrectly recorded the General Rates as **0.0009307 cents in the dollar on the Capital Value of all rating units.**

2. Executive summary | Whakarāpopoto matua

2.1. During the 2025/26 Annual Report audit process, an error was identified in the Council's 2026/27 rates resolution. The Funding Impact Statement adopted as part of the Annual Plan correctly specified a General Rate of **0.0010521 cents in the dollar on the Capital Value of all rating units.** However, the rates resolution recorded the General Rate as **0.0009307 cents in the dollar on the Capital Value of all rating units**

2.2. Rates assessments and invoices were generated using the correct General Rate contained in the Funding Impact Statement. External legal advice concludes that Council has several options available to address the discrepancy, including correcting the resolution through Standing Orders, setting the rate again under Section 119 of the Local Government (Rating) Act 2002, seeking validation through an Order in Council, promoting a Local Bill, or taking no action.

2.3. The advice identifies amending the rates resolution under Standing Order 24.6, supported by Section 46 of the Legislation Act 2019, as a pragmatic and proportionate response to a administrative error.

3. Staff recommendation | Tūtohutanga a ngā kaimahi

That Ōtorohanga District Council:

a) **RECEIVES** the report titled **Correction of General Rate amount in 2026/27 Rates Resolution.**

b) **NOTES** that the Funding Impact Statement (FIS) adopted as part of the 2026/27 Annual Plan on 30th June 2026 correctly set the General Rate at **0.0010521 cents in the dollar on the Capital Value of all rating units**

c) **NOTES** that the rates resolution adopted by Council on 30th June 2026 (Ōtorohanga District Council - Open Minutes, 30th June 2026 – Page 9 – Resolution C77) incorrectly stated the General Rate as **0.0009307 cents in the dollar on the Capital Value of all rating units**.

d) **NOTES** that rates assessments and invoices issued for the 2026/27 rating year have been calculated correctly using the General Rate of **0.0010521 cents in the dollar on the Capital Value of all rating units,** as specified in the 2026/27 Funding Impact Statement.

e) **NOTES** that Council have sought and received legal advice on this matter from Simpson Grierson.

f) **PURSUANT** to Standing Order 24.6 and section 46 of the Legislation Act 2019, resolves to alter the 2026/27 rates resolution by replacing the General Rate of **0.0009307 cents in the dollar on the Capital Value of all rating units** with **0.0010521 cents in the dollar on the Capital Value of all rating units.**

g) **NOTES** that the purpose of the alteration is to correct an administrative error and ensure consistency between the rates resolution, the Funding Impact Statement and rates assessments issued to ratepayers.

h) **REQUESTS** that the Chief Executive undertakes all administrative actions necessary to give effect to the correction.

4. Background | Papakorero

4.1. Following adoption of the 2026/27 Annual Plan, Council adopted its annual rates resolution for the 2026/27 rating year.

4.2. As part of the Audit of the Council's 2025/26 financial year processes, our Auditors identified a discrepancy between the General Rate amount contained within the adopted 2026/27 Funding Impact Statement and the General Rate amount recorded in the rates resolution adopted by Council.

- Funding Impact Statement: **0.0010521 cents in the dollar on the Capital Value of all rating units.**
- Rates Resolution: **0.0009307 cents in the dollar on the Capital Value of all rating units.**

4.3. The Funding Impact Statement reflected Council's intended rating requirement for the year. The rates resolution incorrectly recorded the previous year's General Rate amount.

4.4. Council's rating system, assessments and rates invoices were calculated using the General Rate of **0.0010521 cents in the dollar on the Capital Value of all rating units,** consistent with the Funding Impact Statement.

5. Strategic Considerations | Ngā whai whakaarotanga

Significance and engagement

5.1. The proposal relates to correction of an administrative error and does not alter the rates that were intended through the Annual Plan process, the Funding Impact Statement, or the rates assessments issued to ratepayers.

5.2. The matter is considered to be of low significance under Council's Significance and Engagement Policy and does not require separate public consultation.

Mana whenua / Māori

5.3. The recommendation relates to the correction of an administrative error in the rates resolution and does not change the funding decisions, service levels, policies or outcomes previously adopted by Council. As such, no specific impacts on Māori have been identified and no additional engagement with Māori is necessary.

Legal

5.4. Council obtained legal advice from Simpson Grierson who are specialist local government lawyers. The advice concludes that:

5.5.

5.6. While section 119 of the Local Government (Rating) Act 2002 may be available to enable Council to set the rate again, the process is considered unnecessarily cumbersome given the administrative nature of the error and the fact that rates were assessed correctly in accordance with the Funding Impact Statement. Section 120 is not available because there is no error in the rates assessment themselves. Council's Standing Orders provide a mechanism for altering part of a previous resolution.

5.7. Standing Order 24.6 - Revocation or alteration by recommendation in report

"*The local authority, on a recommendation in a report by the Chairperson, Chief Executive, or any committee or subcommittee, local or community board, may revoke or alter all or part of a resolution passed by a previous meeting. The chief executive must give at least two clear working days' notice of any meeting that will consider a revocation or alteration recommendation.*"

5.8. Section 46 of the Legislation Act 2019 supports the exercise of a statutory power to correct an error or omission in a previous exercise of that power.

5.9. Altering the resolution is considered a pragmatic and proportionate response to a typographical error where the Funding Impact Statement was correct and rates have already been assessed on the intended basis.

Policy and Plans

5.8 The recommendation aligns with Council's adopted planning and funding framework by ensuring consistency between the Funding Impact Statement, rates assessments issued to ratepayers, and the

formal rates resolution. The proposed amendment is administrative in nature and does not alter any underlying policy, plan or strategic decision of Council.

Financial

5.10. The difference between the General Rate included in the Funding Impact Statement (**0.0010521 cents in the dollar on the Capital Value of all rating units)** and the amount recorded in the rates resolution (**0.0009307 cents in the dollar on the Capital Value of all rating units)** is estimated to equate to approximately $700,000 in annual revenue.

5.11. Failure to correct the rates resolution could expose Council to a claim that the rates should have been assessed using the lower amount specified in the resolution, creating a material financial risk

Risk analysis

5.12. External legal advice assesses the risk associated with correcting the resolution under Standing Orders and section 46 of the Legislation Act 2019 as relatively low because:

- The Funding Impact Statement correctly stated the intended rate;
- Rates assessments were calculated on the intended basis;
- The issue was identified through the audit process rather than public complaint;
- Any challenge would require proceedings in the High Court; and
- Council's action would remain effective unless determined otherwise by a court.

6. Options analysis | Tātari Kōwhiringa

Alternative Options	Description	Advantages	Disadvantages	Assessment
Option 1: Correct the rates resolution using Standing Orders (Preferred)	Council alters the relevant part of the rates resolution under Standing Order 24.6, supported by section 46 of the Legislation Act 2019, to replace the incorrect General Rate of **0.0009307 cents in the dollar on the Capital Value of all rating units** with the intended General Rate of **0.0010521 cents in the dollar on the Capital Value of all rating units**.	Directly addresses the identified error. Aligns the rates resolution with Council's adopted Funding Impact Statement and the rates assessments already issued. Can be implemented immediately through a Council resolution. Avoids the time, cost and uncertainty associated with legislative validation processes.	There remains some residual legal risk as the approach has not been specifically tested by the courts in this context. A ratepayer could seek judicial review or High Court determination.	**Recommended.** This option provides the most timely, practical and cost-effective solution while addressing the error and protecting Council's revenue position.

		Supported by external legal advice and the most practical and proportionate response.		
Option 2: Set the rate again under section 119 of the Local Government (Rating) Act 2002	Council uses the statutory process to set the General Rate again due to an irregularity or mistake in the rates resolution.	Specific process provided under the legislation; may reduce legal uncertainty	Requires formal statutory process including public notice and additional Council decision-making; less proportionate given the nature of the error.	Available but not preferred. Legal advice notes that because rates have already been assessed correctly there is an argument that section 119 could apply, however it involves a more cumbersome process.
Option 3: Seek a Validation Order under section 133 of the Local Government (Rating) Act 2002	Request an Order in Council from the Governor-General validating the irregularity in the rates resolution.	Provides a high degree of legal certainty. Specifically intended to address rating irregularities	Lengthy process requiring engagement with central government agencies and Cabinet process. Additional cost and administrative effort. May take several months to complete. Does not provide an immediate resolution.	While legally robust, this option is disproportionate given the nature of the error and the availability of a more practical remedy.
Option 4: Promote a Local Bill	Seek validation through specific legislation enacted by Parliament.	Provides complete legal certainty once enacted. Creates a definitive statutory solution.	Significant cost, time and resource commitment. Requires Parliamentary processes and sponsorship. Disproportionate to the nature of the error. Unlikely to represent value for money.	Not recommended due to the scale of effort required relative to the issue being addressed.
Option 5: Do Nothing	Take no corrective action and continue with the current position.	No immediate administrative costs. No further action required.	Leaves Council exposed to legal challenge. May create uncertainty	Not recommended. This option presents an unacceptable financial and legal risk to Council.

			regarding the validity of the rate. Potential revenue exposure of approximately $700,000. Inconsistent with good governance and risk management practices.	

Recommended Option

6.1 **Option 1: Correct the rates resolution using Standing Orders** is recommended because it provides the most proportionate, timely and cost-effective response to an administrative error. It aligns the resolution with the Funding Impact Statement adopted by Council and the rates assessments already issued, while minimising legal and financial risk.

Item	Annual Report 30 June 2026 Adoption
To	Ōtorohanga District Council
From	Brendan O'Callaghan, Project Accountant
Type	**DECISION REPORT**
Date	27 October 2026



1. Purpose | Te kaupapa

1.1. To adopt the 2025/26 Annual Report.

2. Executive summary | Whakarāpopoto matua

2.1. The Annual Report 2025/26 audit by Deloitte has been completed. This report gives the Council the opportunity to adopt the Annual Report.

3. Staff recommendation | Tūtohutanga a ngā kaimahi

That the Council adopts the 30 June 2026 Annual Report and sign the associated Representation Letter.

4. Context | Horopaki

4.1. The audit has now been completed, subject to final clearance processes, and so Council is able to adopt the final 2025/26 Annual Report.

5. Discussion | He kōrerorero

5.1. The Annual Report document attached is the latest draft document as at the time of sending the agenda, and there may be a few further changes that will be tabled at the meeting.

Fixed Asset Valuations

5.2. The 3 waters assets were revalued as at 30 June 2026,, and the result was an uptake in the optimised depreciated replacement cost value of these assets of $46,164,997 over the 30 June 2023 valuation.

New Accounting Standards

5.3. During the year there were no new accounting standards that Council were required to apply to this Annual Report document.

Audit Opinion

5.4. From a discussion with Deloitte, there was only one issue that has been identified by the Office of the Auditor General as requiring an emphasis of matter within the audit report.

5.5. This relates to the uncertainty around the local government reforms that the Government has been undertaking. The wording of the emphasis is included below.

Emphasis of matter: Simplifying Local Government reform

The government has announced it wants to simplify local government, including reducing the number of local authorities by amalgamations within regions. As described in note xxx, [describe status/circumstances briefly as disclosed by the council, for example "the council is part of an amalgamation proposal under the Head Start pathway which may, if approved, be implemented before the 2028 local elections"/"the council is not yet part of an amalgamation proposal and any future change may be determined through a backstop process following the 2028 local elections"]. The eventual outcome for the council is dependent on future cabinet decisions and enactment of enabling legislation. Because of the significant uncertainty about the outcome and timing of any future reorganisation, the financial statements have continued to be prepared on a going concern basis. Our opinion is not modified in respect of this matter.

5.6. We have included some information in our subsequent events note within the Annual Report around Ōtorohanga's specific circumstances and assumptions made.

Risk and Assurance Committee

5.7. The Risk and Assurance Committee reviewed the Annual Report at their meeting on 22nd October, and the results of that meeting will be verbally updated with this report.

6. Strategic Considerations | Ngā whai whakaarotanga

Significance and engagement

6.1. This item has been assessed as of low significance in accordance with our significance and engagement policy, and so therefore no engagement is required. This is due to the fact that this is the adoption of a public report of what has happened in the past financial year, as opposed to planning which the public may have some influence on.

Mana whenua / Māori

6.2. Staff consider the matters set out in this report do not have a direct impact on cultural wellbeing, sites of significance or waterways.

Strategic alignment

6.3. Staff confirm that the recommendation in this report complies with Council's Policies and Plans.

Legal

6.4. There are no legal considerations around this matter, outside of the legislative requirements to produce and adopt an Annual Report each financial year.

Financial

6.5. As this is a financial decision, all the financial considerations are included in the discussion in the report.

Risk analysis

6.6. The risks associated with this decision is deemed to be low.

7. Options analysis | Tātari Kōwhiringa

Options summary of considerations

	Option 1	Option 2
Summary	Council adopt the Annual Report	Council do not adopt the Annual Report
Advantages	Ensures Council complies with statutory requirement around reporting.	
Disadvantages		This would mean that Council would be in breach of the statutory requirement to adopt an Annual Report by 31 October each year.

Recommended option and rationale

7.1. Council adopt the Annual Report and approve the signing of the associated Representation Letter.

7.2. No significant issues have been identified as a part of the audit process, and the Annual Report presents a fair and accurate record of the actual results for the 2025/26 financial year.

8. Appendices | Ngā āpitihanga

Number	Title
1	Annual Report 2025/26

TE KAUNIHERA Ā-ROHE O
ŌTOROHANGA
DISTRICT COUNCIL

2025/26 ANNUAL REPORT

ŌTOROHANGA DISTRICT COUNCIL

OCTOBER 2026



NGĀ RĀRANGI UPOKO

CONTENTS

PAGE

INTRODUCTION

MESSAGE FROM THE MAYOR AND CHIEF EXECUTIVE 3

STATEMENT OF COMPLIANCE 5

HOW WELL DID WE DO? 6

HIGHLIGHTS FOR THE YEAR 6

WHAT ELSE HAPPENED THAT WAS NOT IN THE PLAN? 7

OPPORTUNITIES FOR MĀORI TO CONTRIBUTE TO DECISION MAKING 8

OUR SERVICES & OUR PERFORMANCE

WHAT OUR ACTIVITIES COST AT A GLANCE 10

- Combined Cost of Service Statement 10
- Whole of Council Funding Impact Statement 11

GUIDE TO THIS SECTION OF THE ANNUAL REPORT 12

GROUPS OF ACTIVITIES

- Trusted Leadership and Relationships 15
- Strong Communities 21
- Vibrant Places and Spaces 28
- Sustainable Development and Public Safety 34
- Resilient Infrastructure 41
- Responsible Waste Management 69

THE MONEY IN DETAIL

FINANCIAL STATEMENTS 74

NOTES TO THE FINANCIAL STATEMENTS 80

SUPPORTING INFORMATION

- Financial Involvement in Council Controlled Organisations (CCO's) 117
- Annual Report Disclosure Statement 120
- Local Government Act Disclosures 127
- Audit Report 128

OTHER INFORMATION

ABOUT US 131

YOUR MAYOR AND COUNCILLORS 133

COUNCIL DIRECTORY 135

TE KAUNIHERA Ā-ROHE O
ŌTOROHANGA
DISTRICT COUNCIL

INTRODUCTION

- MESSAGE FROM THE MAYOR AND CHIEF EXECUTIVE
- STATEMENT OF COMPLIANCE
- WHAT WE DID IN 2025/26...
- HOW WELL DID WE DO?
- HIGHLIGHTS FOR THE YEAR
- WHAT ELSE HAPPENED THAT WAS NOT IN THE PLAN?
- OPPORTUNITIES FOR MĀORI TO CONTRIBUTE TO DECISION MAKING

MESSAGE FROM THE MAYOR AND CHIEF EXECUTIVE

E ngā mana, e ngā reo, e ngā hapori o te rohe o Ōtorohanga, tēnā koutou katoa.

The 2025/26 year has been one of significant change, unexpected challenges and important progress for Ōtorohanga District Council. It has tested our resilience, strengthened our partnerships and reminded us of what makes our district special - our people and their willingness to come together when it matters most.

Without question, the most significant event was the severe weather and flooding that struck our district in February 2026. The event caused widespread damage to homes, roads and infrastructure, displaced families and tragically resulted in the loss of life. Our thoughts remain with everyone affected, particularly those facing ongoing disruption.

While the event presented enormous challenges, the response demonstrated the strength of our communities. Neighbours helped neighbours, volunteers gave their time, and iwi, emergency services, community organisations, businesses and government agencies worked alongside Council to support those in need. We are incredibly grateful to everyone who stepped forward.

Recovery remains a priority, with work continuing to repair damaged infrastructure and restore access. The flooding has also reinforced the importance of investing in resilient infrastructure and preparing for more frequent severe weather events.

This year also brought a new chapter in leadership following the October 2025 local elections. We welcomed six new Councillors, as well as new Community Board members. We acknowledge former Mayor Max Baxter, who served our district for 12 years, and the outgoing elected members for their dedication and contribution to our communities.

Alongside these changes, Council has continued delivering the everyday services that keep our district running. There have been encouraging results, with community trust in Council increasing to 82.2%, while all Māori leaders who responded to our survey rated their relationship with Council as good or better. Satisfaction with our libraries remained high at 94.2%, with more than 42,000 people participating in library programmes and activities.
Another major focus has been preparing for the transition of drinking water and wastewater services to Waikato Waters Limited. Following our decision to join five other Waikato councils in establishing the new organisation, considerable work has gone into preparing for the transfer of services in July 2027. Our priority remains ensuring safe, reliable and financially sustainable water services for our communities.

Affordability has remained front of mind. Like households and businesses across our district, Council continues to face rising costs and difficult decisions about where to invest limited resources. The additional costs of responding to severe weather, maintaining ageing infrastructure and meeting changing legislative requirements have added to these pressures. Balancing affordability today with responsible investment for the future remains central to our decision-making.

The wider local government sector is also experiencing significant reform. During the year, we began working alongside Waitomo District Council to explore what the future of local government in the King Country could look like through the Government's Head Start pathway. While there are still important questions to work through, our focus is on understanding the opportunities and challenges, and ensuring our communities have a voice in shaping what comes next.

Throughout the year, our relationships with iwi, hapū, community organisations and neighbouring councils have continued to be essential to the way we work. We know the best outcomes come from working together, drawing on local knowledge and recognising the aspirations of the people and places that make up our district.

However, not everything has gone to plan. For a variety of reasons, we achieved 29 of our 53 performance measures. We know there are areas where improvement is needed, particularly across some infrastructure and regulatory services, and we remain committed to addressing these challenges and improving the services our communities rely on.
We also acknowledge our elected members and Council staff, who have navigated a demanding year with professionalism, care and commitment. From responding to emergencies and supporting recovery to keeping essential services running, their contribution has been significant.

As we look ahead, further challenges and changes are inevitable. But this year has also given us many reasons to be confident in our future. We have strong communities, committed people and a shared determination to make Ōtorohanga District a great place to live, work and visit.

Ehara taku toa i te toa takitahi, engari he toa takitini.

Our strength is not from one warrior, but from many.

Ngā mihi nui,

Rodney Dow
MAYOR

Tanya Winter
CHIEF EXECUTIVE

NGĀ TAKE MATUA

STATEMENT OF COMPLIANCE

Statement of Compliance

The Council and Management of Ōtorohanga District Council confirm that all the statutory requirements of the Local Government Act 2002, regarding financial management and borrowing, have been complied with.

Statement of Responsibility

The Council and Management of Ōtorohanga District Council accept responsibility for the preparation of the annual Financial Statements and Statement of Service Performance and the judgements used in them.

The Council and Management of Ōtorohanga District Council accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of the Council and Management of Ōtorohanga District Council, the annual Financial Statements for the year ended 30 June 2026 fairly reflect the financial position and operations of Ōtorohanga District Council.

Rodney Dow
MAYOR

Tanya Winter
CHIEF EXECUTIVE

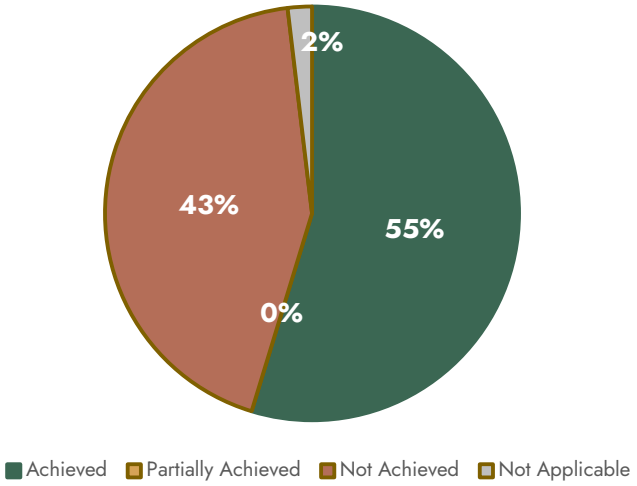
27 October 2026

HOW WELL DID WE DO?

We carry out a wide range of activities and services for the community. As we strive to deliver the best for the district, we test our performance against a set of measures.

These non-financial performance and level of service targets are identified in our Long Term Plan 2024/34 along with the measures we use to assess them.

We use a total of 53 measures for our six activity groups. Some of these measures (20) are set for us by the Department of Internal Affairs so that our results can be easily compared with other councils delivering similar services or activities.



55%	0%	43%	2%
of measures ACHIEVED 29 measures	of measures PARTIALLY ACHIEVED 0 measures	of measures NOT ACHIEVED 23 measures	of measures NOT APPLICABLE 1 measures

HIGHLIGHTS FOR THE YEAR

- Ōtorohanga District Council and Waitomo District Council are also in the processing of combining building teams, with the strategic appointment of one Building Manager across both councils. Combining the Council's building teams, once fully implemented, will boost capacity, improve service delivery, and provide cost efficiency.
- In addition, a joint procurement arrangement with the Waitomo District Council for the delivery of kerbside refuse and recycling services was completed and new contracts are in place.
- Council in junction with the Ōtorohanga Community Board completed the installation of a fitness station (Te Papa Whaiora).

WHAT ELSE HAPPENED THAT WAS NOT IN THE PLAN?

- Since the LTP was adopted in June 2024, the local government sector has undergone an inordinate amount of change due to the introduction of new or amended policies by central government. These changes have involved revisiting previous decisions made by Council, new legislative requirements and cuts in anticipated funding. New policy directions that directly impacted Council's work programmes have included the following:
  - A shortfall in the expected funding allocations from New Zealand Land Transport Agency (NZTA) - Waka Kotahi for the next three years (formal advice received August 2024). This shortfall has largely affected walking, cycling, road safety projects/services and low cost/low risk new works.
  - Enactment of the Local Government (Water Services Preliminary Arrangements) Act in September 2024 requiring all councils to have developed water services delivery plan (WSDP) by 3 September 2025 which outlines, amongst other matters, councils intended water services delivery and implementation arrangements for the district. Furthermore, councils must have consulted on their preferred arrangement prior to submitting their WSDP to the Minister of Local Government. Councils WSDP was accepted by the Government on 17th September 2025, and work has been on-going with the establishment of Waikato Waters Limited.
  - The development of a Head Start proposal in response to the Government's announcement of reorganisation of the local government sector. This proposal was a joint reorganisation proposal with Waitomo District Council which would create one unitary authority for the combined area of both councils. This proposal was submitted, and the Government has signalled they will review these proposals in early 2027.
- The changes to date have placed councils and staff under an enormous amount of pressure and there is more to come with substantive legislative reform and changes underway in relation to resource management reform.
- Staff continued to progress work programmes despite the additional load, although in the land transport area adjustments had to be made to the programme to because of funding being lower than anticipated. The main activities to be affected largely relate to the footpath programme and road safety.
- Waikeria Prison stage 2 extension building consent processing is well underway as the stage 2 build continues.
- Ōtorohanga was subject to a significant flood event in February 2026, requiring a Civil Defence emergency declaration, a joint response alongside Waipā District Council who also declared an emergency, and a long recovery relating to several affected houses. This was the first major emergency event for Council which tested our Civil Defence Emergency Management systems, processes, response, and recovery. Council initiated an independent review of our response and is actively implementing recommendations to improve our Civil Defence Emergency Management systems, capacity and capability. With the international scientific consensus being that weather events are going to increase in frequency and severity, boosting our Civil Defence Emergency Management capacity and capability is included in this Long-Term Plan.

OPPORTUNITIES FOR MĀORI TO CONTRIBUTE TO DECISION MAKING

The Local Government Act (2002) places a responsibility on local authorities to develop the capacity of Māori to contribute to the council's decision making. Here in the Ōtorohanga district we recognise the importance of Te Tiriti o Waitangi as the founding document of Aotearoa/New Zealand, which establishes a relationship between the Treaty partners, these being iwi/Māori and the Crown. We also recognise that not only is there an obligation on Council to engage with iwi/Māori, but that it makes good sense to do so. By working in partnership with iwi/Māori we want to ensure that everything we do is aimed at supporting the wellbeing of everyone in our community.

In the past year we have undertaken a range of initiatives to deliver on our commitment and progress our relationships with iwi/Māori and hapū. Examples of what we have done are outlined below:

MĀORI PARTNERSHIP

Council has made considerable strides toward building and strengthening Māori partnership across the district. This has involved formal delegations of Council elected members and staff attending events including: the tangihanga of the Late Kīngi Tūheitia Pōtatau Te Wherowhero VII, and Koroneihana of Te Arikinui Kuini Nga wai hono i te po, Poukai across a number of marae in the district, and meeting with iwi.

Throughout the year, Council has met with post-settlement governance entities, rūnanga, Māori trusts and marae to discuss the strategic direction of Council, and to seek guidance on any alignments between the aspirations of Māori and Council plans. These have led to further opportunities where Council invited Māori to contribute to the development of key strategies and plans such as the Reserves Management Strategy, the Aotea & Kāwhia Concept Plans. In good faith to these relations, Council also hosted a number of hui to inform Māori about the water reforms prior to wider public consultation.

MĀORI ENGAGEMENT FRAMEWORK

The Māori Engagement Framework guides the ways in which Council engages with Māori across the district. The framework is being implemented across the organisation involving the review of internal processes and documents, stakeholder databases and the development of resources and engagement plans.

CULTURAL COMPETENCY

A number of events across the year have contributed to building cultural competency across Council. These include national events and celebrations such as Te Wiki o Te Reo Māori (Māori Language Week), Matariki and Waitangi Day. Celebrations have been marked with the sharing of kai, kōrero about the cultural significance of these events, and opportunities to experience cultural practices through raranga (Māori traditional weaving). Following the local government elections, the new Council and Community Boards were formally welcomed with pōwhiri.

Council continues to host Mihi Whakatau (a cultural welcoming) for new staff members. This has been well attended and warmly received by participants, providing an opportunity to informally connect and welcome new staff. These are complemented by the individual cultural inductions provided by the Kaitakawaenga-Iwi Relations Advisor to new staff as part of their orientation programme.

TE KAUNIHERA Ā-ROHE O
ŌTOROHANGA
DISTRICT COUNCIL

OUR SERVICES

WHAT OUR ACTIVITIES COST AT A GLANCE

- COMBINED COST OF SERVICE STATEMENT
- WHOLE OF COUNCIL FUNDING IMPACT STATEMENT

GUIDE TO THIS SECTION OF THE ANNUAL REPORT

GROUPS OF ACTIVITIES

- TRUSTED LEADERSHIP AND RELATIONSHIPS
- STRONG COMMUNITIES
- VIBRANT PLACES AND SPACES
- SUSTAINABLE DEVELOPMENT AND PUBLIC SAFETY
- RESILIENT INFRASTRUCTURE
- RESPONSIBLE WASTE MANAGEMENT

WHAT OUR ACTIVITIES COST AT A GLANCE

COMBINED COST OF SERVICE STATEMENT

2024/25 Actual ($000)	COMBINED COST OF SERVICE STATEMENT FOR YEAR ENDED 30 JUNE 2026	2025/26 AP Estimate ($000)	2025/26 Actual ($000)
	OPERATING REVENUE		
10,172	Activity Revenue	8,720	13,962
8,729	Targeted Rates	9,488	9,319
26	Development Contributions	265	74
8,522	General Rates	9,673	9,718
12,335	Other General Sources	13,840	13,097
39,784	*Total Operating Revenue*	41,986	46,170
	Reconciling Items:		
(12,335)	Internal Recoveries	(13,840)	(13,097)
(62)	Gains/(losses) on asset disposal	-	(130)
-	Assets vested in Council	-	675
27,387	*Total Operating Revenue Per Statement of Comprehensive Income*	28,146	33,618
	OPERATING EXPENDITURE		
15,508	Trusted Leadership and Relationships	16,315	15,834
2,338	Strong Communities	2,278	3,657
3,690	Vibrant Places and Spaces	3,985	3,537
2,370	Sustainable Development and Public Safety	2,648	2,763
11,013	Resilient Infrastructure: Land Transport	11,983	15,031
3,021	Resilient Infrastructure: Water Supply	3,225	3,275
1,496	Resilient Infrastructure: Wastewater	1,440	1,398
397	Resilient Infrastructure: Stormwater	425	453
277	Resilient Infrastructure: Flood Protection	447	269
767	Responsible Waste Management	746	806
40,877	*Total Operating Expenditure*	43,492	47,023
	Reconciling Items:		
(12,335)	Internal Recoveries	(13,840)	(13,097)
(62)	Doubtful Debt Provision adjustment	-	1,536
(156)	Internal Interest on Balance	328	(130)
28,324	*Total Operating Expenditure Per Statement of Comprehensive Income*	29,980	35,332
(937)	*Net Profit/(Loss)*	(1,834)	(1,714)

WHOLE OF COUNCIL FUNDING IMPACT STATEMENT

WHOLE OF COUNCIL FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2026	2024/25 Long Term Plan ($000)	2024/25 Actual ($000)	2025/26 Annual Plan ($000)	2025/26 Actual ($000)
SOURCES OF OPERATING FUNDING				
General Rates, Uniform Annual General Charges, Rates Penalties	8,571	8,523	9,673	9,718
Targeted Rates (other than a targeted rate for water supply)	8,928	8,729	9,488	9,320
Subsidies and Grants for Operating Purposes	4,099	4,010	3,717	8,371
Fees and Charges	1,067	1,482	1,116	970
Interest and Dividends from Investments	25	155	95	121
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts	700	673	725	1,242
TOTAL OPERATING FUNDING	23,390	23,572	24,814	29,741
APPLICATION OF OPERATING FUNDING				
Payments to Staff and Suppliers	20,698	18,773	20,521	24,334
Finance Costs	221	535	894	492
Other Operating Funding Applications	1,091	1,010	1,206	1,182
TOTAL APPLICATION OF OPERATING FUNDING	22,010	20,318	22,621	26,008
SURPLUS (DEFICIT) IN OPERATING FUNDING	1,380	3,254	2,193	3,733
SOURCES OF CAPITAL FUNDING				
Subsidies and Grants for Capital Expenditure	4,248	3,851	3,067	3,248
Development and Financial Contributions	10	18	10	16
Increase (Decrease) in Debt	4,033	4,984	1,539	305
Gross Proceeds from Sale of Assets	60	90	204	133
Lump Sum Contribution	-	-	-	-
TOTAL SOURCES OF CAPITAL FUNDING	8,351	8,943	4,820	3,702
APPLICATION OF CAPITAL FUNDING				
Capital Growth	425	186	400	53
Capital Level of Service	300	3,862	234	290
Capital Renewals	10,633	8,344	7,523	7,895
Increase (Decrease) in Reserves	(1,627)	(195)	(1,144)	(803)
Increase (Decrease) of Investment	-	-	-	-
TOTAL APPLICATION OF CAPITAL FUNDING	9,731	12,197	7,013	7,435
SURPLUS (DEFICIT) OF CAPITAL FUNDING	(1,380)	(3,254)	(2,193)	(3,733)
FUNDING BALANCE	-	-	-	-

GUIDE TO THIS SECTION OF THE ANNUAL REPORT

Councils provide a wide range of services - from roads and footpaths to take you to your destination to libraries giving you access to lifelong learning and leisure. These activities, some of which are prescribed by legislation, are the means by which we deliver outcomes for the community.

The services we provide are divided into the following activity groups.

TRUSTED LEADERSHIP AND RELATIONSHIPS	STRONG COMMUNITIES	VIBRANT PLACES AND SPACES
• Governance • Iwi liaison • Corporate Planning/Projects • Support Services[1]	• Community Development and Empowerment • Community Services Providers and Contestable Grants • Economic Development and Wellbeing • Libraries, Learning and Development • Civil Defence and Emergency Management	• Parks and Reserves and Council Owned Properties[2] • Cemeteries • Swimming Pools • Older Person's Housing
SUSTAINABLE DEVELOPMENT AND PUBLIC SAFETY	**RESILIENT INFRASTRUCTURE[3]**	**RESPONSIBLE WASTE MANAGEMENT**
• Resource Management • Building Control • Animal Control • Environmental Health, Public Amenity and Safety	• Land Transport • Wastewater • Water Supply • Stormwater • Flood Protection	• Waste Management and Minimisation

In this section we report on how well the services we delivered during the year met the targets and outcomes set for year two of our LTP 2024-34. Reporting on service performance is provided for each activity group and includes the following information.

OVERVIEW:

A high level explanation of the activity group is provided.

HIGHLIGHTS:

Highlights for the year are identified. This can include key initiatives undertaken, projects completed, and milestones achieved for the activity.

PERFORMANCE SUMMARY

Overall performance results for the activity group are summarised in a pie graph form. A second pie graph indicates the group's contribution to the measurement of our community outcomes for People, Place and Partnerships (refer Figure 1).

---

1 Support Services include: customer experience, communications and engagement, financial management, people and capability, information services, business enablement and other services which assist with the delivery of activities across Council. The costs of these services are included as indirect costs in each activity.

2 Includes public toilets, halls, dog pound and other property Council maintains not specifically listed in this activity.

3 Individually, each of these activities is its own group of activities and defined as mandatory under Schedule 10 of the Local Government Act 2002.

It should be noted that while most activities contribute in some way toward the achievement of all three community outcomes areas, this is not always reflected in the suite of performance measures we apply to specific groups of activities. For example, activities undertaken in the Trusted Leadership and Relationships Group have measures which focus on People and Partnerships while Resilient Infrastructure's measures focus on People and Place. However, both these groups of activities contribute in real terms all of the community outcomes – it is simply that the contribution is not formally measured.

SERVICE PERFORMANCE RESULTS:

Council's LTP identifies performance measures and targets to monitor our achievement of the agreed outcomes and levels of service. Results are reported on in this section and explanations are provided of any significant variances between the target and the results.

In the statements of service performance there are references to an Annual Resident Survey. This survey was undertaken online and the sample included residents within the District with a sample size of 126 and margin of error of +/- 9%, with a confidence level of 95%

Where comparative data is available, a graph is included showing performance or satisfaction over time to show performance trends.

FINANCIAL INFORMATION

Financial information accompanying each activity group includes a cost of service statement and funding impact statement. Where relevant, internal borrowing and capital expenditure are also provided.

FIGURE 1: COMMUNITY OUTCOMES



TE KAUNIHERA Ā-ROHE O
ŌTOROHANGA
DISTRICT COUNCIL

TRUSTED LEADERSHIP AND RELATIONSHIPS

- GOVERNANCE
- IWI LIAISON
- CORPORATE PLANNING/PROJECTS
- SUPPORT SERVICES

TRUSTED LEADERSHIP AND RELATIONSHIPS

OVERVIEW

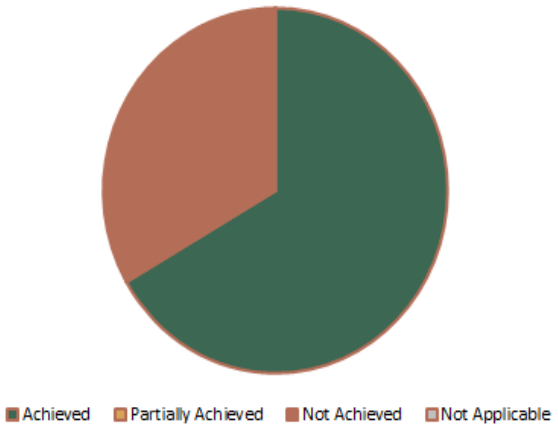
This group of activities focuses on Council's governance leadership and decision-making roles. It also encompasses the work that is done to honour and give effect to Te Tiriti-based partnerships and enhance meaningful and enduring partner relationships with iwi/Māori and stakeholders across Ōtorohanga district. Council's corporate planning activities and support services are also included in this group.

Together these activities are the face and voice of Council and essential for the smooth running of the Council and the district. We aim to be visible and accessible to the communities we serve and to be timely, democratic and transparent in our decision making. We see our role as providing and supporting aspirational, united, responsible leadership. Specific activities are discussed under the following headings:

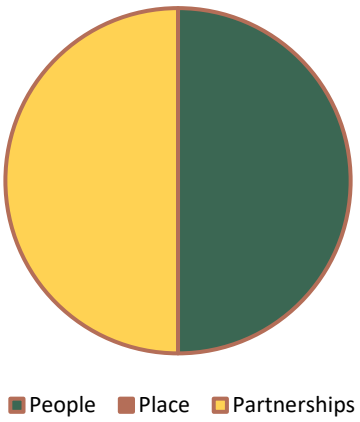
- Governance
- Iwi Liaison
- Corporate Planning/Projects
- Support Services

PERFORMANCE SUMMARY

OVERALL PERFORMANCE RESULTS



OUTCOMES MEASURED



GOVERNANCE

This activity covers the work of elected members (Council and two Community Boards) to make decisions and set Council's direction, work programmes and monitor and review organisational performance.

Level of service	How we measure success	Result for 2024/25	Target 2025/26	Result	Narrative
Visible, transparent trusted Council	Overall trust in Council[4]	77.8%	≥ 70% Average or better	82.2%	Achieved

IWI LIAISON

Our iwi liaison function provides support for Council to develop and enhance meaningful and enduring partnership relations with iwi/Māori across the district. The role also focuses on building the cultural competency of both elected members and staff, and advising culturally appropriate approaches to conducting Council business.

Level of service	How we measure success	Result for 2024/25	Target 2025/26	Result	Narrative
Work with Māori leaders[5] to build/maintain strong, productive relationships.	Māori leaders rate their relationship with Council as good or better[6].	72%	≥ 70% Good or better	100%	Achieved

CORPORATE PLANNING/PROJECTS

Corporate planning covers development of our long term plan and annual plans including the analysis and strategy work involved to prepare these documents. This activity also includes any special, corporate-wide projects that Council may undertake.

This function is important for determining not only what we will do to achieve the community outcomes but also what we expect to spend and how we will pay for what we do.

There are no specific performance measures for this activity.

SUPPORT SERVICES

This activity covers the support skills essential for the delivery of quality services and includes:

- Customer experience
- Communications and engagement
- People and capability
- Information services
- Financial management

4 As measured by an annual resident's survey.
5 Māori leaders includes, but is not limited to, iwi, hapū, marae and hapori Māori.
6 As measured by an annual iwi relationships survey.

Level of service	How we measure success	Result for 2024/25	Target 2025/26	Result	Narrative
The Community have access to timely and accurate information.	Residents satisfied with Council communication[7].	76.3% Good or better	≥ 80% Average or better	70.2%	Not achieved

[7] As measured by an annual residents' survey.

COST OF SERVICE STATEMENT

2024/25 Actual ($000)	TRUSTED LEADERSHIP COST OF SERVICE STATEMENT FOR YEAR ENDED 30 JUNE 2026	2025/26 AP Estimate ($000)	2025/26 Actual ($000)
	OPERATING REVENUE		
210	Activity Revenue	141	351
-	Targeted Rates	-	-
-	Development Contributions	-	-
2,855	General Rates	2,843	2,482
12,368	Other General Sources	13,244	13,047
15,433	*Total Operating Revenue*	16,228	15,880
	OPERATING EXPENDITURE		
1,897	Governance	2,280	2,050
127	Iwi Liaison	179	85
752	Corporate Planning/Projects	653	510
12,732	Support Services	13,676	13,189
15,508	*Total Operating Expenditure*	16,788	15,834
(75)	*Net Cost of Service*	(560)	46

FUNDING IMPACT STATEMENT

TRUSTED LEADERSHIP FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2026	2024/25 Long Term Plan ($000)	2025/26 Long Term Plan ($000)	2025/26 Actual ($000)
SOURCES OF OPERATING FUNDING			
General Rates, Uniform Annual General Charges, Rates Penalties	2,616	2,907	2,483
Targeted Rates (other than a targeted rate for water supply)	-	-	-
Subsidies and Grants for Operating Purposes	-	-	-
Fees and Charges	40	41	46
Internal Charges and Overheads Recovered	12,428	13,516	12,434
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts	30	31	305
TOTAL OPERATING FUNDING	15,114	16,495	15,268
APPLICATION OF OPERATING FUNDING			
Payments to Staff and Suppliers	9,125	9,336	9,181
Finance Costs	(228)	(144)	65
Internal Charges and Overheads Applied	5,770	6,505	5,291
Other Operating Funding Applications	166	169	207
TOTAL APPLICATION OF OPERATING FUNDING	14,833	15,866	14,743
SURPLUS (DEFICIT) IN OPERATING FUNDING	281	629	524
SOURCES OF CAPITAL FUNDING			
Subsidies and Grants for Capital Expenditure	-	-	-
Development and Financial Contributions	-	-	-
Increase (Decrease) in Debt	283	(75)	(27)
Gross Proceeds from Sale of Assets	60	153	133
Lump Sum Contribution	-	-	-
Other Dedicated Capital Funding	-	-	-
TOTAL SOURCES OF CAPITAL FUNDING	343	78	106
APPLICATION OF CAPITAL FUNDING			
Capital Growth	-	-	-
Capital Level of Service	35	10	55
Capital Renewals	961	616	613
Increase (Decrease) in Reserves	(372)	81	(38)
Increase (Decrease) of Investment	-	-	-
TOTAL APPLICATION OF CAPITAL FUNDING	624	707	630
SURPLUS (DEFICIT) OF CAPITAL FUNDING	(281)	(629)	(524)
FUNDING BALANCE	-	-	-

TE KAUNIHERA Ā-ROHE O
ŌTOROHANGA
DISTRICT COUNCIL

STRONG COMMUNITIES

- COMMUNITY DEVELOPMENT AND EMPOWERMENT
- COMMUNITY SERVICE PROVIDERS AND CONTESTABLE GRANTS
- ECONOMIC WELLBEING AND DEVELOPMENT
- LIBRARIES, LEARNING AND DEVELOPMENT
- CIVIL DEFENCE AND EMERGENCY MANAGEMENT (CDEM)

STRONG COMMUNITIES

OVERVIEW

We work with people, businesses and other organisations to find creative, future-focused solutions to fulfil local needs.

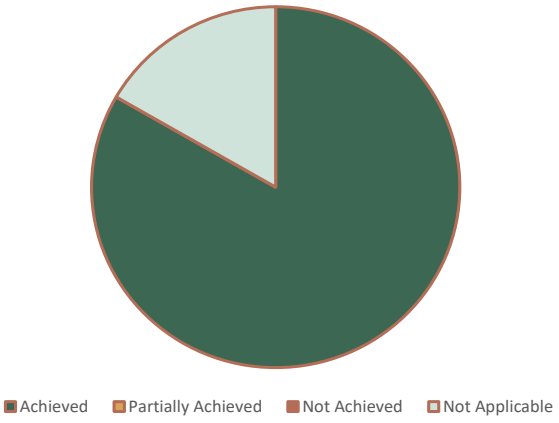
Strong communities covers the following five areas of activity:

- Community Development and Empowerment
- Community Service Providers and Contestable Grants
- Economic Development and Wellbeing
- Libraries, Learning and Development
- Civil Defence and Emergency Management

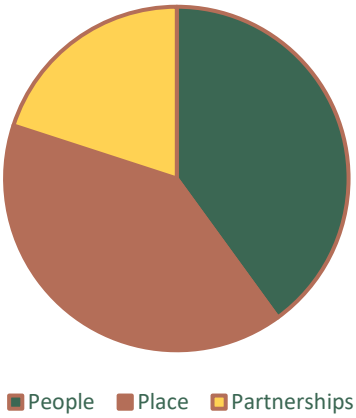
Creating opportunities and supporting people and groups to come together is an important way Council can help resolve local issues and celebrate who we are to create a stronger, united, resilient and more connected community.

PERFORMANCE SUMMARY

OVERALL PERFORMANCE RESULTS



OUTCOMES MEASURED



COMMUNITY DEVELOPMENT AND EMPOWERMENT

Community development is about finding local solutions to local needs. We work alongside groups and communities to understand what is needed and develop agreed action plans and projects. These are not our plans or projects – they belong to the community. Our role is facilitating opportunities for sharing, growing and creating together thereby empowering communities to take collective action.

There are no specific performance measures for this activity.

COMMUNITY SERVICE PROVIDERS AND CONTESTABLE GRANTS

This activity has three components. These are:

- Funding specific community service providers to deliver social, cultural, and other wellbeing services[8].
- Managing and distributing contestable funding from Council ($100k) and government sources totalling approximately $86k for the following purposes:

[8] Organisations funded by Council include Ōtorohanga Support House Whare Āwhina, Thrive Youth Trust Ōtorohanga and Sport Waikato.

- social (community focussed initiatives)[9]
- cultural (creative projects)[10]
- recreational (travel for youth sport)[11]

- Providing advice and information to link people and groups to the resources needed to implement their projects.

The projects we fund and the grants distributed give colour to our community – it is what makes us vibrant, connected and united.

Level of service	How we measure success	Result for 2024/25	Target 2025/26	Result	Narrative
Improved community wellbeing through the provision of financial support for social, cultural and recreational purposes.	Community groups/organisation and individuals funded by Council fulfil their funding obligations[12].	Obligations fulfilled	Obligations fulfilled	Obligations fulfilled	All Council funded organisations provided the reports required.

ECONOMIC WELLBEING AND DEVELOPMENT

Much of what Council does is about economic wellbeing to support a sustainable future. As well as providing and maintaining infrastructure and community facilities that underpin the local economy, we work to attract and grow businesses, and to promote our district as a welcoming, thriving place to live or visit. We also play our part in ensuring that there are opportunities available for our residents to realise their aspirations and their potential.

This activity focuses on the development component of economic wellbeing. One of the main ways Council does this is through partnerships and collaboration with local, regional and national organisations. This includes:

- Working with other organisations to support the implementation of a community-led Housing Plan and delivering on key actions assigned to Council
- Supporting businesses to progress development and help keep our community growing
- Delivering the Mayor's Task Force for Jobs employment programme
- Growing and strengthening relationships with other anchor institutions[13] in our district.

Other ways that Council gets involved in economic wellbeing and development includes:

- Co-design (with our community) and implementation of concept plans that identify economic priorities
- Working with or supporting other organisations to address issues which affect the district's ability to thrive such as community safety and health
- Strategic property purchases.

9 Funded by Council via rates.
10 Funded by Creative New Zealand.
11 Funded by Sport Waikato.
12 As measured by group's/organisation's reports to Council.
13 'Anchor institutions' is used to refer to organisations which: "Have an important presence in a place, usually through a combination of: being largescale employers, the largest purchasers of goods and services in the locality, controlling large areas of land and/or having relatively fixed assets". Source: Centre for Local Economic Strategies

Level of service	How we measure success	Result for 2024/25	Target 2025/26	Result	Narrative
Implementation of an economic wellbeing strategy	Economic wellbeing service providers funded by Council fulfil their funding obligations[14].	Funding obligations fulfilled	Funding obligations fulfilled	Funding obligations fulfilled	Achieved

LIBRARIES, LEARNING AND DEVELOPMENT

The district has two libraries – one in Ōtorohanga and the other in Kāwhia – providing access to a wide range of knowledge and information as well as opportunities for learning and a space to connect and engage. Services include:

- Physical and digital collections and resources
- Programmes supporting literacy in all its forms, with an emphasis on children's[15] programmes
- 24/7 wifi access, as well as access to devices, printing and scanning during opening hours.

Public libraries play a key role in wellbeing through improving individual and community outcomes in literacy (language, numeracy, digital). Literate communities are more empowered, resilient, tolerant, and better able to develop and participate in enterprise and growth opportunities and thrive.

Level of service	How we measure success	Result for 2024/25	Target 2025/26	Result	Narrative
Library services and activities meet community needs.	Users satisfied with library services[16].	97.2% satisfaction	≥ 90% satisfaction	94.2% satisfaction	Achieved, based on happy and very happy responses
	Increasing participation in Library programmes and activities, and service users.	43,101 participants – 19.6% increase	≥ 40,000 participants	42,199 participants	Achieved

CIVIL DEFENCE AND EMERGENCY MANAGEMENT (CDEM)

This activity focuses on preparedness for emergencies, both internally by having sufficiently trained staff and externally by educating the wider community on the need for being prepared. It is also about responding during the emergency event, and getting our organisation back up and running, through the transition and recovery phases after the emergency.

Council is part of the Waikato CDEM Group, which is a collective approach to managing emergencies in the Waikato Region. The CDEM Group works closely with research institutions, utility operators and central government to reduce risks and improve community resilience. Council is also part of the Western Waikato Emergency Operations Area which provides CDEM services at the local level. This is a shared service arrangement, where we partner with Waipā and Waitomo district councils. Waipā is the "host" council in this arrangement and if an emergency happens in our district, we know that our neighbouring councils are well prepared to help us and vice versa. A new Civil Defence Act is also anticipated in 2026 which is widely expected to confirm and strengthen (increase) the roles and responsibilities of Councils around local emergency reduction, readiness, response and recovery.

14 As measured by their reporting to Council.
15 Programmes cater for children from newborns through to the end of primary school age.
16 As measured by annual customer survey.

Level of service	How we measure success	Result for 2024/25	Target 2025/26	Result	Narrative
Council and the community well prepared for a civil defence emergency.	Percentage scored in an emergency response annual evaluation exercise[17].	Late developing result	> 60% (advancing)	N/A	Given there was an actual civil defence event, no evaluation exercise was held, therefore no evaluation score was received.
	Community response plans in place for Kāwhia and Ōtorohanga reviewed every 3 years.	Plans in place	Plans in place	Plans in place	Plans are in place. Kawhia/Aota Community Resource Plans are overdue a review. Ōtorohanga Operational Response Plan is in place and under review.

[17] Council will be assessed on the capability shown during the exercise and scored a percentage based on the CDEM Capability Scoring Guide & Capability level: Unsatisfactory = 0-20%, Early Developing = 21-40%, Late Developing = 41-60%, Advancing = 61-80%, Mature = 81-100%

COST OF SERVICE STATEMENT

2024/25 Actual ($000)	STRONG COMMUNITIES COST OF SERVICE STATEMENT FOR YEAR ENDED 30 JUNE 2026	2025/26 AP Estimate ($000)	2025/26 Actual ($000)
	OPERATING REVENUE		
738	Activity Revenue	323	1,292
95	Targeted Rates	76	76
-	Development Contributions	-	-
1,494	General Rates	1,898	1,741
11	Other General Sources	-	36
2,338	*Total Operating Revenue*	2,297	3,145
	OPERATING EXPENDITURE		
529	Community Development and Empowerment	551	442
579	Community Service Providers and Contestable Grants	225	1,021
496	Economic Wellbeing and Development	781	668
559	Libraries, Learning and Development	577	601
175	Civil Defence and Emergency Management	173	925
2,338	*Total Operating Expenditure*	2,307	3,657
-	*Net Cost of Service*	(10)	(512)

FUNDING IMPACT STATEMENT

STRONG COMMUNITIES FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2026	2024/25 Long Term Plan ($000)	2025/26 Long Term Plan ($000)	2025/26 Actual ($000)
SOURCES OF OPERATING FUNDING			
General Rates, Uniform Annual General Charges, Rates Penalties	1,784	1,875	1,741
Targeted Rates (other than a targeted rate for water supply)	95	76	76
Subsidies and Grants for Operating Purposes	294	296	1,016
Fees and Charges	19	27	21
Internal Charges and Overheads Recovered	-	-	36
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts	-	-	254
TOTAL OPERATING FUNDING	2,192	2,274	3,144
APPLICATION OF OPERATING FUNDING			
Payments to Staff and Suppliers	1,025	1,053	2,482
Finance Costs	-	-	-
Internal Charges and Overheads Applied	562	599	537
Other Operating Funding Applications	567	579	580
TOTAL APPLICATION OF OPERATING FUNDING	2,154	2,231	3,599
SURPLUS (DEFICIT) IN OPERATING FUNDING	38	43	(455)
SOURCES OF CAPITAL FUNDING			
Subsidies and Grants for Capital Expenditure	-	-	-
Development and Financial Contributions	-	-	-
Increase (Decrease) in Debt	-	-	489
Gross Proceeds from Sale of Assets	-	-	-
Lump Sum Contribution	-	-	-
Other Dedicated Capital Funding	-	-	-
TOTAL SOURCES OF CAPITAL FUNDING	-	-	489
APPLICATION OF CAPITAL FUNDING			
Capital Growth	-	-	-
Capital Level of Service	-	-	-
Capital Renewals	64	65	58
Increase (Decrease) in Reserves	(26)	(22)	(24)
Increase (Decrease) of Investment	-	-	-
TOTAL APPLICATION OF CAPITAL FUNDING	38	43	34
SURPLUS (DEFICIT) OF CAPITAL FUNDING	(38)	(43)	455
FUNDING BALANCE	-	-	-

TE KAUNIHERA Ā-ROHE O
ŌTOROHANGA
DISTRICT COUNCIL

VIBRANT PLACES AND SPACES

- PARKS AND RESERVES AND COUNCIL OWNED PROPERTY
- CEMETERIES
- SWIMMING POOLS
- OLDER PERSON'S HOUSING

VIBRANT PLACES AND SPACES

OVERVIEW

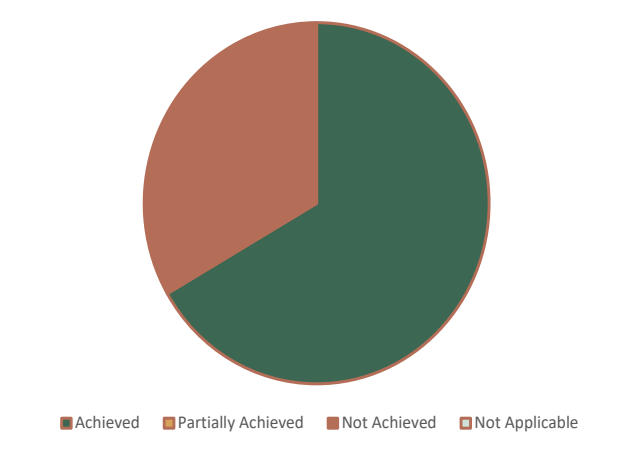
We operate and maintain a range of community facilities for residents and visitors to the district. Collectively valued at an estimated $30 million, these assets help lay the foundation for creating vibrant, diverse, liveable communities.

The particular facilities we manage are divided into following activities:

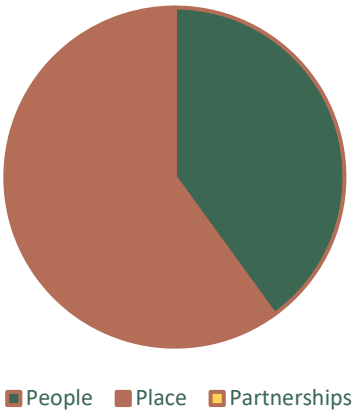
- Parks and Reserves and Council Owned Property[18]
- Cemeteries
- Swimming Pools
- Older Person's Housing

PERFORMANCE SUMMARY

OVERALL PERFORMANCE RESULTS



OUTCOMES MEASURED



[18] This activity also includes public toilets, maintenance of the Girl Guide Hall (Ōtorohanga) and Kāwhia Community Centre, maintenance of library buildings, dog pound and other Council owned property.

PARKS AND RESERVES AND COUNCIL OWNED PROPERTY

We manage 26 parks and reserves in the district totalling 45 hectares[19] spread between Ōtorohanga and Kāwhia/Aotea. Together these areas provide for the district's active and passive recreation needs while making a significant contribution to the vibrancy and liveability of our communities. Included in the mix are five playgrounds catering for people of all ages and abilities. We also have agreements in place with sporting groups regarding the care and maintenance of playing fields.

Other facilities included in this activity are:

- Public toilets (we have nine)
- The Girl Guide Hall (Ōtorohanga) and the Kāwhia Community Centre
- Library buildings
- Dog pound and other Council owned property not covered under other activities.

Level of service	How we measure success	Result for 2024/25	Target 2025/26	Result	Narrative
Parks and reserves meet resident's needs.	Residents satisfied with parks/reserves[20]: • Variety • Quality	89.1% Satisfaction combined average[21]	≥ 90% Satisfaction combined average	91.35% satisfaction combined average	Achieved. Variety of parks and reserves was 91.9%, Quality of parks and reserves was 90.8%
Provision of clean, well maintained public toilets.	Number of complaints per annum in relation to cleanliness and maintenance[22].	11 complaints	<12 Complaints	15 complaints	Not achieved

CEMETERIES

We manage public cemeteries at Ōtorohanga and Kāwhia, with a combined area of 7.8 ha. This involves:

- Provision of well-managed places for interment
- Online cemetery records

Our commitment is to maintain these cemeteries as respectful, attractive places for people to be able to connect with their loved ones.

Level of service	How we measure success	Result for 2024/25	Target 2025/26	Result	Narrative
Well maintained cemeteries.	Number of complaints per annum in relation to grounds maintenance[23].	6 complaints	<5 Complaints	4 Complaints	Achieved

19 These are reserves specifically maintained for active and passive recreation purposes. In total Council owns 178.839 hectares of reserves including flood protection and road reserves.

20 As measured by annual residents' survey.

21 90.9% variety; 87.3% quality

22 As recorded in service request system.

23 As recorded in service request system.

SWIMMING POOLS

The Ōtorohanga pool facility includes a 20 metre heated indoor pool, which operates year-round, a 33.5 metre outdoor pool and separate toddler's pool. This facility is managed by a contractor on Council's behalf and, although not required by the contract, a gym facility is provided at the contractor's discretion.

The provision of a community swimming pool is seen as an important recreational option for the community, and a key public safety initiative through learn to swim. Although aging, recent upgrades have improved the facility so that it complies with New Zealand Building Act and regulations, and Water Safety NZ – Swimming Pool Guidelines. A rigorous maintenance programme is also in place.

Level of service	How we measure success	Result for 2024/25	Target 2025/26	Result	Narrative
Provision of community swimming pool facilities, safe for users and staff. .	Swimming pools maintain PoolSafe Accreditation and compliance with pool water quality standard[24].	86.78% compliance	≥ 95% Compliance	87.5% Compliance	Not achieved. Compliance is low due to a number of different reasons. When a low result is recorded the pools are closed until the chemical readings are within guidance. Pools were always balanced before opening.

OLDER PERSON'S HOUSING

We have 28 residential units for older persons - 22 in Ōtorohanga and six in Kāwhia. A mix of studio and one-bedroom, the units are provided on a user pays basis. Rentals are set at 90% of the market for similar properties, on the basis of covering our costs rather than making a profit. There is strong demand for these properties, with waiting lists.

Level of service	How we measure success	Result for 2024/25	Target 2025/26	Result	Narrative
Housing units that are well maintained, safe and fully utilised.	Tenants satisfied with of their unit[25]: • Comfort • Safety	100% comfort 100% safety	≥ 95% Satisfaction combined average	95.2% average 95.2% comfortable 95.2% safety	Achieved
	Percentage occupancy rate for elder person's housing[26]: • Ōtorohanga • Kāwhia	98% Combined average [27]	>95% Combined average	97.75% (96.8% for Ōtorohanga and 98.7% for Kāwhia)	Achieved

24 NZ Standard 5862 (Swimming Pools). As reported in Pool Manager's monthly reports.
25 As measured by the annual tenant satisfaction survey.
26 Expressed as an annualised monthly average.
27 96% Ōtorohanga; 100% Kāwhia

COST OF SERVICE STATEMENT

2024/25 Actual ($000)	VIBRANT PLACES AND SPACES COST OF SERVICE STATEMENT FOR YEAR ENDED 30 JUNE 2026	2025/26 AP Estimate ($000)	2025/26 Actual ($000)
	OPERATING REVENUE		
518	Activity Revenue	483	502
30	Targeted Rates	26	30
18	Development Contributions	10	16
2,494	General Rates	2,679	2,771
(44)	Other General Sources	-	-
3,016	*Total Operating Revenue*	3,198	3,319
	OPERATING EXPENDITURE		
2,676	Parks and Reserves and Council Owned Property	2,897	2,505
570	Swimming Pools	598	601
132	Cemeteries	162	119
312	Older Person's Housing	324	312
3,690	*Total Operating Expenditure*	3,981	3,537
(674)	*Net Cost of Service*	(783)	(218)

FUNDING IMPACT STATEMENT

VIBRANT PLACES AND SPACES FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2026	2024/25 Long Term Plan ($000)	2025/26 Long Term Plan ($000)	2025/26 Actual ($000)
SOURCES OF OPERATING FUNDING			
General Rates, Uniform Annual General Charges, Rates Penalties	2,279	2,542	2,838
Targeted Rates (other than a targeted rate for water supply)	26	26	30
Subsidies and Grants for Operating Purposes	-	-	-
Fees and Charges	41	42	41
Internal Charges and Overheads Recovered	-	-	-
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts	438	428	394
TOTAL OPERATING FUNDING	2,784	3,038	3,303
APPLICATION OF OPERATING FUNDING			
Payments to Staff and Suppliers	1,617	1,725	1,431
Finance Costs	41	44	50
Internal Charges and Overheads Applied	1,118	1,150	954
Other Operating Funding Applications	207	209	238
TOTAL APPLICATION OF OPERATING FUNDING	2,983	3,128	2,673
SURPLUS (DEFICIT) IN OPERATING FUNDING	(199)	(90)	630
SOURCES OF CAPITAL FUNDING			
Subsidies and Grants for Capital Expenditure	-	-	-
Development and Financial Contributions	10	10	16
Increase (Decrease) in Debt	633	557	(34)
Gross Proceeds from Sale of Assets	-	-	-
Lump Sum Contribution	-	-	-
Other Dedicated Capital Funding	-	-	-
TOTAL SOURCES OF CAPITAL FUNDING	643	567	(18)
APPLICATION OF CAPITAL FUNDING			
Capital Growth	-	-	-
Capital Level of Service	115	51	114
Capital Renewals	382	297	213
Increase (Decrease) in Reserves	(52)	129	285
Increase (Decrease) of Investment	-	-	-
TOTAL APPLICATION OF CAPITAL FUNDING	445	477	612
SURPLUS (DEFICIT) OF CAPITAL FUNDING	199	90	(630)
FUNDING BALANCE	-	-	-

TE KAUNIHERA Ā-ROHE O
ŌTOROHANGA
DISTRICT COUNCIL

SUSTAINABLE DEVELOPMENT AND PUBLIC SAFETY

- RESOURCE MANAGEMENT
- BUILDING CONTROL
- ANIMAL CONTROL
- ENVIRONMENTAL HEALTH, PUBLIC AMENITY AND SAFETY

SUSTAINABLE DEVELOPMENT AND PUBLIC SAFETY

OVERVIEW

We provide planning and regulatory services to sustainably manage the district's natural and physical resources, and to promote and protect the health, safety and resilience of our communities.

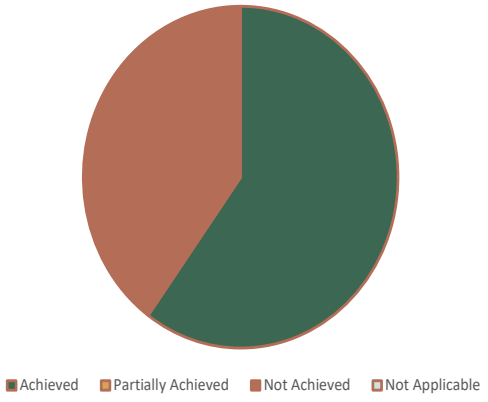
Activities covered include:

- Resource Management
- Building Control
- Animal Control
- Environmental Health, Public Amenity and Safety

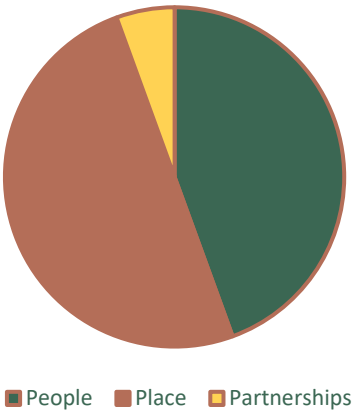
The activities in this group are governed by national legislation and directives as well as regional and local policies and bylaws. Together these laws, rules and policies are intended to be both enabling while safeguarding and protecting people and the environment. Major change is occurring in this area with the replacements to the Resource Management Act (a new Planning Act and Natural Environment Act) anticipated to be in place 2027, along with anticipated reform of regulatory compliance and enforcement.

PERFORMANCE SUMMARY

OVERALL PERFORMANCE RESULTS



OUTCOMES MEASURED



RESOURCE MANAGEMENT

This activity covers the planning functions we carry out under the Resource Management Act 1991 (RMA) and includes:

- Preparing and reviewing the District Plan
- Processing planning applications and issuing resource consents
- Processing of private plan changes and designation applications
- Providing development advice
- Compliance and enforcement around District Plan requirements and consent conditions.

Issuing LIMs[28] in relation to property transactions and development proposals and administering our Development and Financial Contributions Policy are also a part of this activity.

Level of service	How we measure success	Result for 2024/25	Target 2025/26	Result	Narrative
Maintained and updated District Plan.	Ōtorohanga District Plan is maintained, reviewed, and updated in accordance with legislation.	N/A	100% Compliance	N/A	Not achieved – legislation from September 2025 prohibits Council from changing or reviewing the district plan.
Processing of all applications within agreed timeframes.	Resource consent applications processed and decisions issued within statutory timeframes.	95% Compliance	100% Compliance	65.93% compliance	Not achieved

BUILDING CONTROL

Building control covers:

- Processing and monitoring of building consents
- Issuing of Code of Compliance Certificates, Compliance Schedules and Building Warrants of Fitness under the Building Act 2004
- Monitoring and enforcing earthquake-prone building requirements
- Building inspections
- Inspecting private swimming pools for compliance with safety regulations
- Issuing and monitoring of building warrants of fitness
- Investigating alleged breaches of building regulation.

Another important part of our work is advising builders and the community about what building work requires a consent and other requirements such as using licensed building practitioners.

As a Building Consent Authority (BCA) we are audited every two years by International Accreditation New Zealand (IANZ). To retain our BCA accreditation, it is important that staff knowledge and our systems and processes are up-to-date and accurate. This activity is also on Government's reform programme over the next 3 years, including changes around: remote inspections, accessory buildings, earthquake prone buildings, Council liability settings, removal of legal barriers to combined Building Control Authority, approved products, insulation standards, with further changes anticipated.

[28] Land Information Memorandum (LIMs) issued in accordance with the Local Government Official Information and Meetings Act 1987 (LGOIMA).

Level of service	How we measure success	Result for 2024/25	Target 2025/26	Result	Narrative
Buildings safe and fit for purpose.	Building consent applications processed within 20 working days[29].	94.77% Compliance	100% Compliance	82.8% Compliance	Not achieved
Required safety inspections of swimming pools and associated barriers completed.	All registered private swimming pools inspected at least every three years.	33.3% inspected	> 33% Pools inspected[30]	33.3% inspected	Achieved
Required standards for processing and issuing building consents met.	Retention of biennial BCA accreditation[31].	Accreditation achieved	Achieved	Accreditation achieved with conditions[32]	Achieved

ANIMAL CONTROL

Animal control is important for ensuring public safety. Our role involves dog registration, impounding wandering stock and roaming dogs, and implementing and enforcing our Dog Control Policy and Bylaw. Dog owner education and promoting animal welfare are also covered by this activity. We operate a successful shared service animal control agreement with Waitomo District Council, with Animal Control Officers effectively working across both districts.

Level of service	How we measure success	Result for 2024/25	Target 2025/26	Result	Narrative
Timely provision of animal control services supporting animal welfare and community safety.	Known dogs in the district are registered[33].	91.4% registered	≥ 98% Registered	91.8% registered	Not achieved
	Complaints about dog attacks and wandering stock on public roads responded[34] to within two hours[35].	100% Compliance	100% Compliance	100% Compliance	Achieved

ENVIRONMENTAL HEALTH, PUBLIC AMENITY AND SAFETY

This activity involves:

- Licensing and monitoring of food premises, alcohol sellers, hairdressers and camping grounds
- Control of health nuisances related to noise, littering and compliance with our bylaws and the freedom camping legislation.

29 As measured by the Building Consent Tracking Database.
30 As an annual average over 3-year period.
31 Council's next audit is scheduled for 2027.
32 There were several general non-conforming (GNC) issues which are in the process of being rectified. This has resulted in a condition of having 12 months to the next audit, instead of 24.
33 As recorded in Council's dog registration database.
34 'Responded to' means acknowledged and investigated.
35 As reported in contractor's monthly report.

By ensuring that the regulations and standards for these services are met we help protect public health and safeguard the liveability of our communities. Various changes are underway or signalled to the related legislation around noise, littering, hairdresser regulations, and alcohol.

Service delivery for Environmental Health is via a shared service arrangement with our partner Waipā District Council. Responding to noise is provided through the day-time by staff and after hours by a contracted service. Other nuisance complaints and bylaw breaches are investigated on a case-by-case basis.

Liquor licensing is governed by a joint district licensing committee covering Ōtorohanga, Waipā and Waitomo District Councils. While our staff issue and administer licences for the district, we also collaborate with our partner councils on aspects of local administration.

Level of service	How we measure success	Result for 2024/25	Target 2025/26	Result	Narrative
Public sale and supply of alcohol is undertaken safely and responsibly, and a high level of food safety is maintained by food premises.	All venues selling or supplying alcohol and all food premises monitored for compliance with statutory requirements [36].	100% Compliance	100% Compliance	100% Compliance	Achieved
Timely response to excessive noise complaints.	All excessive noise complaints investigated within two hours of the complaint being received[37].	100% Compliance	95% Compliance	95% Compliance	Achieved
Respond to public nuisance complaints.	Investigate[38] complaints within five working days of receiving a complaint[39].	90% Compliance	90% Compliance	90% Compliance	Achieved

36 As measured by inspection records.

37 As recorded in the service request system and outcome reported in contractor's monthly report.

38 "Investigate" means acknowledging the complaint, triaging and assessing if a response and any enforcement is required.

39 Covers complaints made under the following by bylaws/legislation:

- Dangerous and Insanitary Building Policy 2022
- Keeping of Stock, Poultry and Bees Bylaw 2009
- Liquor Control Bylaw 2007
- Stock Movement Bylaw 2014
- Structures and Works in Public Places Bylaw 2015
- Trade Waste Bylaw 2000
- Freedom camping legislation

COST OF SERVICE STATEMENT

2024/25 Actual ($000)	SUSTAINABLE DEVELOPMENT AND PUBLIC SAFETY COST OF SERVICE STATEMENT FOR YEAR ENDED 30 JUNE 2026	2025/26 AP Estimate ($000)	2025/26 Actual ($000)
	OPERATING REVENUE		
1,158	Activity Revenue	898	705
-	Targeted Rates	-	-
-	Development Contributions	-	-
1,144	General Rates	1,492	2,010
-	Other General Sources	-	15
2,302	*Total Operating Revenue*	2,390	2,730
	OPERATING EXPENDITURE		
617	Resource Management	643	759
1,074	Building Control	1,129	1,348
253	Environmental Health, Public Amenity and Safety	436	262
426	Animal Control	440	394
2,370	*Total Operating Expenditure*	2,648	2,763
(68)	*Net Cost of Service*	(258)	(33)

FUNDING IMPACT STATEMENT

SUSTAINABLE DEVELOPMENT AND PUBLIC SAFETY FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2026	2024/25 Long Term Plan ($000)	2025/26 Long Term Plan ($000)	2025/26 Actual ($000)
SOURCES OF OPERATING FUNDING			
General Rates, Uniform Annual General Charges, Rates Penalties	1,452	1,455	1,944
Targeted Rates (other than a targeted rate for water supply)	-	-	-
Subsidies and Grants for Operating Purposes	-	-	-
Fees and Charges	875	892	674
Internal Charges and Overheads Recovered	-	-	15
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts	4	4	32
TOTAL OPERATING FUNDING	2,331	2,351	2,665
APPLICATION OF OPERATING FUNDING			
Payments to Staff and Suppliers	1,169	1,281	1,359
Finance Costs	-	4	-
Internal Charges and Overheads Applied	1,212	1,319	1,392
Other Operating Funding Applications	10	11	12
TOTAL APPLICATION OF OPERATING FUNDING	2,391	2,615	2,763
SURPLUS (DEFICIT) IN OPERATING FUNDING	(60)	(264)	(98)
SOURCES OF CAPITAL FUNDING			
Subsidies and Grants for Capital Expenditure	-	-	-
Development and Financial Contributions	-	-	-
Increase (Decrease) in Debt	-	204	51
Gross Proceeds from Sale of Assets	-	-	-
Lump Sum Contribution	-	-	-
Other Dedicated Capital Funding	-	-	-
TOTAL SOURCES OF CAPITAL FUNDING	-	204	51
APPLICATION OF CAPITAL FUNDING			
Capital Growth	-	-	-
Capital Level of Service	-	-	-
Capital Renewals	-	-	-
Increase (Decrease) in Reserves	(60)	(60)	(47)
Increase (Decrease) of Investment	-	-	-
TOTAL APPLICATION OF CAPITAL FUNDING	(60)	(60)	(47)
SURPLUS (DEFICIT) OF CAPITAL FUNDING	60	264	98
FUNDING BALANCE	-	-	-

TE KAUNIHERA Ā-ROHE O
ŌTOROHANGA
DISTRICT COUNCIL

RESILIENT INFRASTRUCTURE

FIVE SEPARATE GROUPS OF ACTIVITIES ARE INCLUDED UNDER THE BROAD HEADING OF RESILIENT INFRASTRUCTURE:

- LAND TRANSPORT
- WASTEWATER
- WATER SUPPLY
- STORMWATER
- FLOOD PROTECTION

LAND TRANSPORT

OVERVIEW

Integral to everyday district life, land transport is our biggest area of spending. We look after 805 kilometres of roads[40] that link to the national state highway network connecting residents and visitors to their destination, businesses to customers and suppliers and local production to markets. As a rural district with a dispersed population, we are acutely aware of the importance of having a well maintained, resilient roading network – the backbone connecting people and enabling economic activity.

Our land transport work is not only about roads - we also maintain:

- 26.9 kilometres of footpaths
- 134 bridges
- 83 stock underpasses
- 5,918 culverts
- 3,290 signs.

Promoting road safety, kerb and channel management, roadmarking, safety barriers/works and roadside vegetation and litter management are also part of land transport.

CHANGES FROM THE 2024/34 LTP

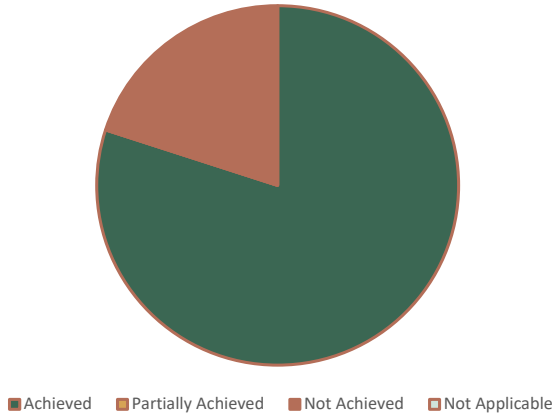
Post the adoption of our 2024/34 LTP, NZTA advised that funding allocations for 2024/25 to 2026/27 would be below what was needed to deliver on our planned programme of works. Equating to an average annual shortfall of $3.565M, some activities were allocated manageable reductions (e.g. pothole prevention) while others were reduced by two thirds (e.g. walking and cycling) or completely removed (i.e. low cost/low risks new works).

The reduced funding has affected our ability to deliver on aspects of our planned works, and we have adjusted our programmes accordingly, in particular footpaths, road safety promotion and new works (low risk/low cost).

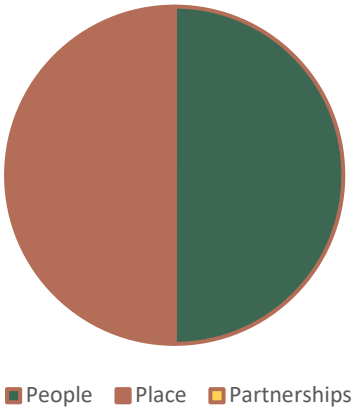
[40] Comprised of 529 sealed (66%) and 276 unsealed (34%).

PERFORMANCE SUMMARY

OVERALL PERFORMANCE RESULTS



OUTCOMES MEASURED



LAND TRANSPORT

Our priorities for a cost effective, sustainable, resilient land transport programme are:

- Maintaining existing levels of services, with our road network continuing to be our largest spend area
- Understanding the likely impacts of climate change on district assets and reflecting this in our ongoing work programmes.

Maintenance of our roading network is undertaken under contract on our behalf and funding for the land transport programme is a mixture of district rates (local share) and subsidies from our roading partner NZTA.

Level of service	How we measure success	Result for 2024/25	Target 2025/26	Result	Narrative
Provision of a safe local transport network for users and the community.	Change from the previous financial year in the number of fatalities and serious injury crashes on the local road network (M)[41].	6 severe (2 more than last year). No fatal crashes.	Fatalities/ serious injuries ≤ previous year	No severe or fatal crashes, less than prior year.	Achieved
Road and footpath networks which support usability and user comfort.	Percentage of footpaths whose condition meets the standard of 3 or better (minor cracking only) (M)[42].	91%	85%	93%	Achieved
	Average quality of ride on a sealed local road network, measured by	96%	97%	97%	Achieved

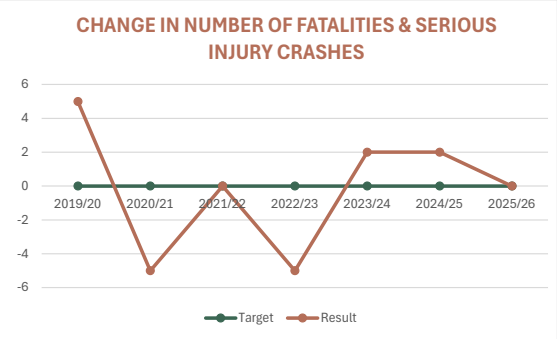
41 (M) Expressed as a number.

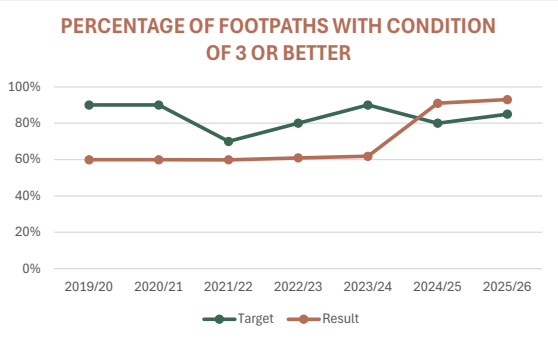
42 (M) Full wording: The percentage of footpaths within a territorial authority district that fall within the level of service or service standard for the condition of footpaths that is set out in the territorial authority's relevant document (such as its annual plan, activity management plan, asset management plan, annual works program or long term plan). For Council this is based on a five-point scale (excellent, good, average, poor and very poor) the percentage will be the length of footpath recorded as average, good or excellent condition grade.

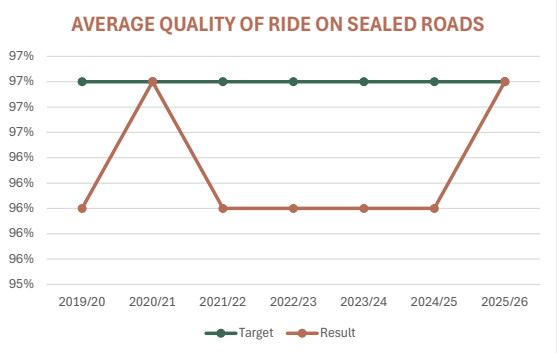
	smooth travel exposure value of 150 or better (M).				
	Percentage of the sealed local road network that is resurfaced annually (M).	7%	8%	8%	Achieved
Customer service requests dealt with promptly and appropriately.	Percentage of customer service requests for roads and footpaths recorded in the request for service system and responded[43] to within 5 working days or less (M)[44].	91%	90%	81%	Not achieved

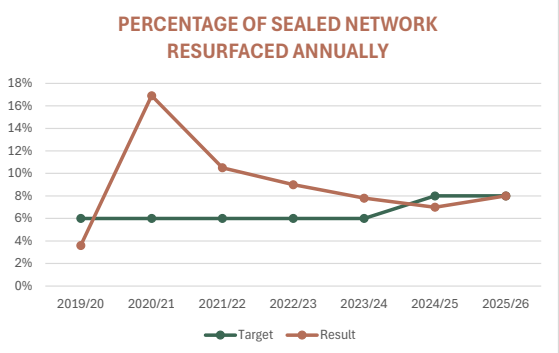
M = Mandatory measure

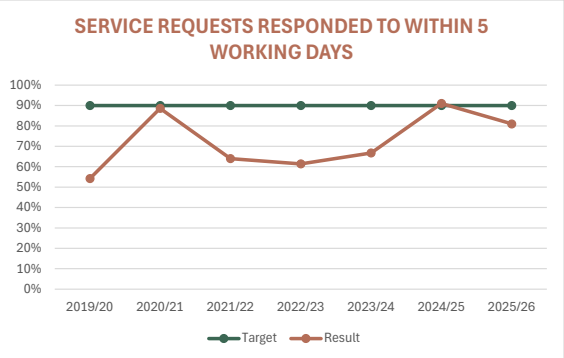
TREND











43 Responded to means acknowledgment by the Roading Team.

44 (M) Full wording: The percentage of customer service requests relating to roads and footpaths to which the territorial authority responds within the time frame specified in the long term plan.

COST OF SERVICE STATEMENT

2024/25 Actual ($000)	LAND TRANSPORT COST OF SERVICE STATEMENT FOR YEAR ENDED 30 JUNE 2026	2025/26 AP Estimate ($000)	2025/26 Actual ($000)
	OPERATING REVENUE		
7,025	Activity Revenue	6,374	10,557
4,791	Targeted Rates	4,780	4,781
-	Development Contributions	255	58
-	General Rates	-	-
-	Other General Sources	-	-
11,815	*Total Operating Revenue*	11,409	15,396
	OPERATING EXPENDITURE		
11,013	Land Transport	11,983	15,031
11,013	*Total Operating Expenditure*	11,983	15,031
803	*Net Cost of Service*	(574)	365

FUNDING IMPACT STATEMENT

LAND TRANSPORT FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2026	2024/25 Long Term Plan ($000)	2025/26 Long Term Plan ($000)	2025/26 Actual ($000)
SOURCES OF OPERATING FUNDING			
General Rates, Uniform Annual General Charges, Rates Penalties	-	-	-
Targeted Rates (other than a targeted rate for water supply)	4,794	4,971	4,781
Subsidies and Grants for Operating Purposes	3,665	3,738	7,135
Fees and Charges	-	-	-
Internal Charges and Overheads Recovered	-	-	-
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts	86	78	174
TOTAL OPERATING FUNDING	8,545	8,787	12,090
APPLICATION OF OPERATING FUNDING			
Payments to Staff and Suppliers	5,358	5,431	7,599
Finance Costs	45	35	36
Internal Charges and Overheads Applied	1,993	2,121	2,017
Other Operating Funding Applications	3	3	2
TOTAL APPLICATION OF OPERATING FUNDING	7,399	7,590	9,654
SURPLUS (DEFICIT) IN OPERATING FUNDING	1,146	1,197	2,436
SOURCES OF CAPITAL FUNDING			
Subsidies and Grants for Capital Expenditure	4,248	4,333	3,248
Development and Financial Contributions	-	-	-
Increase (Decrease) in Debt	(155)	(89)	(301)
Gross Proceeds from Sale of Assets	-	-	-
Lump Sum Contribution	-	-	-
Other Dedicated Capital Funding	-	-	-
TOTAL SOURCES OF CAPITAL FUNDING	4,093	4,244	2,947
APPLICATION OF CAPITAL FUNDING			
Capital Growth	250	255	53
Capital Level of Service	-	-	-
Capital Renewals	6,882	7,540	6,222
Increase (Decrease) in Reserves	(1,893)	(2,354)	(892)
Increase (Decrease) of Investment	-	-	-
TOTAL APPLICATION OF CAPITAL FUNDING	5,239	5,441	5,382
SURPLUS (DEFICIT) OF CAPITAL FUNDING	(1,146)	(1,197)	(2,436)
FUNDING BALANCE	-	-	-

CHANGES FROM THE 2024/34 LTP FOR WATER[45]

In September 2024, the coalition government passed the first of two pieces of legislation for improving how water is managed across the country under its policy approach known as Local Water Done Well (LWDW). LWDW replaces the previous government's Three Waters Reform package.

The LWDW legislation requires all councils to create a Water Services Delivery Plan (WSDP) by September 2025, outlining how they will manage water infrastructure, investments, and finances while meeting regulatory requirements. A key part of developing a WSDP is community consultation on the service delivery model we think will work best for our district.

Of the available models, viable, realistic options for our district were largely limited to either continuing to deliver water services on our own or joining with our neighbours and setting up a regional council controlled organisation (CCO) to deliver services on our behalf.

In April 2025, we consulted with you on our preferred model which was establishing a CCO with five other councils under the banner of Waikato Water Done Well (WWDW) for the delivery of drinking water and wastewater services. Stormwater management and stock water- only schemes would continue to be managed in-house by Council staff in accordance with new legislation.

We have now confirmed our preferred model, signed the shareholders agreement for Waikato Waters Limited (WWL) – the new company CCO - and, along with our partner councils, submitted our WSDP to the Minister of Local Government for approval. Approval of the WSDP has been received from the Secretary for Local Government on 17 September 2025.

ODC have confirmed their transition date to WWL as 1 July 2027. The transition will involve transferring delivery of water and wastewater services to WWL from that date. Stormwater service delivery will remain with the Council, and will be ring-fenced from the rest of the Council activities.

The carrying value of the assets and liabilities that will transfer across, as at 30 June 2026 is as follows:

- Assets - $55,593,007 carrying value
- Liabilities – Internal loans of $15,840,982.

There are no contingent liabilities or assets that will be transferring as part of the transition.

Based on the 2025/26 financial year, total revenue that will transfer across to WWL of $3,705,712, with operating expenses of $4,088,720 transferring as well.

[45] Water supply, wastewater and stormwater

WASTEWATER

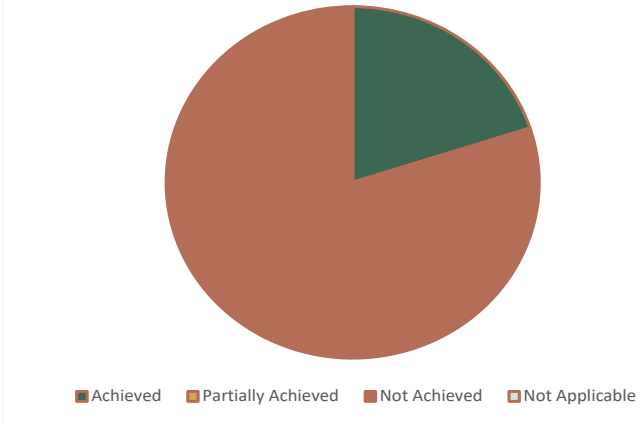
OVERVIEW

Wastewater treatment and disposal includes the network of pipes for the collection of sewage and trade waste and its safe treatment and disposal. We collect and treat wastewater from residential, business and other properties in the Ōtorohanga urban area to maintain public health and sustain and protect land and waterways from contamination.

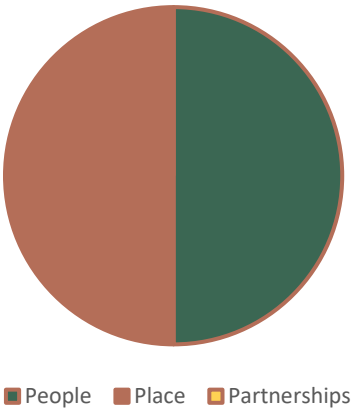
An asset management plan (covering stormwater and wastewater) is in place for this activity. The plan was substantially reviewed in 2020/21 and updated as part of the process for developing the 2024/34 LTP.

PERFORMANCE SUMMARY

OVERALL PERFORMANCE RESULTS



OUTCOMES MEASURED



WASTEWATER TREATMENT AND DISPOSAL

Around 1600 properties connect to the Ōtorohanga Wastewater System. Fifty-three kilometres of pipeline and 15 pump stations (plus four private) transport wastewater to the treatment plant (aerated oxidation pond) at the northern end of the town, with the treated water being discharged into the Mangaorongo Stream via tertiary treatment including a wetland.

Commercial and industrial operations that generate larger and/or concentrated quantities of wastewater are subject to trade waste permits, with specific conditions on their wastewater discharges. As at June 2026 there were 53 trade waste permits issued. Provision is available at the treatment plant for taking and treating septic tank waste.

Level of service	How we measure success	Result for 2024/25	Target 2025/26	Result	Narrative
Safe, reliable wastewater treatment and disposal system which minimises public health risks and environmental impact.	Number of dry weather sewerage overflows from the Ōtorohanga sewerage system, per 1000 connections (M)[46]	9 Overflows	0 Overflows	2 Overflows	Not achieved
	Compliance with consents for discharge from the Ōtorohanga sewerage system (M)[47]: • Abatement Notices • Infringement Notices • Enforcement Orders • Convictions	0 Non-compliance actions	0 Non-compliance actions	0 Non-compliance actions	Achieved
Customer service requests dealt with promptly and appropriately.	Median response time for sewerage overflow callouts due to a blockage or other fault in the Ōtorohanga sewerage system (M)[48]. Time from notification until: • Service personnel arrive on site	4hrs 20mins	< 50 Mins	4hrs 12mins	Not achieved
	• Confirmation of resolution of the blockage or fault.	12hrs 36mins	< 24 Hrs	35hrs 36mins	Not achieved
	Number of complaints[49], per 1000 sewage connections, about (M)[50]: • Odour • System faults • Blockages.	9 complaints	<10 Complaints	15 complaints	Not achieved

M = Mandatory measure

46 (M) Full wording: The number of dry weather sewerage overflows from the territorial authority's sewerage system expressed per 1000 sewerage connections to that sewerage system.

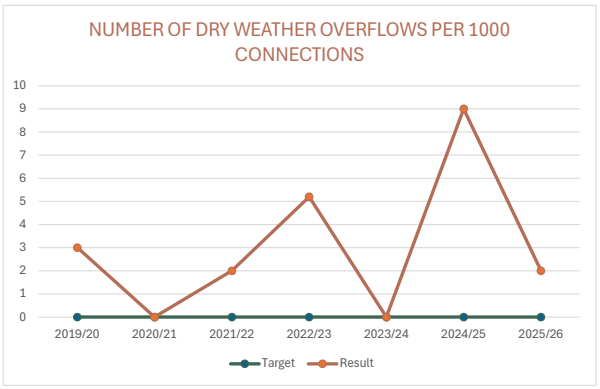
47 (M) Full wording: Compliance with the territorial authority's resource consents for discharge from its sewerage system measured by the number of: (a) abatement notices, (b) infringement notices, (c) enforcement orders, (d) convictions received by the territorial authority in relation to those resource consents.

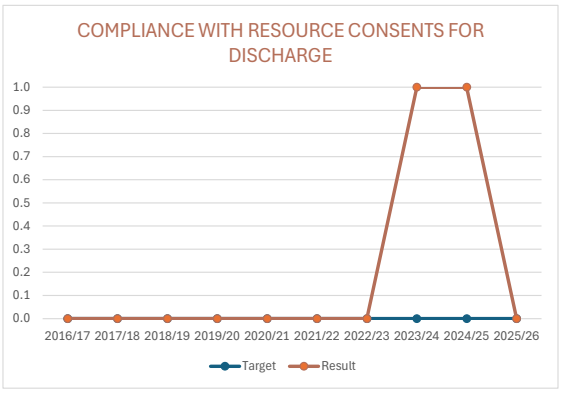
48 (M) Full wording: Where the territorial authority attends to sewerage overflows resulting from a blockage or other fault in the territorial authority's sewerage system, the following median response times measured: (a) Attendance time: from the time that the territorial authority receives notification to the time that service personnel reach the site, (b) Resolution time: from the time that the territorial authority receives notification to the time that service personnel confirm resolution of the blockage or other fault.

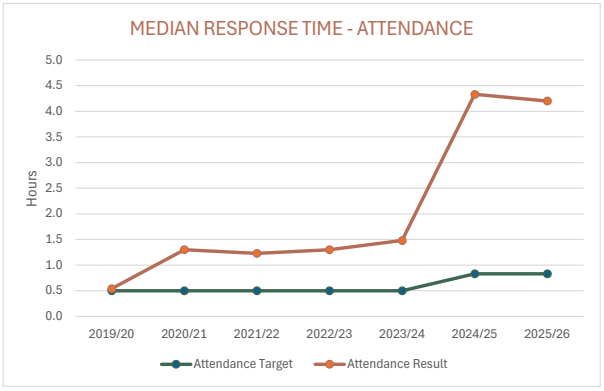
49 As recorded in the request for service system.

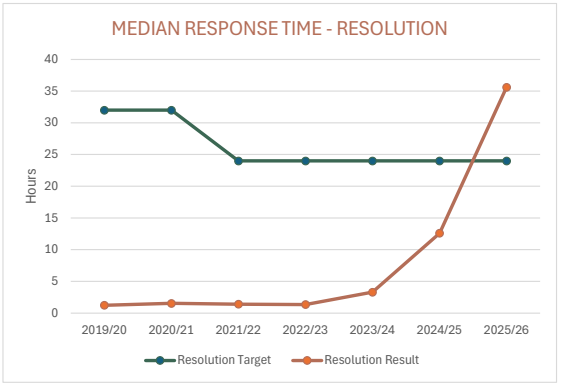
50 (M) Full wording: The total number of complaints received by the territorial authority about any of the following (expressed per 1000 connections to the territorial authority's sewerage system): Sewerage odour, sewerage system faults, sewerage system blockages, territorial authority's response to issues with its sewerage system.

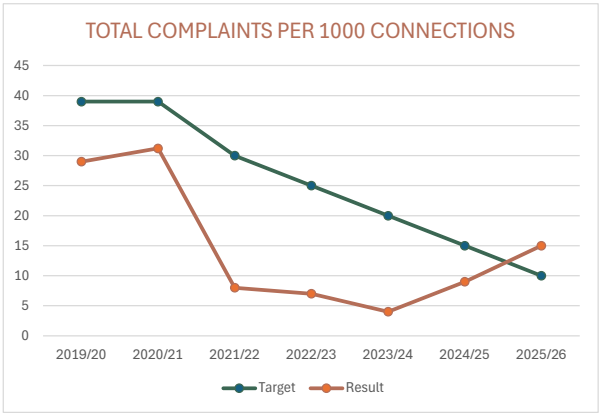
TREND


NUMBER OF DRY WEATHER OVERFLOWS PER 1000 CONNECTIONS
10
9
8
7
6
5
4
3
2
1
0
2019/20
2020/21
2021/22
2022/23
2023/24
2024/25
2025/26
Target
Result


COMPLIANCE WITH RESOURCE CONSENTS FOR DISCHARGE
1.0
0.9
0.8
0.7
0.6
0.5
0.4
0.3
0.2
0.1
0.0
2016/17
2017/18
2018/19
2019/20
2020/21
2021/22
2022/23
2023/24
2024/25
2025/26
Target
Result


MEDIAN RESPONSE TIME - ATTENDANCE
Hours
5.0
4.5
4.0
3.5
3.0
2.5
2.0
1.5
1.0
0.5
0.0
2019/20
2020/21
2021/22
2022/23
2023/24
2024/25
2025/26
Attendance Target
Attendance Result


MEDIAN RESPONSE TIME - RESOLUTION
Hours
40
35
30
25
20
15
10
5
0
2019/20
2020/21
2021/22
2022/23
2023/24
2024/25
2025/26
Resolution Target
Resolution Result


TOTAL COMPLAINTS PER 1000 CONNECTIONS
45
40
35
30
25
20
15
10
5
0
2019/20
2020/21
2021/22
2022/23
2023/24
2024/25
2025/26
Target
Result

COST OF SERVICE STATEMENT

2024/25 Actual ($000)	WASTEWATER COST OF SERVICE STATEMENT FOR YEAR ENDED 30 JUNE 2026	2025/26 AP Estimate ($000)	2025/26 Actual ($000)
	OPERATING REVENUE		
159	Activity Revenue	104	167
902	Targeted Rates	1,191	1,190
4	Development Contributions	-	-
63	General Rates	49	44
-	Other General Sources	-	-
1,128	*Total Operating Revenue*	1,344	1,401
	OPERATING EXPENDITURE		
1,496	Wastewater	1,440	1,398
1,496	*Total Operating Expenditure*	1,440	1,398
(368)	*Net Cost of Service*	(96)	3

FUNDING IMPACT STATEMENT

WASTEWATER FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2026	2024/25 Long Term Plan ($000)	2025/26 Long Term Plan ($000)	2025/26 Actual ($000)
SOURCES OF OPERATING FUNDING			
General Rates, Uniform Annual General Charges, Rates Penalties	17	47	44
Targeted Rates (other than a targeted rate for water supply)	903	1,069	1,190
Subsidies and Grants for Operating Purposes	-	-	-
Fees and Charges	65	67	156
Internal Charges and Overheads Recovered	-	-	-
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts	-	-	-
TOTAL OPERATING FUNDING	985	1,183	1,390
APPLICATION OF OPERATING FUNDING			
Payments to Staff and Suppliers	660	442	429
Finance Costs	138	140	188
Internal Charges and Overheads Applied	278	276	271
Other Operating Funding Applications	31	31	25
TOTAL APPLICATION OF OPERATING FUNDING	1,107	889	913
SURPLUS (DEFICIT) IN OPERATING FUNDING	(122)	294	477
SOURCES OF CAPITAL FUNDING			
Subsidies and Grants for Capital Expenditure	-	-	-
Development and Financial Contributions	-	-	-
Increase (Decrease) in Debt	1,115	506	150
Gross Proceeds from Sale of Assets	-	-	-
Lump Sum Contribution	-	-	-
Other Dedicated Capital Funding	-	-	-
TOTAL SOURCES OF CAPITAL FUNDING	1,115	506	150
APPLICATION OF CAPITAL FUNDING			
Capital Growth	50	51	-
Capital Level of Service	-	-	90
Capital Renewals	749	829	406
Increase (Decrease) in Reserves	194	(80)	132
Increase (Decrease) of Investment	-	-	-
TOTAL APPLICATION OF CAPITAL FUNDING	993	800	628
SURPLUS (DEFICIT) OF CAPITAL FUNDING	122	(294)	(477)
FUNDING BALANCE	-	-	-

WATER SUPPLY

OVERVIEW

The supply of safe drinking water is fundamental for the health and wellbeing of residents. An available, reliable water supply is also vital for the health of stock and to support thriving businesses and the rural economy.

We own two urban water supply schemes – Ōtorohanga and Kāwhia – that provide treated water to households and businesses on demand. Four restricted Rural Water Supply (RWS) schemes also deliver treated water to scheme ratepayers, mainly for agricultural purposes. The RWS schemes cover the rural areas of Arohena, Ranginui[51], Tihiroa and Waipā.

An asset management plan guides the management of all our schemes. This plan was substantially reviewed in 2020/21 and updated as part of the process of developing the 2024/34 LTP.

CHANGES FROM THE 2024/34 LTP

We signalled in the 2024/34 LTP that changes needed to be made to the Arohena RWS (Kahorekau, Huirimu and Taupaki) but details were still being worked through. Following discussions with users and further advice from the regulator - Taumata Arowai – we now have a way forward.

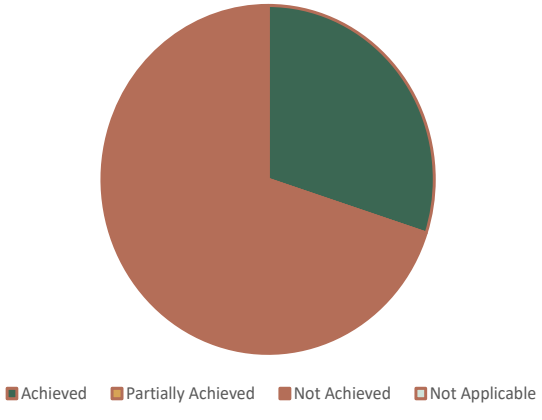
Currently operating as a mixed water supply, Arohena RWS is primarily used for stock watering and agricultural purposes (90 percent) but is also available for drinking water (10 percent) albeit with a permanent boil water notice. Under the Drinking Water Quality Assurance Rules (DWQAR) which came into effect in November 2022, Council must either put in place a protozoa barrier to reduce the possibility of contamination from bacteria or viruses or cease the drinking water component of the RWS.

Instead of expensive upgrades (estimated at $6M), we have decided to use the provisions of the Local Government Act 2002 to close the drinking water component of the RWS, as was done with Ranginui Rural Water Supply in 2016. There are various legislative processes that we must go through before that change can be affected with the last step being holding a referendum. The referendum to close the Arohena Drinking Water Scheme and enable the three supplies to continue as non-drinking water supplies took place in February 2026. The results of this referendum were that the three supplies will be converted to non-drinking water supplies from 31 March 2027.

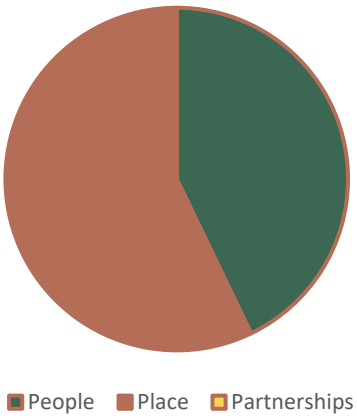
[51] Note: Ranginui RWS is a non-potable supply.

PERFORMANCE SUMMARY

OVERALL PERFORMANCE RESULTS



OUTCOMES MEASURED



WATER SUPPLY

There are around 1614 connections to the Ōtorohanga urban water supply and 443 in Kāwhia – a total of 75.8 km of pipeline and 9 reservoirs (capacity 4,250m^3). The Ōtorohanga water supply is drawn from the Waipā River while Kāwhia draws from local springs. Both supplies are treated.

The four rural water schemes – Arohena (3 components) [52], Ranginui, Tihiroa and Waipā - collectively supply 302 properties and are comprised of 129 km of pipeline and 13 reservoirs with a total capacity of 3150m^3. Water is supplied on a controlled ('trickle-feed') basis, with on-farm storage required by the property owner. The Waipā Scheme is supplied via the Ōtorohanga town supply, with the other schemes drawing water from local rivers/streams. The schemes are managed by Council on behalf of the owners of properties connected to the schemes, and oversight of each scheme is provided by a local committee.

Level of service	How we measure success	Result for 2024/25	Target 2025/26	Result	Narrative
Provision of potable[53] water within specified areas via a safe and reliable treatment and supply system.	The extent to which the Council's drinking water supply complies with[54] (M): • Bacterial Compliance Criteria	Partially complies [55]	Complies	Complies	Achieved – Ōtorohanga 100% compliance, Kāwhia 100% compliance
	• Protozoal Compliance Criteria	Partially complies [56]	Complies	Partially complies	Not achieved – Ōtorohanga 100% compliance, Kāwhia 58.3% compliance

52 Refer to text box on page 52 for changes to the Arohena scheme

53 Note: Ranginui RWS is a non-potable supply.

54 (M) Full wording: The extent to which the local authority's drinking water supply complies with: (a) part 4 of the drinking water standards (bacteria compliance criteria); and (b) part 5 of the drinking water standards (protozoal compliance criteria).

55 Measured in accordance with the with Drinking Water Quality Assurance Rules 2022 which differ from the standard used to determine compliance in 2024/25. Refer to text box on page 55 for further information.

56 Ibid

	Number of complaints received, per 1000 connections, about (M)[57]: • Water clarity • Water taste • Water odour • Water pressure or flow • Continuity of supply	14 Complaints	<5 Complaints	26 complaints	Not achieved
	Median response times for call-outs in response to a fault or unplanned interruption the network (M)[58]: Urgent Call-outs: • Attendance[59] • Resolution[60] Non-Urgent Call-outs: • Attendance[61] • Resolution[62]	 2hrs 59mins 15hrs 29mins 2hrs 28mins 10hrs 16mins	 < 1.5 Hours < 18 Hours < 1.5 Hours < 18 Hours	 1hrs 42mins 2hrs 48mins 2hrs 54mins 26hrs 18mins	 Not achieved Achieved Not achieved Not achieved
Water supply and demand managed to ensure prudent use of water.	The percentage of real water loss from the Council's networked reticulation system (M) • Ōtorohanga • Kāwhia	 27% 27%	 < 25% < 25%	 28% 26%	 Not achieved Not achieved
	Average consumption of drinking water per day per resident within the Ōtorohanga District (M).	290 Litres/ person/day	< 300 Litres/ person/day	279 litres/person/day	Achieved

M = Mandatory measure

57 As recorded in the request for service system.

58 (M) Full wording: Where the local authority attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response time measured.

59 (M) Full wording: Attendance for urgent call-outs: from the time the local authority receives notification to the time that service personnel reach the site.

60 (M) Full wording: Resolution of urgent call-outs: from the time the local authority receives notification to the time service personnel confirm resolution of the fault or interruption.

61 (M) Full wording: Attendance for non-urgent call-outs: from the time the local authority receives notification to the time that service personnel reach the site.

62 (M) Full wording: Resolution of non-urgent call-outs: from the time the local authority receives notification to the time service personnel confirm resolution of the fault or interruption.

BACTERIAL AND PROTOZOAL COMPLIANCE

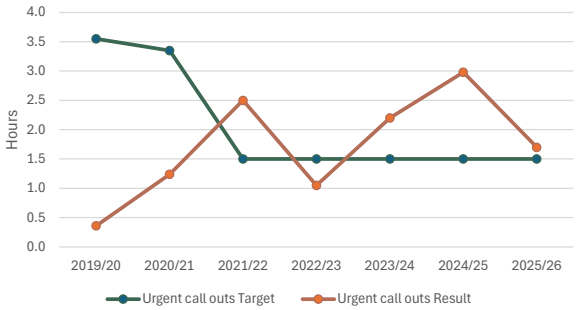
From 1 January 2023, new Drinking Water Quality Assurance Rules (DWQAR) introduced by Taumata Arowai took effect. These DWQAR replaced the existing water drinking standards, meaning that Council was unable to measure compliance with the Standards as per the performance measure above. The new rules cover additional items not previously monitored under the old standards.

Council currently measures compliance against the new DWQAR, and partially complies with these new rules. However, as these new rules do not align with the performance measures, we cannot state that we comply with the performance measures as written.

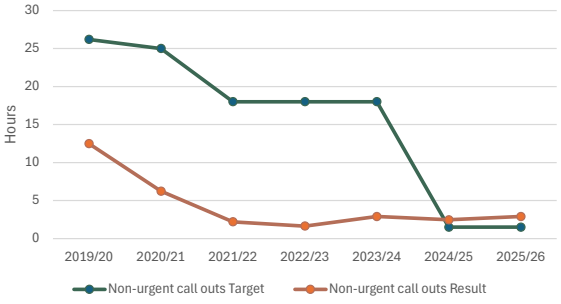
In August 2024, the Department of Internal Affairs adopted updated performance measures to align with the new DWQAR. However, these did not take effect until 21 August 2024, after the adoption of the Long Term Plan, so they have not been applied to the 2025/26 financial year.

TREND

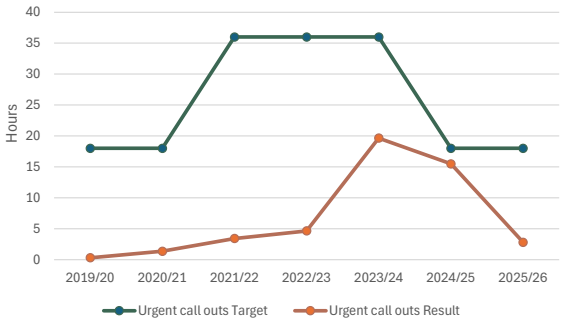
MEDIAN ATTENDANCE TIME - URGENT



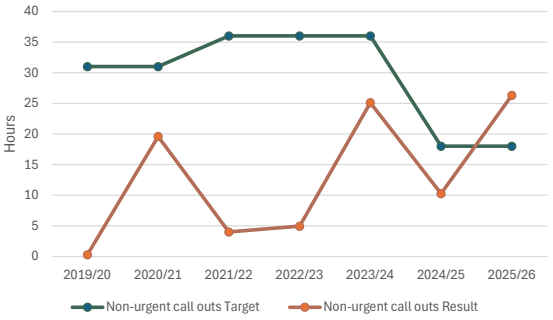
MEDIAN ATTENDANCE TIME - NON-URGENT



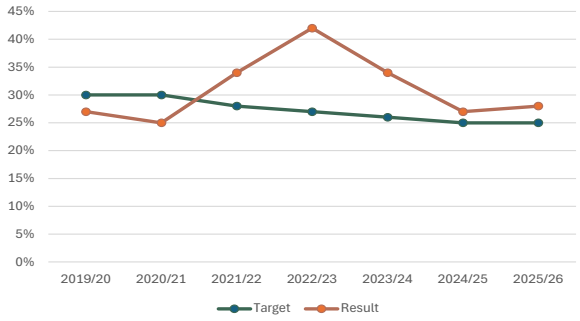
MEDIAN RESOLUTION TIME - URGENT WATER



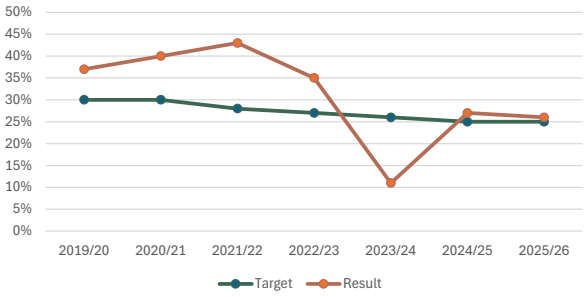
MEDIAN RESOLUTION TIME - NON-URGENT WATER



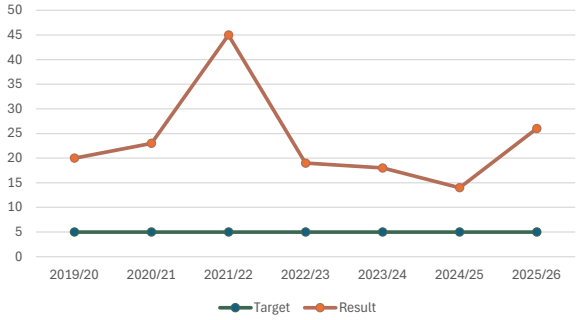
% OF REAL WATER LOSS - ŌTOROHANGA



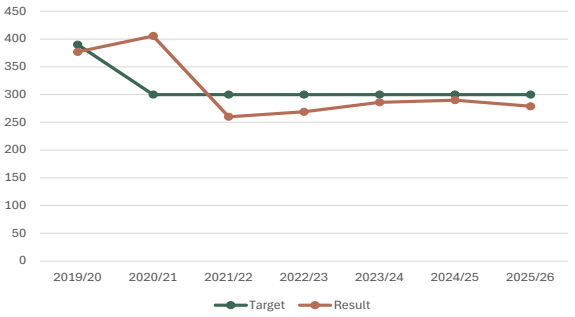
% OF REAL WATER LOSS - KĀWHIA



COMPLAINTS PER 1000 CONNECTIONS WATER



AVERAGE CONSUMPTION L PER DAY WATER



COST OF SERVICE STATEMENT

2024/25 Actual ($000)	WATER SUPPLY COST OF SERVICE STATEMENT FOR YEAR ENDED 30 JUNE 2026	2025/26 AP Estimate ($000)	2025/26 Actual ($000)
	OPERATING REVENUE		
16	Activity Revenue	2	3
2,437	Targeted Rates	2,844	2,675
4	Development Contributions	-	-
68	General Rates	161	156
-	Other General Sources	-	-
2,525	*Total Operating Revenue*	3,007	2,834
	OPERATING EXPENDITURE		
1,931	On Demand Supply	2,073	2,067
1,090	Restricted Supply	1,152	1,208
3,021	*Total Operating Expenditure*	3,225	3,275
(496)	*Net Cost of Service*	(218)	(441)



FUNDING IMPACT STATEMENT

WATER SUPPLY FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2026	2024/25 Long Term Plan ($000)	2025/26 Long Term Plan ($000)	2025/26 Actual ($000)
SOURCES OF OPERATING FUNDING			
General Rates, Uniform Annual General Charges, Rates Penalties	30	150	156
Targeted Rates (other than a targeted rate for water supply)	2,636	3,036	2,675
Subsidies and Grants for Operating Purposes	-	-	-
Fees and Charges	2	2	3
Internal Charges and Overheads Recovered	-	-	-
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts	-	-	-
TOTAL OPERATING FUNDING	2,668	3,188	2,834
APPLICATION OF OPERATING FUNDING			
Payments to Staff and Suppliers	958	1,003	1,028
Finance Costs	196	215	131
Internal Charges and Overheads Applied	1,246	1,268	1,179
Other Operating Funding Applications	67	68	69
TOTAL APPLICATION OF OPERATING FUNDING	2,467	2,554	2,407
SURPLUS (DEFICIT) IN OPERATING FUNDING	201	634	427
SOURCES OF CAPITAL FUNDING			
Subsidies and Grants for Capital Expenditure	-	-	-
Development and Financial Contributions	-	-	-
Increase (Decrease) in Debt	2,079	101	29
Gross Proceeds from Sale of Assets	-	-	-
Lump Sum Contribution	-	-	-
Other Dedicated Capital Funding	-	-	-
TOTAL SOURCES OF CAPITAL FUNDING	2,079	101	29
APPLICATION OF CAPITAL FUNDING			
Capital Growth	50	51	-
Capital Level of Service	90	58	27
Capital Renewals	1,401	768	326
Increase (Decrease) in Reserves	739	(142)	104
Increase (Decrease) of Investment	-	-	-
TOTAL APPLICATION OF CAPITAL FUNDING	2,280	735	456
SURPLUS (DEFICIT) OF CAPITAL FUNDING	(201)	(634)	(427)
FUNDING BALANCE	-	-	-

STORMWATER

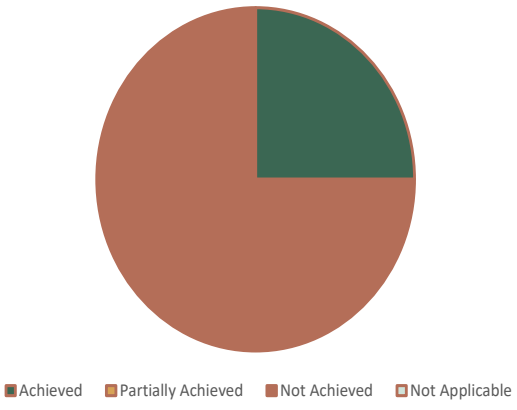
OVERVIEW

Hard surfaces, such as roofs, parking and paved areas, driveways, and roads, all contribute to generating stormwater runoff. In the Ōtorohanga and Kāwhia urban areas we collect and dispose of this runoff to prevent/minimise flooding from heavy or prolonged rainfall events. Effective management of stormwater supports community resilience and when damage from rainfall events is minimised communities can continue to thrive.

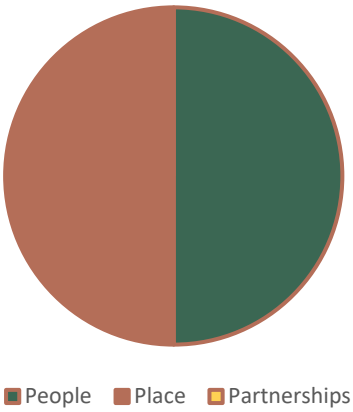
Stormwater management for the district is guided by an asset management plan (covering stormwater and wastewater). The plan was substantially reviewed in 2020/21 and updated as part of the process for developing the 2024/34 LTP.

PERFORMANCE SUMMARY

OVERALL PERFORMANCE RESULTS



OUTCOMES MEASURED



FEBRUARY 2026 SEVERE WEATHER EVENT

On the evening of 13 February 2026 and into the early hours of 14 February, a significant weather event brought heavy rainfall across the Ōtorohanga District, causing widespread flooding and damage to infrastructure. Ōtorohanga township and surrounding areas were particularly affected, with floodwaters entering homes and forcing several households to leave their properties. The event also caused damage to parts of the district's roading network, particularly in the western areas around Mount Pirongia.

A state of emergency was declared in Ōtorohanga District on 14 February, followed by a declaration in neighbouring Waipā District later that day. Both councils worked together, supported by other Waikato councils, to coordinate the emergency response through an Emergency Operations Centre (EOC) established at the Ōtorohanga District Council offices.

Reporting on flooding impacts

The stormwater performance measures reported below reflect properties within Ōtorohanga township where flooding of habitable floors was recorded through the EOC during the event. These figures are based on information reported to Council and may not capture every property affected. For example, some households may not have been home at the time or may not have reported flood damage. The measures include only properties within Ōtorohanga township, as rural properties are not connected to stormwater systems managed by Council.

STORMWATER MANAGEMENT

The Ōtorohanga stormwater network is made up 22.7kms of pipes and 4.5kms of open drains which works in tandem with the Ōtorohanga Flood Protection Scheme's stopbanks and pump stations to protect property and prevent erosion. Recent subdivisions have contributed to an increase in the size of the network. While overall condition and performance of the system is generally good, capacity is limited and, for this reason, new developments are also required to provide for on-site stormwater management, such as retention and ground soakage.

The Kāwhia stormwater system consists of 3.8km of pipes, 0.5km of open drains and one small pump station located in a low-lying area. Network assets are relatively new and in good condition as a major upgrade was undertaken in 1999/00.

Aotea's stormwater assets consist mainly of soakage devices and overland flow soaking through the sand base. Roof water is captured by residents for drinking water.

Across the district, directing stormwater from/under roads is managed as a part our land transport group of activities.

Level of service	How we measure success	Result for 2024/25	Target 2025/26	Result	Narrative
Provision of a safe and reliable stormwater system which minimises flooding and environmental impact.	Number of flooding events in the district and, for each flooding event, the number of habitable floors affected per 1000 properties connected (M)[63].	0 Habitable floors affected by flood events	0 Habitable floors affected by flood events	1 flooding event 12.8 habitable floors	Not achieved. The February 26 flooding event caused a total of 21 habitable floors to be flooded within the Ōtorohanga township, along with a number of properties outside the town which are not connected to the stormwater system and therefore are not included in this calculation.
	Compliance with consents for discharge from the stormwater system (M)[64]: • Abatement Notices • Infringement Notices • Enforcement Orders • Convictions	0 Non-compliance actions	0 Non-compliance actions	0 Non-compliance actions	Achieved
	Median response time[65] to attend to a flooding event (M)[66].	1hr 30mins	< 4 hours 30 minutes	Not measured	Not achieved. Given the nature of the weather event and the response, recording of response times was not

63 (M) Full wording: (a) The number of flooding events that occur in a territorial authority district. (b) For each flooding event, the number of habitable floors affected. (Expressed per 1000 properties connected to the territorial authority's stormwater system.)

64 (M) Full wording: 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, (d) convictions received by the territorial authority in relation to those resource consents.

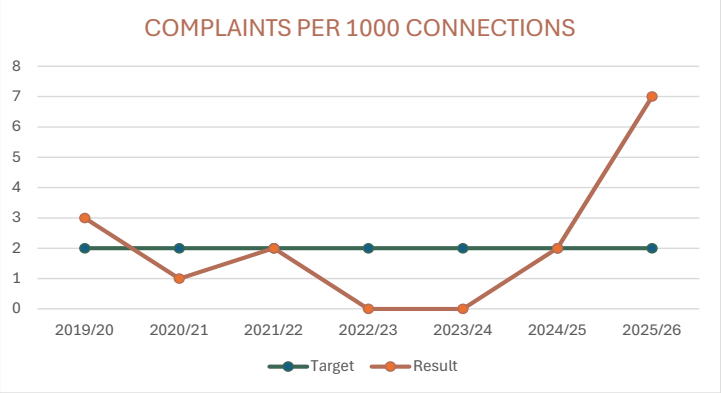
65 Measured from the time of notification until service personnel arrive on site.

66 (M) Full wording: 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.

					undertaken, making it difficult to determine the result of this measure.
	Number of complaints received, per 1000 properties connected, about the performance of the stormwater system (M)[67].	2 Complaints	≤ 2 Complaints	7 Complaints	Not achieved.

M = Mandatory measure

TREND



[67] As recorded in the request for service system

COST OF SERVICE STATEMENT

2024/25 Actual ($000)	STORMWATER COST OF SERVICE STATEMENT FOR YEAR ENDED 30 JUNE 2026	2025/26 AP Estimate ($000)	2025/26 Actual ($000)
	OPERATING REVENUE		
-	Activity Revenue	-	1
-	Targeted Rates	-	-
-	Development Contributions	-	-
281	General Rates	363	367
-	Other General Sources	-	-
281	*Total Operating Revenue*	363	368
	OPERATING EXPENDITURE		
397	Stormwater	425	453
397	*Total Operating Expenditure*	425	453
(116)	*Net Cost of Service*	(62)	(85)

FUNDING IMPACT STATEMENT

STORMWATER FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2026	2024/25 Long Term Plan ($000)	2025/26 Long Term Plan ($000)	2025/26 Actual ($000)
SOURCES OF OPERATING FUNDING			
General Rates, Uniform Annual General Charges, Rates Penalties	250	319	367
Targeted Rates (other than a targeted rate for water supply)	-	-	-
Subsidies and Grants for Operating Purposes	-	-	-
Fees and Charges	-	-	1
Internal Charges and Overheads Recovered	-	-	-
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts	-	-	-
TOTAL OPERATING FUNDING	250	319	368
APPLICATION OF OPERATING FUNDING			
Payments to Staff and Suppliers	36	42	77
Finance Costs	16	14	9
Internal Charges and Overheads Applied	75	79	101
Other Operating Funding Applications	31	32	32
TOTAL APPLICATION OF OPERATING FUNDING	158	167	219
SURPLUS (DEFICIT) IN OPERATING FUNDING	92	152	149
SOURCES OF CAPITAL FUNDING			
Subsidies and Grants for Capital Expenditure	-	-	-
Development and Financial Contributions	-	-	-
Increase (Decrease) in Debt	(5)	104	(15)
Gross Proceeds from Sale of Assets	-	-	-
Lump Sum Contribution	-	-	-
Other Dedicated Capital Funding	-	-	-
TOTAL SOURCES OF CAPITAL FUNDING	(5)	104	(15)
APPLICATION OF CAPITAL FUNDING			
Capital Growth	75	50	-
Capital Level of Service	40	113	5
Capital Renewals	61	63	-
Increase (Decrease) in Reserves	(89)	30	129
Increase (Decrease) of Investment	-	-	-
TOTAL APPLICATION OF CAPITAL FUNDING	87	256	134
SURPLUS (DEFICIT) OF CAPITAL FUNDING	(92)	(152)	(149)
FUNDING BALANCE	-	-	-

FLOOD PROTECTION

OVERVIEW

The increased frequency and intensity of storm events and rising sea levels expected to affect the district over the medium to long term due to climate change reinforces the importance of this group of activities for community resilience.

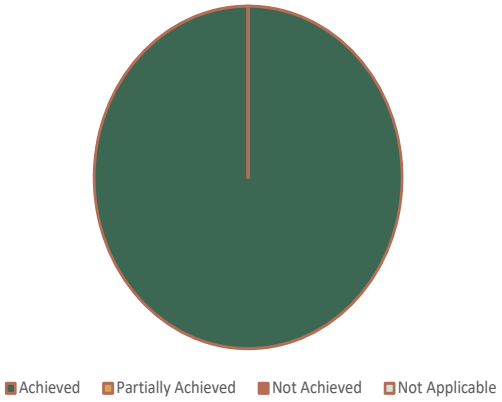
Infrastructure managed under this group of activities include:

- Flood Protection Works
- Coastal Structures

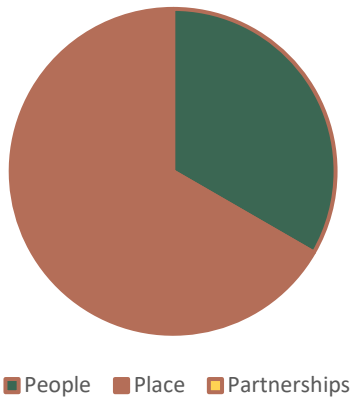
The structures we manage not only sustain and protect homes, businesses and properties, doubling as recreation spaces, they add to the vibrancy and liveability of our communities.

PERFORMANCE SUMMARY

OVERALL PERFORMANCE RESULTS



OUTCOMES MEASURED



FLOOD PROTECTION WORKS

Commissioned in 1966, the Ōtorohanga Flood Protection Scheme (ŌFPS) is part of Project Watershed – a flood protection, soil conservation and river management scheme for the greater Waikato catchment.

ŌFPS assets include 4.6 kilometres of stopbanks[68] to keep the Waipā River from flooding Ōtorohanga township and three large flood pumps stations to pump surface water back to the river in a flood event. The scheme design is for a 1 in 100-year event.

We own the stopbanks and all the assets that make up the ŌFPS. Maintenance and operation of the scheme is carried out by our staff under a service level agreement with our partner, Waikato Regional Council. This arrangement means we can coordinate this activity with our local stormwater drainage activities. All ŌFPS work is paid for with funding from Project Watershed[69].

[68] www.waikatoregion.govt.nz/assets/WRC/Council/Policy-and-Plans/HR/S32/Part-A/WRC-Policy-Series-2011-07.pdf, pages 67 and 142.

[69] Project Watershed rates are collected by Waikato Regional Council.

Level of service	How we measure success	Result for 2024/25	Target 2025/26	Result	Narrative
The ŌFPS well managed, maintained and operated.	Maintenance, repairs and renewal undertaken to approved standards[70] (M)[71].	Achieved	Achieved	Achieved	Achieved

M = Mandatory measure

COASTAL STRUCTURES

This activity focuses on the structures we manage and maintain in coastal areas. These structures are a mix of coastal defences (e.g. seawalls) protecting public and private property from coastal erosion and facilities that provide water access (e.g. boat ramps). In some instances, these assets are multi-functional, providing for protection and as well as for recreation needs.

Key assets are:

- Kāwhia and Aotea Seawalls
- Kāwhia Wharf
- Kāwhia boat ramps (x3)

On behalf of the residents and ratepayers in Aotea, we also hold the resource consent and take overall responsibility for maintaining the Aotea Seawall.

Level of service	How we measure success	Result for 2024/25	Target 2025/26	Result	Narrative
Coastal structures well managed, maintained and renewed.	Maintenance, repairs and renewals undertaken to approved standards[72] (M)[73].	Achieved	Achieved	Achieved	Achieved

M = Mandatory measure

70 As reported in annual scheme report to Waikato Regional Council.

71 (M) Full wording: The major flood protection and control works that are maintained, repaired and renewed to the key standards defined in the local authority's relevant planning documents (such as its activity management plan, asset management plan, annual works program or long term plan).

72 As reported to Waikato Regional Council.

73 (M) Full wording: The major flood protection and control works that are maintained, repaired and renewed to the key standards defined in the local authority's relevant planning documents (such as its activity management plan, asset management plan, annual works programme, long term plan or resource consent).

COST OF SERVICE STATEMENT

2024/25 Actual ($000)	FLOOD PROTECTION COST OF SERVICE STATEMENT FOR YEAR ENDED 30 JUNE 2026	2025/26 AP Estimate ($000)	2025/26 Actual ($000)
	OPERATING REVENUE		
138	Activity Revenue	217	156
45	Targeted Rates	127	126
-	Development Contributions	-	-
46	General Rates	81	83
-	Other General Sources	-	-
229	*Total Operating Revenue*	425	365
	OPERATING EXPENDITURE		
162	Flood Protection	194	156
115	Coastal Structures	252	113
277	*Total Operating Expenditure*	446	269
(48)	*Net Cost of Service*	(21)	96

FUNDING IMPACT STATEMENT

FLOOD PROTECTION FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2026	2024/25 Long Term Plan ($000)	2025/26 Long Term Plan ($000)	2025/26 Actual ($000)
SOURCES OF OPERATING FUNDING			
General Rates, Uniform Annual General Charges, Rates Penalties	60	73	83
Targeted Rates (other than a targeted rate for water supply)	45	122	126
Subsidies and Grants for Operating Purposes	-	-	-
Fees and Charges	20	20	20
Internal Charges and Overheads Recovered	-	-	-
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts	169	189	137
TOTAL OPERATING FUNDING	294	404	366
APPLICATION OF OPERATING FUNDING			
Payments to Staff and Suppliers	113	206	68
Finance Costs	8	14	11
Internal Charges and Overheads Applied	121	128	76
Other Operating Funding Applications	9	9	16
TOTAL APPLICATION OF OPERATING FUNDING	251	357	171
SURPLUS (DEFICIT) IN OPERATING FUNDING	43	47	195
SOURCES OF CAPITAL FUNDING			
Subsidies and Grants for Capital Expenditure	-	-	-
Development and Financial Contributions	-	-	-
Increase (Decrease) in Debt	71	49	(23)
Gross Proceeds from Sale of Assets	-	-	-
Lump Sum Contribution	-	-	-
Other Dedicated Capital Funding	-	-	-
TOTAL SOURCES OF CAPITAL FUNDING	71	49	(23)
APPLICATION OF CAPITAL FUNDING			
Capital Growth	-	-	-
Capital Level of Service	-	-	-
Capital Renewals	118	162	57
Increase (Decrease) in Reserves	(4)	(66)	115
Increase (Decrease) of Investment	-	-	-
TOTAL APPLICATION OF CAPITAL FUNDING	114	96	172
SURPLUS (DEFICIT) OF CAPITAL FUNDING	(43)	(47)	(195)
FUNDING BALANCE	-	-	-

TE KAUNIHERA Ā-ROHE O
ŌTOROHANGA
DISTRICT COUNCIL

RESPONSIBLE WASTE MANAGEMENT

- WASTE MANAGEMENT AND MINIMISATION

RESPONSIBLE WASTE MANAGEMENT

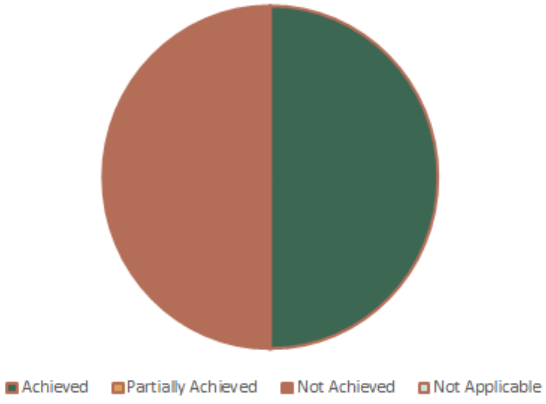
OVERVIEW

In 2025/26 our contractors collected 413 tonnes of refuse and 1,617 tonnes of recycling. As it is for the rest of New Zealand, minimising waste volumes is essential for the long term sustainability of the district and liveable communities. The annual tonnage of waste to landfill in the Waikato Region is continuing to climb and this is despite household recycling reportedly increasing.

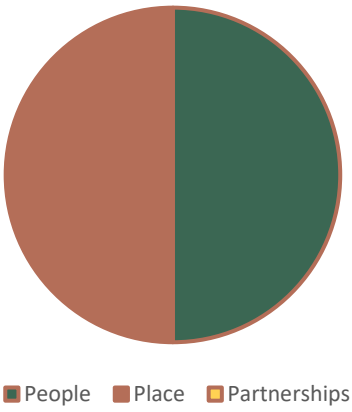
Our waste management responsibilities are to effectively manage waste, reduce waste volumes and minimise the environmental impact of old landfills. We also support waste minimisation education and initiatives such as EnviroSchools[74] and Para Kore[75].

PERFORMANCE SUMMARY

OVERALL PERFORMANCE RESULTS



OUTCOMES MEASURED



WASTE MANAGEMENT AND MINIMISATION

The services we deliver under this activity are:

- Kerbside rubbish and recycling services in Aotea, Kāwhia and Ōtorohanga
- Operation of transfer stations in Kāwhia and Ōtorohanga, and the provision of four rural recycling depots
- Management of closed council landfills
- Waste minimisation education.

Our urban rubbish and recycling collection services, the operation of our transfer stations and the servicing of rural recycling depots are carried out under contract by Envirowaste. Contractors[76] also monitor the closed landfills on our behalf so that we can report on compliance with resource consents issued by Waikato Regional Council.

The waste minimisation activities we undertake are outlined in our Waste Management and Minimisation Plan (WMMP) and funded from revenue raised by the national landfill waste levy, administered by the

[74] An environmental action based programme empowering young people to design and lead sustainability projects in their schools, neighbourhoods and country.

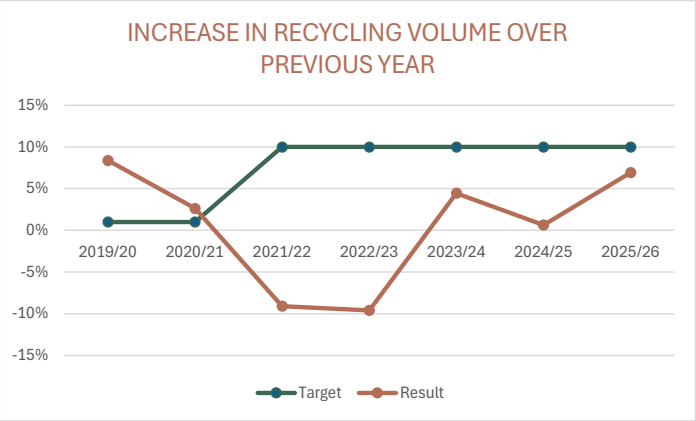
[75] A te ao Māori based, zero-waste education programme which aims to design out waste and strengthen the connection to Papatūānuku (earth) and Ranginui (sky).

[76] Co-Lab undertakes monitoring/sampling and AECOM compliance reporting.

Ministry for the Environment (MfE). These activities are important for reducing waste to landfill and are delivered in a range of ways depending on the project.

Level of service	How we measure success	Result for 2024/25	Target 2025/26	Result	Narrative
A reliable weekly household kerbside rubbish and recycling collection service in Aotea, Kāwhia and Ōtorohanga.	Kerbside collection services comply with National Waste Strategy[77].	Achieved	Achieved	Achieved	Achieved
Waste minimisation to be actively promoted.	Increase in recycling volumes over previous year[78].	0.64% increase	10% Increase	6.93% increase	Not achieved

TREND



77 As measured through contractor's monthly report.

78 Ibid.

COST OF SERVICE STATEMENT

2024/25 Actual ($000)	RESPONSIBLE WASTE MANAGEMENT COST OF SERVICE STATEMENT FOR YEAR ENDED 30 JUNE 2026	2025/26 AP Estimate ($000)	2025/26 Actual ($000)
	OPERATING REVENUE		
209	Activity Revenue	178	227
429	Targeted Rates	443	442
-	Development Contributions	-	-
79	General Rates	107	129
-	Other General Sources	-	-
717	*Total Operating Revenue*	728	798
	OPERATING EXPENDITURE		
767	Rubbish & Recycling Services	744	806
767	*Total Operating Expenditure*	744	806
(50)	*Net Cost of Service*	(16)	(8)

FUNDING IMPACT STATEMENT

RESPONSIBLE WASTE MANAGEMENT FUNDING IMPACT STATEMENT FOR YEAR ENDED 30 JUNE 2026	2024/25 Long Term Plan ($000)	2025/26 Long Term Plan ($000)	2025/26 Actual ($000)
SOURCES OF OPERATING FUNDING			
General Rates, Uniform Annual General Charges, Rates Penalties	82	138	129
Targeted Rates (other than a targeted rate for water supply)	430	444	442
Subsidies and Grants for Operating Purposes	140	143	220
Fees and Charges	5	5	8
Internal Charges and Overheads Recovered	-	-	-
Local Authorities Fuel Tax, Fines, Infringement Fees, and Other Receipts	-	-	-
TOTAL OPERATING FUNDING	657	730	799
APPLICATION OF OPERATING FUNDING			
Payments to Staff and Suppliers	638	551	680
Finance Costs	5	5	2
Internal Charges and Overheads Applied	152	171	96
Other Operating Funding Applications	1	1	1
TOTAL APPLICATION OF OPERATING FUNDING	796	728	779
SURPLUS (DEFICIT) IN OPERATING FUNDING	(139)	2	20
SOURCES OF CAPITAL FUNDING			
Subsidies and Grants for Capital Expenditure	-	-	-
Development and Financial Contributions	-	-	-
Increase (Decrease) in Debt	12	(19)	(14)
Gross Proceeds from Sale of Assets	-	-	-
Lump Sum Contribution	-	-	-
Other Dedicated Capital Funding	-	-	-
TOTAL SOURCES OF CAPITAL FUNDING	12	(19)	(14)
APPLICATION OF CAPITAL FUNDING			
Capital Growth	-	-	-
Capital Level of Service	-	-	-
Capital Renewals	36	1	-
Increase (Decrease) in Reserves	(163)	(18)	6
Increase (Decrease) of Investment	-	-	-
TOTAL APPLICATION OF CAPITAL FUNDING	(127)	(17)	6
SURPLUS (DEFICIT) OF CAPITAL FUNDING	139	(2)	(20)
FUNDING BALANCE	-	-	-

TE KAUNIHERA Ā-ROHE O
ŌTOROHANGA
DISTRICT COUNCIL

THE MONEY IN DETAIL

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

SUPPORTING INFORMATION

TE KAUNIHERA Ā-ROHE O
ŌTOROHANGA
DISTRICT COUNCIL

FINANCIAL STATEMENTS

- COMPREHENSIVE REVENUE AND EXPENSES
- BALANCE SHEET
- CHANGES IN EQUITY
- CASH FLOWS

STATEMENT OF COMPREHENSIVE

REVENUE AND EXPENSES

2024/25 Actual ($000)	STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES FOR YEAR ENDED 30 JUNE 2026	NOTE	2025/26 AP Estimate ($000)	2025/26 Actual ($000)
	REVENUE			
15,211	Rates Revenue	2	16,782	16,826
26	Contributions		265	74
2,040	Water by volume rates	2	2,379	2,211
7,833	Subsidies	2	6,784	11,619
147	Interest income	2	87	100
2,192	Other income	2	1,849	2,918
(62)	Other gains/(losses) on asset disposal		-	(130)
27,387	*Total Revenue*		28,146	33,618
	Expenses			
6,618	Employee benefit expenses	3	7,576	7,053
8,157	Depreciation and amortisation	11	7,801	8,515
13,014	Other expenses	4	14,321	19,274
535	Finance costs		281	490
28,324	*Total Expenses*		29,980	35,332
(937)	*Surplus/(deficit) for the year*		(1,833)	(1,714)
	OTHER COMPREHENSIVE REVENUE AND EXPENSES			
	Items that will not be reclassified to surplus/(deficit)			
24,114	Gain/(loss) on property revaluation		28,281	21,750
1,245	Fair value movement of unlisted shares		39	906
25,359	*Total other comprehensive revenue and expenses*		28,319	22,656
24,422	**Total Comprehensive Revenue and Expenses for the Year**		26,486	20,942
	Total Comprehensive Revenue and Expenses Attributable to:			
24,422	*ŌTOROHANGA DISTRICT COUNCIL*		26,486	20,942

The accompanying notes on pages 79-117 form part of these financial statements.

BALANCE SHEET

2024/25 Actual ($000)	BALANCE SHEET AS AT 30 JUNE 2026	NOTE	2025/26 AP Estimate ($000)	2025/26 Actual ($000)
	ASSETS			
	Current Assets			
1,217	Cash and cash equivalents	5	1,157	346
4,137	Receivables from non-exchange transactions	6	2,121	6,348
284	Receivables from exchange transactions	6	-	284
-	Loan Receivable	7	250	-
173	Prepayments		-	114
46	Inventory		32	47
5,857	*Total Current Assets*		3,560	7,139
	Non-Current Assets			
9,020	Investments	8	7,884	9,826
437,393	Property, plant and equipment	9	444,203	460,491
1,501	Loan Receivable	7	1,500	-
136	Intangible assets	10	68	115
448,050	*Total Non-Current Assets*		453,655	470,432
453,907	**TOTAL ASSETS**		457,214	477,571
	LIABILITIES			
	Current Liabilities			
3,651	Payables under exchange transactions	12	2,762	3,396
1	Provisions	13	1	1
381	Employee benefit liabilities	14	410	421
586	Development and financial contributions in advance	16	541	530
1,103	Income in Advance	15	757	1,103
7,000	Borrowings	17	9,448	15,000
12,722	*Total Current Liabilities*		13,919	20,451
	Non-Current Liabilities			
11	Provisions	13	16	9
47	Employee benefit liabilities	14	47	42
5,448	Borrowings	17	-	448
5,506	*Total Non-Current Liabilities*		63	499
18,228	**TOTAL LIABILITIES**		13,982	20,950
435,679	**Net Assets**		443,233	456,621
	EQUITY			
165,960	Accumulated Comprehensive Revenue and Expenses	18	169,239	164,660
4,102	Council Controlled Reserves	18	-	3,665
3,205	Reserve Funds	18	3,001	3,232
262,412	Revaluation Reserves	18	270,993	285,064
435,679	**TOTAL EQUITY**		443,233	456,621

The accompanying notes on pages 79-117 form part of these financial statements.

STATEMENT OF CHANGES IN

EQUITY

2024/25 Actual ($000)	STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2026	NOTE	2025/26 AP Estimate ($000)	2025/26 Actual ($000)
411,255	**Balance at 1 July**		416,747	435,679
-	Adjustments on adoption of PBE IPSAS 41	22	-	-
411,255	Adjusted balance at 1 July		416,747	435,679
24,422	Total comprehensive revenue and expense for the year		26,486	20,942
435,679	**BALANCE AT 30 JUNE**		443,233	456,621
	Total Comprehensive Revenue and Expenses Attributable to:			
24,422	Ōtorohanga District Council		26,486	20,942
24,422	**TOTAL COMPREHENSIVE REVENUE AND EXPENSES**		26,486	20,942

The accompanying notes on pages 79-117 form part of these financial statements.

STATEMENT OF

CASH FLOW

2024/25 Actual ($000)	STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2026	NOTE	2025/26 AP Estimate ($000)	2025/26 Actual ($000)
	Current Flows From Operating Activities			
17,157	Receipts from rates revenue		19,148	19,021
10,619	Receipts from other revenue		9,094	12,546
147	Interest received		87	100
7	Dividends received		8	21
(21,127)	Payments to suppliers and employees		(21,841)	(26,579)
(535)	Interest paid		(281)	(491)
6,268	**Net Cash Provided By Operating Activities**		6,214	4,618
	Current Flows From Investing Activities			
(10,249)	Purchase of property, plant and equipment		(11,496)	(9,332)
(31)	Purchase of intangible assets		(71)	(103)
(133)	Purchase of investments[1]		-	813
90	Proceeds from Sale of Property, Plant and Equipment		112	133
(10,323)	**Net Cash (Used In) Investing Activities**		(11,455)	(8,489)
	Current Flows from Financing Activities			
3,000	Proceeds from borrowings		3,225	3,000
-	Repayment of borrowings		-	-
3,000	**Net Cash Provided By/(Used In) Financing Activities**		3,225	3,000
(1,055)	**Net (Decrease)/Increase In Cash, Cash Equivalents and Bank Overdrafts**		(2,016)	(871)
2,272	Cash, cash equivalents and bank overdrafts at the beginning of the year		3,170	1,217
1,217	**Cash, Cash Equivalents at the End of the Year**		1,154	346

[1] *Investment purchase relates to providing money to Waikato Waters Limited for the establishment costs, creating an amount owing from them, as well as unwinding the discount on the Kiwi House Loan.*

The accompanying notes on pages 79-117 form part of these financial statements.

TE KAUNIHERA Ā-ROHE O
ŌTOROHANGA
DISTRICT COUNCIL

NOTES TO THE FINANCIAL STATEMENTS

CONTENTS

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES 81
2. REVENUE 83
3. PERSONNEL COSTS 87
4. OTHER EXPENSES 89
5. CASH AND CASH EQUIVALENTS 90
6. RECEIVABLES 91
7. LOANS RECEIVABLE 92
8. INVESTMENTS 93
9. PROPERTY, PLANT AND EQUIPMENT 95
10. INTANGIBLE ASSETS - COMPUTER SOFTWARE 102
11. DEPRECIATION AND AMORTISATION 103
12. PAYABLES UNDER EXCHANGE TRANSACTIONS 103
13. PROVISIONS 104
14. EMPLOYEE BENEFIT LIABILITIES 106
15. INCOME IN ADVANCE 107
16. DEVELOPMENT AND FINANCIAL CONTRIBUTIONS IN ADVANCE 107
17. BORROWINGS 108
18. EQUITY 109
19. CONTINGENCIES 112
20. RELATED PARTY TRANSACTIONS 113
21. EVENTS AFTER BALANCE SHEET DATE 113
22. FINANCIAL INSTRUMENTS 114
23. EXPLANATION OF MAJOR VARIANCES AGAINST BUDGET 115



1. SUMMARY OF MATERIAL ACCOUNTING POLICIES

REPORTING ENTITY

Ōtorohanga District Council (ŌDC) is a territorial local authority governed by the Local Government Act 2002.

The primary objective of ŌDC is to provide goods and services for the community or social benefit rather than making a financial return. Accordingly, ŌDC has designated itself as a public benefit entity for the purposes of complying with generally accepted accounting practice (NZGAAP).

The financial statements of ŌDC are for the year ended 30 June 2026. The financial statements were authorised for issue by Council on 27 October 2026.

BASIS OF PREPARATION

These financial statements comply with the PBE standards for tier 2 entities. The measurement base applied is historical cost adjusted for revaluations of certain assets.

The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period.

STATEMENT OF COMPLIANCE

The financial statements of ŌDC have been prepared in accordance with the requirements of the Local Government Act 2002: Part 6, Section 98(i) and Part 3 of Schedule 10, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

The financial statements have been prepared in accordance with PBE standards Reduced Disclosure Regime (Tier 2). This classification has been determined as the council does not have public accountability and is not large as total expenses are less than $33 million. While the Council's total expenses exceeded the $33 million threshold for the first time during the current reporting period, the Council continues to qualify for Tier 2 reporting in accordance with the tier transition requirements of XRB A1 *Application of the Accounting Standards Framework.*

PRESENTATION CURRENCY AND ROUNDING

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars. The functional and reporting currency of ŌDC is New Zealand dollars.

BORROWING COSTS

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

GOODS AND SERVICES TAX (GST)

All items in the financial statements are stated exclusive of GST, except for receivables and payables, which are stated on a GST inclusive basis. Where GST is not recoverable as input tax then it is recognised as part of the related asset or expense.

Commitment and contingencies are disclosed exclusive of GST.

BUDGET FIGURES

The budget figures are those approved by the Council at the beginning of the year in the Annual Plan. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by ŌDC for the preparation of the financial statements.

COST ALLOCATION

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

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

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

CHANGES IN ACCOUNTING POLICIES

There were no new standards and amendments issued and effective for this financial year, so no changes in accounting policies required.



2. REVENUE

ACCOUNTING POLICY

Revenue is measured at the fair value of consideration received or receivable.

The specific accounting policies for significant revenue items are explained below:

REVENUE FROM NON-EXCHANGE TRANSACTIONS

RATES REVENUE

The following policies for rates have been applied:

- General rates, targeted rates (excluding water-by-meter), and uniform annual general charges are recognised at the start of the financial year to which the rates resolution relates. They are recognised at the amounts due. The Council considers the effect of payment of rates by instalments is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue.
- Rates arising from late payment penalties are recognised as revenue when rates become overdue.
- Revenue from water-by-meter rates is recognised on an accrual basis based on usage.
- Rate remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its rates remission policy.

NZ TRANSPORT AGENCY ROADING SUBSIDIES

Council receives funding assistance from the New Zealand Transport Agency (NZTA), which subsidises part of the costs of maintenance and capital expenditure on the local roading infrastructure. The subsidies are recognised as revenue upon entitlement, as conditions pertaining to eligible expenditure have been fulfilled.

OTHER GRANTS RECEIVED

Other grants are recognised as revenue when they become receivable unless there is an obligation in substance to return the funds if conditions of the grant are not met. If there is such an obligation, the grants are initially recorded as grants received in advance and recognised as revenue when conditions of the grant are satisfied.

DEVELOPMENT AND FINANCIAL CONTRIBUTIONS

Development and financial contributions are recognised as revenue when Council provides, or is able to provide, the service for which the contribution was charged. Otherwise, development and financial contributions are recognised as liabilities until such time as Council provides, or is able to provide, the service.

VESTED OR DONATED PHYSICAL ASSETS

Where a physical asset is acquired for nil or nominal consideration, the asset is recognised at its fair value when Council obtains control of the asset. The fair value of the asset is recognised as revenue, unless there is a use or return condition attached to the asset.

The fair value of vested or donated assets is usually determined by reference to the cost of constructing the asset. For assets received from property developments, the fair value is based on construction price information provided by the property developer.

DIRECT CHARGES – SUBSIDISED
(I) Rendering of Services - Subsidised

Rendering of services at a price that is not approximately equal to the value of the service provided by Council is considered a non-exchange transaction. This includes rendering of services where the price does not allow Council to fully recover the cost of providing the service (such as building consents, water connections, dog licencing, etc.) and where the shortfall is subsidised by income from other activities, such as rates. Generally, there are no conditions attached to such revenue.

Revenue from such subsidised services is recognised when Council issues the invoice or bill for the service. Revenue is recognised at the amount of the invoice or bill, which is the fair value of the cash

2. REVENUE - continued

received or receivable for the service. Revenue is recognised by reference to the stage of completion of the service to the extent that Council has an obligation to refund the cash received for the service (or the extent that the customer has the right to withhold the payment from Council for the service) if the service is not completed.

(ii) Sale of Goods – Subsidised

A sale of goods at a price that is not approximately equal to the value of the goods provided by Council is considered a non-exchange transaction.

This includes sales of goods where the price does not allow Council to fully recover the cost of producing the goods and where the shortfall is subsidised by income from other activities such as rates.

Revenue from the sale of such subsidised goods is recognised when Council issues the invoice or bill for the goods. Revenue is recognised at the amount of the invoice or bill, which is the fair value of the cash received or receivable for the goods.

REVENUE FROM EXCHANGE TRANSACTIONS

DIRECT CHARGES – FULL COST RECOVERY
(i) Rendering of Services - Full Cost Recovery

Revenue from the rendering of services (such as resource consents, etc.) is recognised by reference to the stage of completion of the service. Stage of completion is measured by reference to the labour hours incurred to date as a percentage of total estimated labour hours for each contract. When the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

(ii) Sale of Goods – Full Cost Recovery

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, and when the amount of revenue can be measured reliably and it is probable that the economic benefits or service potential associated with the transaction will flow to Council.

INTEREST AND DIVIDENDS

Interest income is recognised using the effective interest method.

Dividends are recognised as income when the rights to receive payment have been established.

BREAKDOWN OF RATES AND FURTHER INFORMATION	ACTUAL 2024/25 ($000)	ACTUAL 2025/26 ($000)
General Rates	8,353	9,478
Targeted rates attributable to activities		
Water	397	464
Sewerage	902	1,190
Refuse	429	442
Land Transport	4,791	4,781
Security	95	76
Erosion Protection	44	126
Halls	30	30
Rates penalties	170	239
Total revenue from rates	**15,211**	**16,826**
Metered Water Charges	2,040	2,211
Total water by volume rates	**2,040**	**2,211**

BREAKDOWN OF SUBSIDIES AND GRANTS	ACTUAL 2024/25 ($000)	ACTUAL 2025/26 ($000)
Subsidies		
NZTA government grants	6,919	10,383
Other Subsidies	914	1,236
Total subsidies	**7,833**	**11,619**

Other subsidies include Better Off Funding, waste minimisation subsidies, Ministry of Social Development subsidies for youth employment initiatives, Sport NZ and Creative Communities funding.

BREAKDOWN OF OTHER INCOME	ACTUAL 2024/25 ($000)	ACTUAL 2025/26 ($000)
Other income		
User charges	939	1,448
Regulatory revenue	1,156	686
Petrol tax	90	88
Vested assets revenue	-	675
Dividend income	7	21
Total other income	**2,192**	**2,918**

The vested asset income relates to the gifting of the rural land that will be developed into the rural park.

BREAKDOWN OF INTEREST INCOME	ACTUAL 2024/25 ($000)	ACTUAL 2025/26 ($000)
Interest income		
Interest income for financial assets not at fair value through profit and loss:		
• Cash and cash equivalents	114	74
• Loan receivable interest earned	-	-
• Loan receivable accruals	33	26
	147	100

EXCHANGE AND NON-EXCHANGE REVENUE

Total revenue from non-exchange transactions includes the revenue from rates, government grants, fines and other revenue. Total non-exchange revenue for the 2025/26 financial year is $32,773,895(2024/25: 26,083,791).

Total revenue from exchange transactions includes the revenue from interest, rental, royalties and other revenue. Total exchange revenue for the 2025/26 financial year is $974,063 (2024/25: $1,365,055).

EXCHANGE AND NON-EXCHANGE REVENUE	ACTUAL 2024/25 ($000)	ACTUAL 2025/26 ($000)
Non-exchange revenue	26,084	32,774
Exchange revenue	1,365	974
Total revenue	27,449	33,748
Total revenue per statement of comprehensive revenue and expenses	27,387	33,618
Add back: Other gains/(losses) on asset disposal	62	130
Classified revenue per statement of comprehensive revenue and expenses	**27,449**	**33,748**

OPERATING LEASES AS LESSOR

ŌDC leases some property under operating leases. The majority of these leases have non-cancellable terms of 5 years, with lease terms ranging from 2 years up to 50 years in selected cases. The future aggregate minimum lease payments to be collected under non-cancellable operating leases are as follows:

BREAKDOWN OF OPERATING LEASES AS LESSOR	ACTUAL 2024/25 ($000)	ACTUAL 2025/26 ($000)
Non-cancellable operating leases as lessor:		
• Not later than one year	13	121
• Later than one year and not later than five years	48	331
• Later than five years	205	254
Total non-cancellable operating leases	**266**	**706**

3. PERSONNEL COSTS

ACCOUNTING POLICY

DEFINED CONTRIBUTION PLANS

Obligations for contributions to Kiwisaver are recognised as defined contribution plans and are recognised as an expense in the surplus or deficit when incurred.

BREAKDOWN OF PERSONNEL COSTS AND FURTHER INFORMATION	ACTUAL 2024/25 ($000)	ACTUAL 2025/26 ($000)
Salaries and wages	6,657	6,857
Employer contributions to defined contribution plans	152	161
Increase/(decrease) in employee benefit liabilities	(191)	35
Total employee benefit expenses	**6,618**	**7,053**

Severance payments as identified later in this note are included in the salaries and wages figure in the above table.

Employer contributions to defined contribution plans include contributions to Kiwisaver and other contribution plans. No additional liability exists to ŌDC related to the defined contribution plans.

KEY MANAGEMENT PERSONNEL COMPENSATION	ACTUAL 2024/25 ($000)	ACTUAL 2025/26 ($000)
Councillors		
Full -time equivalent members	10	10
Remuneration	401	414
Senior Management Team, including Chief Executive		
Full—time equivalent members	6	5
Remuneration	1,110	981
Total full-time equivalent personnel	16	15
Total key management personnel remuneration	**1,521**	**1,395**

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

CHIEF EXECUTIVE	ACTUAL 2024/25 ($000)	ACTUAL 2025/26 ($000)
Salary	286	289
Motor Vehicle	10	10
Fringe Benefit Tax	19	9
Total Chief Executive's remuneration	**315**	**308**

ELECTED REPRESENTATIVES	ACTUAL 2024/25 ($000)	ACTUAL 2025/26 ($000)
Council to 11 October 2025		
Max Baxter, Mayor	110	34
Roy Johnson	27	8
Annette Williams	40	13
Cathy Prendergast	33	10
Steve Hughes	33	10
Roy Willison	29	9
Council from 12 October 2025		
Rodney Dow, Mayor	29	101
Katrina Christison	33	45
Tayla Barclay	-	22
Andrew Barker	-	20
Jo Butcher	-	22
Shane Carr	-	19
Christopher Jeffries	38	37
Tenille Kete	-	18
Jaimee Tamaki	29	28
Michael Woodward	-	18

Councillor Butcher was on the Ōtorohanga Community Board prior to the election where they received remuneration of $2,829 (2024: 8,669).

COUNCIL EMPLOYEES	ACTUAL 2024/25 ($000)	ACTUAL 2025/26 ($000)
Total remuneration by band for employees as at 30 June		
< $60,000	16	13
$60,000 – $79,999	15	19
$80,000 – $99,999	12	10
$100,000 – $119,999	12	13
$120,000 - $159,999	7	6
$160,000 – $279,999	5	5
Total employees	**67**	**66**

Total remuneration includes non-financial benefits provided to employees.

At balance date, the Council employed 48 (2025: 49) full-time employees, with the balance of 18 part-time employees representing 10 (2025: 7.5) full-time equivalent employees. A full-time employee is determined on the basis of a 40 hour working week.

Severance payments
For the year ended 30 June 2026 ŌDC made a severance payment to one employee of $10,000 (2025: no severance payments).

4. OTHER EXPENSES

ACCOUNTING POLICY

GRANT EXPENDITURE

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

Discretionary grants are those grants where the Council has no obligation to award on receipt of the grant application and are recognised as expenditure when approved by the Council and the approval has been communicated to the applicant. The Council's grants awarded have no substantive conditions attached.

OPERATING LEASES

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

OTHER EXPENSES	ACTUAL 2024/25 ($000)	ACTUAL 2025/26 ($000)
Fees for financial statement audit - current year	225	232
Fees for long term plan audit	-	-
Fees for trustee reporting	9	9
Minimum lease payments under operating leases	25	25
Activity operation	1,858	2,082
Asset maintenance	747	833
Road maintenance	4,062	7,671
Grants and Subsidies	315	650
Insurance	256	231
Youth Initiatives	348	217
Regional Initiatives	126	138
Other expenses	5,043	7,186
Total other expenses	**13,014**	**19,274**

ŌDC is exempt from tax under the Income Tax Act 2007.

OPERATING LEASES AS LESSEE

ŌDC leases property, plant and equipment in the normal course of its business. The majority of these leases have a non-cancellable term of 60 months. These leases are for photocopying equipment and meeting room technology used within the day-to-day running of the council. ŌDC does not have the option to purchase the leased asset at the expiry of the lease period. The future aggregate minimum lease payments to be made under non-cancellable operating leases are as follows.

BREAKDOWN OF OPERATING LEASES AS LESSEE	ACTUAL 2024/25 ($000)	ACTUAL 2025/26 ($000)
Non-cancellable operating leases as lessee:		
• Not later than one year	25	25
• Later than one year and not later than five years	35	12
• Later than five years		
Total non-cancellable operating leases	**60**	**37**

5. CASH AND CASH EQUIVALENTS

ACCOUNTING POLICY

CASH AND CASH EQUIVALENTS

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

Bank overdrafts are shown within borrowing in current liabilities in the balance sheet.

For the purpose of the cash flow statement, cash and cash equivalents includes cash on hand and in banks and investments in money market instruments and net of outstanding bank overdrafts. Cash and cash equivalents at the end of the financial year as shown in the cashflow statement are reconciled to the related items in the balance sheet as follows.

CASH AND CASH EQUIVALENTS	ACTUAL 2024/25 ($000)	ACTUAL 2025/26 ($000)
Cash and cash equivalents	1,217	346
Total Cash and cash equivalents	**1,217**	**346**

Cash at the bank and in hand includes an amount which has a restriction on what the money can be used for. This is:
Subdivision reserve fund $506,192 (2025: $477,922)

The money held in the subdivision reserve fund can only be used to fund capital expenditure related to district parks and reserves.

6. RECEIVABLES

ACCOUNTING POLICY

RECEIVABLES

Short term receivables are recorded at the amount due, less an allowance for expected credit losses (ECL).

Council has reviewed individual debtor balances to determine the ECL to recognise for short-term receivables.

Rates are "written-off":

- When remitted in accordance with the Council's rates remission policy; and
- In accordance with the write-off criteria of sections 90A (where rates cannot be reasonably recovered) and 90B (in relation to Māori freehold land) of the Local Government (Rating) Act 2002.

Other receivables are written-off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the debtor being in liquidation or the receivable being more than one year overdue.

RECEIVABLES	ACTUAL 2024/25 ($000)	ACTUAL 2025/26 ($000)
Rates receivables	1,134	1,251
Other receivables	1,139	1,100
Sundry debtors	2,331	4,471
	4,604	6,822
Less provision for impairment of receivables	(183)	(190)
	4,421	6,632
Represented by:		
Receivables from non-exchange transactions	4,137	6,348
Receivables from exchange transactions	284	284
	4,421	**6,632**

Rates are struck on the 1st of July each year, and are charged in two instalments. In the year ended 30 June 2026 these instalments were due on 29th August 2025 and 27th February 2026. A charge of 10% is added to all rates levied and due for the 2025/26 year that remains unpaid after 29th August 2025 and 27th February 2026. A further 10% charge is added to all rates that have been levied in any financial year previous to 1st July 2025 which remained unpaid as at that 1st July 2025.

All other receivables have standard terms of 30 days from the date of the invoice. No interest is charged for other receivables that remain unpaid after the completion of the term. There are no impairment issues with other receivables.

Impairment
Movements in the provision for impairment of receivables are as follows.

IMPAIRMENT OF RECEIVABLES	ACTUAL 2024/25 ($000)	ACTUAL 2025/26 ($000)
Balance at beginning of the year	(121)	(183)
Amounts remitted	-	-
(Increase)/decrease in provision	(62)	(7)
Balance at end of the year	**(183)**	**(190)**

The impairment relates to rates receivables and sundry debtors.

The impairment provision has been calculated based on a review of specific overdue receivables and a collective assessment. The collective impairment is based on an analysis of past collection history and debt write-offs.

7. LOANS RECEIVABLE

ACCOUNTING POLICY

LOANS RECEIVABLE
Loans made at nil or below-market interest rates are initially recognised at the present value of their expected future cash flow, discounted for the current market rate of return for a similar financial instrument.

Financial assets classified at amortised cost are subsequently measured at amortised cost using the effective interest method, less and expected credit losses (ECL). Where applicable, interest accrued is added to the investment balance. Instruments in this category include loans to community groups.

LOANS RECEIVABLE	ACTUAL 2024/25 ($000)	ACTUAL 2025/26 ($000)
Current portion		
Loan receivable	-	-
Total current portion	-	-
Non-current portion		
Balance at end of the year	1,501	-
Total non-current portion	**1,501**	**-**

The face value of loans receivable is $2,000,000 (2024/25: $2,000,000). The term of this loan is 21 years (2024/25: 20 years), and the interest rates range from 2.95%-5.4% (2024/25: 2.95%-5.4%). The loan has an interest free period of 7 years (2024/25: 6 years interest free).

Council has assessed the credit risk of the likelihood of the remaining loan not being repaid. Based on Council's assessment, there is some credit risk for this loan to be repaid. Based on this potential risk of the

loan not being repaid, the provision for doubtful debts has been increased by the amount of the loan. The security Council has on the loan is sufficient to offset any risk of non-payment.

Council loans have been provided to help not-for-profit organisations in the community to develop or improve new or existing facilities and other major projects. Only organisations with the ability to repay are granted loans.

Fair value has been determined using cash flows discounted at a rate based on the loan recipient's financial risk factors of between 2.95% and 5.4% (2024/25: 2.95% and 5.4%).

Movements in the carrying value of loans are as follows.

MOVEMENTS IN CARRYING VALUE OF LOANS	ACTUAL 2024/25 ($000)	ACTUAL 2025/26 ($000)
At 1 July:		
• Current portion	-	-
• Non-current portion	1,468	1,501
Total at 1 July	**1,468**	**1,501**
Amount of new loans granted during the year	-	-
Fair value adjustment on initial recognition	-	-
Loans repaid during the year (principal and interest)	-	-
Provision for doubtful recovery	-	(1,528)
Unwind of discount and interest charged	33	27
At 30 June:		
• Current portion	-	-
• Non-current portion	1,501	-
Total at 30 June	**1,501**	**-**

8. INVESTMENTS

ACCOUNTING POLICY

OTHER FINANCIAL ASSETS

Financial assets are initially recognised at fair value. They are then classified as, and subsequently measured under, the following categories:

- Amortised cost;
- Fair value through other comprehensive revenue and expenses (FVTOCRE); and
- Fair value through surplus and deficit (FVTSD).

Transaction costs are included in the value of the financial asset as initial recognition unless it has been designated as FVTSD, in which case it is recognised in surplus or deficit.

The classification of a financial asset depends on its cash flow characteristics and the Council management model for managing them.

A financial asset is classified and subsequently measured as amortised cost if it gives rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal outstanding and is held within a management model whose objective is to collect the contractual cash flows of the asset.

A financial asset is classified and subsequently measured at FVTOCRE if it gives rise to cash flows that are SPPI and held within a management model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

Financial assets that do not meet the criteria to be measured at amortised cost or FVTOCRE are subsequently measured at FVTSD. However, the Council may elect at initial recognition to designate an equity investment not held for trading as subsequently measured at FVTOCRE.

SUBSEQUENT MEASUREMENT OF FINANCIAL ASSETS AT AMORTISED COST

Financial assets classified at amortised cost are subsequently measured at amortised cost using the effective interest method, less any expected credit losses (ECL). Where applicable, interest accrued is added to the investment balance. Instruments in this category include term deposits and community loans.

SUBSEQUENT MEASUREMENT OF FINANCIAL ASSETS AT FVTOCRE

Financial assets in this category that are equity instruments designated as FVTOCRE are subsequently measured at fair value with fair value gains and losses recognised in other comprehensive revenue and expense. There is no assessment for impairment when fair value falls below the cost of the investment. When sold, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is transferred to accumulated funds within equity. The Council and group designate into this category all equity investments that are not held for trading as they are strategic investments that are intended to be held for the medium to long-term.

EXPECTED CREDIT LOSS ALLOWANCE (ECL)

The Council recognise an allowance for ECLs for all debt instruments not classified as FVTSD. ECLs are the probability-weighted estimate of credit losses, measured at the present value of cash shortfalls, which is the difference between the cash flows due to Council in accordance with the contract and the cash flows it expects to receive. ECLs are discounted at the effective interest rate of the financial asset.

ECLs are recognised in two stages. ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). However, if there has been a significant increase in credit risk since initial recognition, the loss allowance is based on losses possible for the remaining life of the financial asset (Lifetime ECL).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, the Council considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Council's historical experience and informed credit assessment and including forward-looking information.

The Council consider a financial asset to be in default when the financial asset is more than 90 days past due. The Council may determine a default occurs prior to this if internal or external information indicates the entity is unlikely to pay its credit obligation in full.

INVESTMENT IN OTHER ENTITIES	ACTUAL 2024/25 ($000)	ACTUAL 2025/26 ($000)
Unlisted shares – Waikato Regional Airport Ltd	8,359	9,155
Unlisted shares – Ballance Agri-nutrients	15	16
Unlisted shares – Local Government Funding Agency	541	650
Unlisted shares – Civic Financial Services	5	5
Borrower Note – Local Government Funding Agency	100	-
Total investments	**9,020**	**9,826**

Unlisted shares
The fair value of unlisted shares of Ballance Agri-nutrients, Waikato Regional Airport Limited, the Civic Financial Services Ltd and the Local Government Funding Agency are carried at fair value. Fair value is based on Council's share of the assets less liabilities of each of the companies and changes in value are taken to fair value through other comprehensive revenue.

The details are:

UNLISTED SHARES	SHARE OF NET ASSETS
Waikato Regional Airport Ltd	3.125%
Ballance Agri-nutrients	0.003%
Local Government Funding Agency	0.444%
Civic Financial Services	0.044%

9. PROPERTY, PLANT AND EQUIPMENT

ACCOUNTING POLICY

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of:

- *Operational Assets* – These include land, buildings, landfill post closure, library books, plant and equipment, and motor vehicles.
- *Restricted Assets* – Restricted assets are mainly parks and reserves and related buildings owned by Council which provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.
- *Infrastructure Assets* – Infrastructure assets are the fixed utility systems owned by Council. Each asset class includes all items that are required for the network to function, for example, sewer reticulation includes reticulation piping and sewer pump stations.

Land (operational and restricted) is measured at fair value, and buildings (operational and restricted), and infrastructural assets (except land under roads) are measured at fair value less accumulated depreciation. All other asset classes are measured at cost less accumulated depreciation and impairment losses.

REVALUATION

Land and buildings (operational and restricted), and infrastructural assets are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three years.

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

Revaluations of property, plant, and equipment are accounted for on a class-of-asset basis.

The net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to an asset revaluation reserve in equity for that class-of-asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed and then recognised in other comprehensive revenue and expenses.

ADDITIONS

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

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

In most instances, an item of property, plant and equipment is recognised at cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

DISPOSALS

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

SUBSEQUENT COSTS

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to Council and the cost of the item can be measured reliably.

DEPRECIATION

Depreciation is provided on a straight-line basis or diminishing value basis on all property, plant and equipment other than land, at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of assets have been estimated as follows:

ASSET CLASSES	USEFUL LIFE (YEARS)	DEPRECIATION RATE
Buildings		
• Internal Fitout	5-31	3.2-20%
• Structure	5-58	1.7-20%
• Roof	5-55	1.8-20%
• Plant	5-10	10-20%
• Services	5-35	2.8-20%
• Other Site Improvements	80	1.5%
Improvements	20	5%
Vehicles	6.6	15%
Computers	3-4	25-33.33%
Office Equipment	4-10	10-25% DV
Furniture/ Fixture	10	10% DV
Library Books	6.6	15% DV
Plant and Machinery	2.5-3	33.33-40%
WATER TREATMENT		
Piping	20-100	1-5%
Equipment	5-100	1-20%
Other	2-100	1-50%
WASTEWATER		
Piping	50-90	1.11-2%
Equipment	10-81	1.23-10%
Other	20-80	1.25-5%
STORMWATER		
Piping	40-100	1-2.5%
Equipment	15-80	1.25-6.66%
Other	20-100	1-5%
ROADING		
Pavement (Basecourse)		
• Sealed	7-79	1.26-14.3%
• Unsealed	9-80	1.25-11.1%



ASSET CLASSES	USEFUL LIFE (YEARS)	DEPRECIATION RATE
Pavement (Sub-Base)		
• Sealed	7-74	1.35-14.3%
• Unsealed	2-73	1.37-50%
Seal	1-16	6.25-100%
Culverts	1-90	1.11-100%
Bridges	37-76	1.31-2.7%
Kerb & Channel/ Catchpits	2-55	1.81-50%
Footpaths	2-74	1.35-50%
Streetlights	1-57	1.75-100%
Signposting	1-14	7.14-100%

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year-end. Items that are fully depreciated are recorded as having a useful life of 1 year.

IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment subsequently measured at cost that have an indefinite useful life, are not subject to amortisation and are tested annually for impairment.

Property, plant and equipment subsequently measured at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

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

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

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

INFRASTRUCTURAL ASSETS

There are a number of assumptions and estimates used when performing depreciated replacement cost (DRC) valuations over infrastructural assets. These include:

- The physical deterioration and condition of an asset, for example, the Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets, which are not visible, for example stormwater, wastewater and water supply pipes that are underground. Council minimises this risk by performing a combination of physical inspections and condition modelling assessments of underground assets
- Estimating an obsolescence or surplus capacity of an asset
- Estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then ŌDC could be over or under estimating the annual depreciation charge recognised as an expense in the profit or loss. To minimise this risk ŌDC's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of the ŌDC's asset management planning activities, which gives ŌDC further assurance over its useful life estimates.



USEFUL LIVES OF PROPERTY, PLANT AND EQUIPMENT

The useful lives of property, plant and equipment have been determined based on the asset management plans used during the creation of the LTP. For infrastructural assets this has been based on the information provided by the National Asset Management Steering Group (NAMS) regarding the useful life of infrastructural assets. For all other property, plant and equipment, the depreciation schedules included in the Income Tax Act have been used as a basis for setting the useful lives.

CRITICAL JUDGEMENTS IN APPLYING ŌDC'S ACCOUNTING POLICIES

Management has exercised the following critical judgements in applying the ŌDC's accounting policies for the period ended 30 June 2026:

1. *Classification of property*

ŌDC owns a number of properties, which are maintained primarily to provide housing to pensioners. The receipt of rental from these properties is incidental to holding these properties. These properties are held for service delivery objectives as part of the ŌDC's social housing policy. These properties are accounted for as property, plant and equipment.

2. *Classification of non-financial assets as cash generating assets or non-cash-generating assets*

For the purpose of assessing impairment indicators and impairment testing, ŌDC classifies non-financial assets as either cash-generating or non-cash-generating assets. The Council classifies non-financial assets as cash-generating assets if the primary objective of the asset is to generate commercial return. All other assets are classified as non-cash-generating assets.

All property, plant and equipment and intangible assets held by ŌDC are classified as non-cash-generating assets. This includes assets that generate fee revenue or other cash flows for the Council, as the cash flows generated are generally not sufficient to represent commercial return on the assets.

3. *Fair value versus carrying value assessment*

Council assessed the carrying value versus fair value of assets during the year, none of the assets apart from those being revalued were found to be materially different from fair value. A fair value market assessment of 3 Waters assets was undertaken by Council staff. A fair value assessment of Land and Building assets was undertaken by Council staff. From these assessments the Council concluded that carrying value is not materially different from its fair value.



COUNCIL ASSETS 2026	Cost /revaluation 1 July 2025 ($000)	Accumulated depreciation ($000)	Carrying amount ($000)	Additions ($000)	Disposals (cost) ($000)	Disposals (accumulated depreciation) ($000)	Transfers out of Fixed Assets ($000)	Revaluation Movement - cost ($000)	Revaluation Movement - accumulated depreciation ($000)	Depreciation ($000)	Cost /revaluation 1 July 2026 ($000)	Accumulated depreciation ($000)	Carrying amount ($000)
OPERATIONAL													
Land	12,838	-	12,838	831	-	-		-	-	-	13,669	-	13,669
Buildings	10,714	622	10,092	437	-	-		-	-	586	11,151	1,208	9,943
Plant & machinery/ motor vehicles	2,208	1,121	1,087	312	318	220		-	-	245	2,203	1,146	1,057
Furniture & equipment/ library books	2,123	1,259	864	192	47	47		-	-	212	2,268	1,424	844
Heritage assets	257	-	257	-	-	-		-	-	-	257	-	257
Total operational assets	28,140	3,002	25,138	1,772	365	267	-	-	-	1,043	29,548	3,778	25,770
INFRASTRUCTURAL													
Sewerage system	16,082	770	15,312	312	-	-		6,780	1,222	453	23,174	-	23,174
Water system	12,573	853	11,720	74	6	1		4,191	1,244	392	16,832	-	16,832
Rural water supply	16,067	796	15,271	300	8	1		2,463	1,208	412	18,822	-	18,822
Drainage network	15,725	541	15,184	31	-	-		3,834	807	266	19,590	-	19,590
Stopbanks	3,617	-	3,617	-	-	-		-	-	-	3,617	-	3,617
Roading, bridges & culverts	332,811	-	332,811	6,274	158	2		-	-	5,376	338,927	5,374	333,553
Work in progress	645	-	645	1,393	234	-		-	-	-	1,805	-	1,805
Total infrastructural assets	397,520	2,960	394,560	8,384	406	4	-	17,268	4,481	6,899	422,767	5,374	417,393
RESTRICTED													
Land	9,255	-	9,255	-	-	-		-	-	-	9,255	-	9,255
Buildings	8,796	505	8,291	77	-	-		-	-	475	8,873	980	7,893
Work in progress	149	-	149	124	93	-		-	-	-	180	-	180
Total restricted assets	18,200	505	17,695	201	93	-	-	-	-	475	18,308	980	17,328
Total property, plant and equipment	443,860	6,467	437,393	10,357	864	271	-	17,268	4,481	8,417	470,623	10,132	460,491
Land under roads included in Roading, Bridges and Culverts totals $58,503,774													

COUNCIL ASSETS 2025	Cost /revaluation 1 July 2024 ($000)	Accumulated depreciation ($000)	Carrying amount ($000)	Cost /revaluation 1 July 2025 ($000)	Accumulated depreciation ($000)	Carrying amount ($000)
OPERATIONAL						
Land	11,443	-	11,443	12,838	-	12,838
Buildings	10,536	-	10,536	10,714	622	10,092
Plant & machinery/ motor vehicles	2,108	1,013	1,095	2,208	1,121	1,087
Furniture & equipment/ library books	1,995	1,093	902	2,123	1,259	864
Heritage assets	257	-	257	257	-	257
Total operational assets	26,339	2,106	24,233	28,140	3,002	25,138
INFRASTRUCTURAL						
Sewerage system	12,165	356	11,809	16,082	770	15,312
Water system	12,452	443	12,009	12,573	853	11,720
Rural water supply	15,798	390	15,408	16,067	796	15,271
Drainage network	15,635	273	15,362	15,725	541	15,184
Stopbanks	3,617	-	3,617	3,617	-	3,617
Roading, bridges & culverts	317,182	9,091	308,091	332,811	-	332,811
Work in progress	2,849	-	2,849	645	-	645
Total infrastructural assets	379,698	10,553	369,145	397,520	2,960	394,560
RESTRICTED						
Land	9,255	-	9,255	9,255	-	9,255
Buildings	8,645	-	8,645	8,796	505	8,291
Work in progress	57	-	57	149	-	149
Total restricted assets	17,957	-	17,957	18,200	505	17,695
Total property, plant and equipment	423,994	12,659	411,335	443,860	6,467	437,393
Land under roads included in Roading, Bridges and Culverts totals $58,503,774						

In June 2026, the water, wastewater and stormwater asset valuations were completed by AON Limited. Where possible market values were obtained, and where these couldn't be obtained, depreciated replacement cost was used. The valuation was effective as at 30 June 2026 in which the total fair value of the water, wastewater and stormwater infrastructural assets was $78,417,208.

An independent valuation of the entity's buildings was performed in 30 June 2024 by Quotable Value, independent registered valuers not related to the entity, to determine the fair value of the buildings. Where possible market values were obtained, and where these couldn't be obtained, depreciated replacement cost was used. The valuation was effective as at 30 June 2024 in which the total fair value of buildings valued by Quotable Value was $19,181,600.

An independent valuation of the entity's land was performed in 30 June 2024 by Quotable Value, independent registered valuers not related to the entity, to determine the fair value of the land. Where possible market values were obtained and then discounted or adjusted using knowledge of the specific properties being valued. The valuation was effective as at 30 June 2024 in which the total fair value of land valued by Quotable Value was $20,698,100.

In June 2025, the roading valuations were completed by Council staff and peer reviewed by AON Limited. The total fair value of the roading infrastructural assets at 30 June 2025 was $332,808,968.

As at balance date no items of property, plant and equipment were temporarily idle. No items of property, plant and equipment were retired from active use and not classified as held for sale.

Rental property held by the Council is held to provide housing for the elderly, and the carrying amount as at 30 June 2026 is $3,846,070 (2025: $3,888,178).

INFRASTRUCTURAL ASSETS	Closing book value ($000)	Additions: Constructed by Council ($000)	Additions: Assets transferred to Council ($000)	Estimated replacement cost ($000)	Date of estimate ($000)
2026					
Water treatment plants & facilities	4,512	121	-	11,518	30 June 26
Other water assets	31,142	261	-	54,903	30 June 26
Wastewater treatment plants & facilities	2,461	224	-	5,271	30 June 26
Other wastewater assets	20,712	80	-	39,737	30 June 26
Stormwater drainage	19,052	5	-	25,875	30 June 26
Flood protection and control works	4,156	26	-	5,934	30 June 26
Roads & footpaths	333,553	6,274	-	446,731	30 June 26
Total infrastructural assets 2026	415,588	6,991	-	589,969	
2025					
Water treatment plants & facilities	3,450	270	-	8,163	30 June 25
Other water assets	23,539	121	-	32,467	30 June 25
Wastewater treatment plants & facilities	2,448	133	-	4,321	30 June 25
Other wastewater assets	12,865	3,792	-	16,809	30 June 25
Stormwater drainage	14,733	15	-	16,651	30 June 25
Flood protection and control works	4,069	75	-	5,615	30 June 25
Roads & footpaths	332,812	5,715	-	446,731	30 June 25
Total infrastructural assets 2025	393,916	10,121	-	530,757	

CAPITAL COMMITMENTS	ACTUAL 2024/25 ($000)	ACTUAL 2025/26 ($000)
Capital commitments Capital expenditure contracted for at balance date but not yet incurred for property, plant and equipment	4,469	4,302
Other expenditure commitments Maintenance contracts	5,874	7,519

10. INTANGIBLE ASSETS - COMPUTER SOFTWARE

ACCOUNTING POLICY

INTANGIBLE ASSETS

Software acquisition

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with maintaining computer software are recognised as an expense when incurred.

Amortisation

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

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

Computer software (finite life)	3 years	33.3%

IMPAIRMENT OF INTANGIBLE ASSETS

Intangible assets subsequently measured at cost that have an indefinite useful life, are not subject to amortisation and are tested annually for impairment.

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

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

INTANGIBLE ASSETS - COMPUTER SOFTWARE	ACTUAL 2024/25 ($000)	ACTUAL 2025/26 ($000)
Balance as at 1 July:		
• Cost	520	601
• Accumulated amortisation	(411)	(465)
Opening carrying amounts	**109**	**136**
Year ended 30 June		
Additions	81	77
Disposals – cost	-	-
Disposals – accumulated amortisation	-	-
Amortisation charge	(54)	(98)
Movement	**27**	**(21)**
Balance as at 30 June:		
• Cost	601	678
• Accumulated amortisation	(465)	(563)
Closing carrying amounts	**136**	**115**

Amortisation of intangibles is included in the depreciation and amortisation line within the Statement of Comprehensive Revenue & Expenses. Refer to note 11 for a breakdown of this item.

Some items of software have been fully amortised but are still in use by the council. These items include operating systems and other key software used in the day-to-day running of council.

Other intangibles
ŌDC has a number of easements over properties, giving Council access to inspect and maintain items of infrastructural importance. These easements hold no commercial value, and therefore no amount has been recorded for these easements.

11. DEPRECIATION AND AMORTISATION

DEPRECIATION AND AMORTISATION	ACTUAL 2024/25 ($000)	ACTUAL 2025/26 ($000)
Depreciation	8,103	8,417
Amortisation	54	98
Total depreciation and amortisation	**8,157**	**8,515**

DEPRECIATION AND AMORTISATION BY GROUP OF ACTIVITY	ACTUAL 2024/25 ($000)	ACTUAL 2025/26 ($000)
Trusted Leadership and Relationships	488	518
Strong Communities	57	57
Vibrant Places and Spaces	914	863
Sustainable Development and Public Safety	5	-
Resilient Infrastructure:		
• Land Transport	5,010	5,376
• Wastewater	434	474
• Water Supply	884	867
• Stormwater	236	234
• Flood Protection	103	99
Responsible Waste Management	26	27
Total depreciation and amortisation	**8,157**	**8,515**

12. PAYABLES UNDER EXCHANGE TRANSACTIONS

ACCOUNTING POLICY

PAYABLES UNDER EXCHANGE TRANSACTIONS
Payables under exchange transactions are recognised when ŌDC becomes obliged to make future payments resulting from the purchase of goods and services. Subsequent to initial recognition, payables under exchange transactions are recorded at amortised cost.

DEPOSITS AND BONDS
Deposits and bonds are recognised at their face value at the time they are received. The refund of deposits and bonds is recognised at the time that all conditions related to that bond are met.

PAYABLES UNDER EXCHANGE TRANSACTIONS	ACTUAL 2024/25 ($000)	ACTUAL 2025/26 ($000)
Trade payables	2,888	2,829
Deposits and bonds	433	173
Accrued expenses	330	394
Total payables under exchange transactions	**3,651**	**3,396**

Payables under exchange transactions are non-interest bearing and are normally settled on 30 day terms, therefore the carrying value of trade and other payables approximates their fair value. The entity has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

13. PROVISIONS

ACCOUNTING POLICY

PROVISIONS

A provision is recognised for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that an outflow of future economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense and is included in "finance costs".

Landfill post-closure costs

ŌDC, as operator of the Ōtorohanga and Kāwhia closed landfills, has a legal obligation under the resource consents to provide ongoing maintenance and monitoring services at the landfill. An allowance for post-closure costs is recognised as a provision within the balance sheet.

The provision is measured based on the present value of future cash flows expected to be incurred, taking into account future events including new legal requirements and known improvements in technology.

The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Financial guarantee contract liabilities

A financial guarantee contract is a contract that requires the Council to make specified payments to reimburse the holder of the contract for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contract liabilities are measured initially at their fair value. If a financial guarantee was issued in a stand-alone arm's length transaction to an unrelated party, its fair value at inception is equal to the consideration received. When no consideration is received, the fair value of the liability is initially measured using a valuation technique, such as considering the credit enhancement arising from the guarantee or the probability that the Council will be required to reimburse a holder for a loss incurred discounted to present value. If the fair value of a guarantee cannot be reliably determined, a liability is only recognised when it is practicable there will be an outflow under the guarantee.

Financial guarantees are subsequently measured at the higher of:

- The present value of the estimated amount to settle the guarantee obligation if it is probable there will be an outflow to settle the guarantee; and
- The amount initially recognised less, when appropriate, cumulative amortisation as revenue.

PROVISIONS	ACTUAL 2024/25 ($000)	ACTUAL 2025/26 ($000)
Opening Balance	13	12
Maintenance and Monitoring Costs	(1)	(2)
Closing balance	**12**	**10**
Represented by:		
• Current portion	1	1
• Non-current portion	11	9
	12	**10**

LANDFILL AFTERCARE PROVISION

ŌDC gained resource consents to operate its Ōtorohanga and Kāwhia landfills. ŌDC has responsibility under the resource consent to provide ongoing maintenance and monitoring of the landfill after the sites are closed.

Both landfills are closed. There are closure and post-closure responsibilities such as the following:

Closure responsibilities

- Final cover application and vegetation
- Incremental drainage control features
- Completing facilities for leachate collection and monitoring
- Completing facilities for water quality monitoring
- Completing facilities for monitoring and recovery of gas.

Post-closure responsibilities

- Treatment and monitoring of leachate
- Ground water and surface monitoring
- Gas monitoring and recovery
- Implementation of remedial measures such as needed for cover, and control of systems.
- Ongoing site maintenance for drainage systems, final cover and vegetation.

Capacity of the Site

The Ōtorohanga and Kāwhia landfills have been capped.

The cash outflows for landfill post-closure responsibilities are expected to occur between 2011 and 2033. The long term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred. The provision has been estimated taking into account existing technology and is discounted using a discount rate of 7.00% (2025: 7.00%).

14. EMPLOYEE BENEFIT LIABILITIES

ACCOUNTING POLICY

EMPLOYEE ENTITLEMENTS

Short-term employee entitlements

Employee benefits expected to be settle within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, and sick leave.

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

Long-term employee entitlements

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

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

Presentation of employee entitlements

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

EMPLOYEE BENEFIT LIABILITIES	ACTUAL 2024/25 ($000)	ACTUAL 2025/26 ($000)
Accrued pay	26	67
Annual leave	355	353
Long service leave	32	32
Sick leave	15	11
Total employee benefit liabilities	**428**	**463**
Comprising:		
• Current portion	381	421
• Non-current	47	42
Total employee benefit liabilities	**428**	**463**

15. INCOME IN ADVANCE

ACCOUNTING POLICY

Income in advance is recognised as a current liability until such time as the invoicing for the particular revenue is undertaken, at which time they are recognised as revenue.

INCOME IN ADVANCE	ACTUAL 2024/25 ($000)	ACTUAL 2025/26 ($000)
Rates	661	758
Metered Water Charges	48	38
Debtors	191	186
Government Subsidies	115	(62)
Insurance Proceeds	-	90
Dog Registrations	73	76
Trade Waste	7	6
Health Licences	9	11
Total income in advance	**1,104**	**1,103**

16. DEVELOPMENT AND FINANCIAL CONTRIBUTIONS IN ADVANCE

ACCOUNTING POLICY

Development and financial contributions are recognised as a current liability until such time as the project they are collected for is undertaken, at which time they are recognised as non-exchange revenue.

DEVELOPMENT AND FINANCIAL CONTRIBUTIONS IN ADVANCE	ACTUAL 2024/25 ($000)	ACTUAL 2025/26 ($000)
Roading Safety Improvements	387	329
Thomson/Harper Water Main	1	1
Ōtorohanga Stormwater Capacity Upgrade	47	47
Ōtorohanga Community Water Treatment	9	9
Ōtorohanga Community Wastewater	84	85
Ōtorohanga Community Reservoir	58	59
Total development and financial contributions in advance	**586**	**530**

17. BORROWINGS

ACCOUNTING POLICY

BORROWINGS

Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest method net of transaction costs.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

BORROWINGS	ACTUAL 2024/25 ($000)	ACTUAL 2025/26 ($000)
Current:		
Secured loans	12,000	15,000
Total current borrowings	**12,000**	**15,000**
Non-current:		
Concessionary loan	448	448
Total non-current borrowings	**448**	**448**

Fixed-rate debt

ŌDC's secured debt of $15,000,000 (2025: $12,000,000) is issued at a fixed rate of 2.83%-3.51% (2025:3.62%-4.52%). The effective net interest rate charged after discount is 2.83%-3.51% (2025: 3.62%-4.52%).

Total borrowing from the Local Government Funding Agency (LGFA) as at 30 June 2026 is $15,000,000 (2025: $12,000,000).

SECURITY

The overdraft is unsecured. The maximum amount that can be drawn down against the overdraft facility is $200,000 (2025: $200,000). There are no restrictions on the use of this facility.

ŌDC's loans are secured over either separate or general rates of the district.

REFINANCING

ŌDC manages its borrowings in accordance with its funding and financial policies, which includes a Liability Management policy. Council also has the ability to refinance through the Local Government Funding Agency, with the ability to borrow money over both short and long terms as required.

CONCESSIONARY LOAN

This concessionary loan was advanced to the Council by the Government in order to fund repairs on Council social housing in Ōtorohanga. This loan was advanced in two amounts, $165,000 on 29th June 2007, and $283,000 on 14th March 2008. The interest rate on this loan is 0% (2025: 0%). This loan is a suspensory loan with a 20 year term. Should ŌDC meet the conditions of the loan, including retaining ownership of the pensioner housing units, the loan will not be required to be repaid at the end of the term.



18. EQUITY

ACCOUNTING POLICY

EQUITY

Equity is the community's interest in the Council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves.

The components of equity are:

- Accumulated funds
- Restricted reserves
- Asset revaluation reserves
- Fair value through other comprehensive revenue and expense reserve.

Restricted reserves

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

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

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

Asset revaluation reserve

The asset revaluation reserve arises on the revaluation of land, buildings and infrastructural assets to fair value.

Fair value through other comprehensive revenue and expense reserve

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

EQUITY	2024/25 Actual ($000)	2025/26 Actual ($000)
Accumulated Funds		
Balance at 1 July	171,098	170,060
Transfers to restricted reserves	(101)	(103)
Transfers from property revaluation reserves on disposal	-	4
Transfers to fixed assets	-	2
Transfers from restricted reserves	-	76
Surplus/(deficit) for the year	(937)	(1,714)
Total Accumulated Funds at 30 June	**170,060**	**168,325**
Represented by:		
Accumulated comprehensive revenue and expenses	165,960	164,660
Council controlled reserves	4,102	3,665
	170,062	**168,325**
Restricted Reserves		
Balance at 1 July	3,104	3,205
Transfers to accumulated funds	-	(76)
Transfers from accumulated funds	101	103
Total Restricted Reserves at 30 June	**3,205**	**3,232**
Asset Revaluation Reserves		
Balance at 1 July	237,053	262,412
Adjustments on adoption of PBE IPSAS 41	-	-
Net revaluation gains	25,359	22,656
Transfer to accumulated funds on disposal of property	-	(4)
Balance at 30 June	**262,412**	**285,064**
Asset revaluation reserves consist of:		
Operational assets		
Land	8,892	8,897
Buildings	6,181	6,181
Infrastructural assets		
Sewerage system	6,815	14,813
Water system	5,309	10,726
Drainage network	9,219	13,861
Rural Water Supply	9,961	13,645
Roading network	191,695	191,695
Floodbank	2,443	2,443
Restricted assets		
Land	5,606	5,606
Buildings	7,954	7,954
Total Asset Revaluation Reserves	**254,075**	**275,821**
Fair Value Through Other Comprehensive Revenue and Expense Reserve		
Balance at 1 July	7,092	8,337
Adjustment on adoption of PBE IPSAS 41	-	-
Net change in fair value	1,245	906
Balance at 30 June	**8,337**	9,243
Total Asset Revaluation Reserves at 30 June	**262,412**	**285,064**



Restricted reserves relate to:

- Subdivision reserves, which are used to record financial contributions on subdivisions. These financial contributions are accepted in lieu of the developer creating a reserve, and the money is used by Council for work on reserves within the area.
- General funds reserve, which is used for specific purposes that Council elects to use it for. Any use of money from this reserve must be designated within the LTP or Annual Plan. This reserve is typically used for one-off non-operational items.

Information about Council controlled reserves is provided below.

COUNCIL CONTROLLED RESERVES	Balance 1 July ($000)	Transfer into fund ($000)	Transfer out of fund ($000)	Balance 30 June ($000)
2026				
Trusted Leadership & Partnerships	160	12,819	(12,838)	141
Strong Communities	39	108	(131)	16
Vibrant Places and Spaces	226	493	(480)	239
Sustainable Development and Public Safety	(126)	309	(357)	(174)
Resilient Infrastructure: Land Transport	(978)	22,023	(21,578)	(533)
Resilient Infrastructure: Water Supply	(2,656)	3,548	(3,772)	(2,880)
Resilient Infrastructure: Wastewater	(870)	2,219	(2,087)	(738)
Resilient Infrastructure: Flood Protection	(10)	348	(180)	158
Responsible Waste Management	113	803	(810)	106
Total Council controlled reserves - 2026	(4,102)	42,670	(42,233)	(3,665)
2025				
Trusted Leadership & Partnerships	(28)	11,429	(11,241)	160
Strong Communities	34	128	(123)	39
Vibrant Places and Spaces	102	501	(377)	226
Sustainable Development and Public Safety	(57)	305	(374)	(126)
Resilient Infrastructure: Land Transport	(1,008)	17,086	(17,056)	(978)
Resilient Infrastructure: Water Supply	(2,467)	3,349	(3,538)	(2,656)
Resilient Infrastructure: Wastewater	(712)	6,817	(6,975)	(870)
Resilient Infrastructure: Flood Protection	-	308	(318)	(10)
Responsible Waste Management	171	750	(808)	113
Total Council controlled reserves - 2025	(3,965)	40,673	(40,810)	(4,102)

PURPOSE OF EACH COUNCIL CONTROLLED RESERVE FUND

All Council Controlled Reserves arise from situations where the income generated from an activity is larger than the expenditure, or expenditure has been higher than income, and these savings or deficits are ring-fenced to the related activity. The reserves are grouped by Group of Activities and can only be spent for those purposes they were collected for.

The overall debit balance is a result of more activities having deficit balances than surplus balances at 30 June 2026.

19. CONTINGENCIES

CONTINGENT LIABILITIES	ACTUAL 2024/25 ($000)	ACTUAL 2025/26 ($000)
Guarantees	70	70
Uncalled Capital – Local Government Funding Agency	100	100
Uncalled Capital – Waikato Local Authority Shared Services	6	6
	176	**176**

Guarantees
The value of guarantees disclosed as contingent liabilities reflects ŌDC's assessment of the undiscounted portion of financial guarantees that are not recognised in the Balance Sheet. At the year-end it was not probable that the counterparty to the financial guarantees contract will claim under the contract.

New Zealand Local Government Funding Agency
Ōtorohanga District Council is a guarantor of the New Zealand Local Government Funding Agency Limited (NZLGFA). The NZLGFA was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand. NZLGFA has a local currency rating from S&P Global Ratings of AAA and a foreign currency rating of AA+ and a local currency rating and foreign currency rating of AA+ from Fitch.

Riskpool scheme
Ōtorohanga District Council previously obtained public liability and professional indemnity insurance cover as a member of the New Zealand Mutual Liability Riskpool scheme until June 2017. Riskpool operated as a mutual fund where each member made an annual contribution to obtain cover, however, should claims exceed contributions then calls can be made on the members of that fund year, for the shortfall amount. The scheme is in wind-down. The Council has an on-going obligation to contribute to the scheme should a funding call be made in respect of historical claims (to the extent those claims are not covered by reinsurance or where reinsurance recovery is delayed), and to fund the on-going operations of the scheme. Ongoing litigation involving other Council members of Riskpool has introduced a high level of uncertainty about both the level of the Council's potential financial exposure and its timing. At this stage, Riskpool cannot quantify the total potential liability associated with these matters.

GUARANTEES

Accounting Standards require the Council to initially recognise the guarantee liability by applying the 12-month expected credit loss model (as fair value could not be reliably measured) and subsequently at the higher of the provision for impairment at balance date determined by the expected credit loss model and the amount initially recognised. At the end of financial year, the council have assessed the 12-month expected credit losses of the guarantee liability, based on market information of the underlying assets held by the NZLGFA. The estimated 12-month expected credit losses are immaterial due to the extremely low probability of default by the NZLGFA in the next 12 months, and therefore, the Council have not recognised a liability.

UNCALLED CAPITAL

As at 30 June 2026, the Council is one of 31 local authority shareholders and 74 local authority guarantors of the NZLGFA. In that regard it has uncalled capital of $100,000. When aggregated with the uncalled capital of other shareholders, $20m is available in the event that an imminent default is identified. Also, together with the other shareholders and guarantors, the Council is a guarantor of all of NZLGFA's borrowings. At 30 June 2026, NZLGFA had borrowings totalling $24,130m (2025: $22,657m).

The Council considers the risk of NZLGFA defaulting on repayment of interest or capital to be very low on the basis that:

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

Uncalled Capital

The uncalled share capital for Waikato Local Authority Shared Services amounts to $5,717 as at 30 June 2026 (2025: $5,717). At present ŌDC is not aware of any plan to call the capital soon.

20. RELATED PARTY TRANSACTIONS

The following transactions were carried out with related parties:

KEY MANAGEMENT PERSONNEL

Key management personnel include the Mayor, Councillors, Chief Executive and other senior management personnel.

Related party disclosures have not been made for transactions with related parties that are within a normal supplier or client/recipient relationship on terms and condition no more or less favourable than those that it is reasonable to expect the Council would have adopted in dealing with the party at arm's length in the same circumstances.

No provision has been required, nor any expense recognised for impairment of receivables to related parties (2025: $nil).

21. EVENTS AFTER BALANCE SHEET DATE

LOCAL GOVERNMENT REFORM

The Government is progressing a range of reform that may have implications for the future structure and functions of local government in New Zealand. These reforms include the Simplifying Local Government programme, which is considering potential changes to local government arrangements and governance structures. As at the date of signing these financial statements, the outcome, scope, implementation approach and timing of any reform remains uncertain and subject to further Government decisions.

The Council has prepared these financial statements on a going concern basis. At the date of signing, there is insufficient certainty regarding the outcome, timing, and potential impacts of local government reform to determine any financial implications for the Council. Accordingly, no adjustments have been made to the financial statements in relation to these reforms.

Head Start Pathway

The reform programme includes a voluntary "Head Start" pathway for councils wishing to pursue reorganisation proposals ahead of the 2028 local elections, and a separate backstop process for councils that do not progress through the Head Start pathway. In 2026, Ōtorohanga District Council participated in the Government's voluntary Head Start pathway, and together with Waitomo District Council, submitted an outline proposal supporting the establishment of a joint unitary model for the King Country. The proposal was developed in response to the Government's invitation for councils to put forward locally led reorganisation arrangements ahead of broader local government reform.

As announced by the Government on 24 September 2026, Cabinet is expected to consider Head Start proposals in early 2027. If a proposal is endorsed, further detailed analysis, consultation, design work, and Government approvals would be required before any legislative changes are considered. The

Government has indicated that any approved Head Start changes are intended to be implemented prior to the 2028 local elections.

Backstop Process

If the Council's Head Start proposal is not accepted, or if no final proposal is approved, the Council may be subject to the Government's backstop reform process. The Government has indicated that councils not progressing through the Head Start pathway will be considered through a compulsory reform process following the 2028 local elections. The detailed design of this process has not yet been confirmed.

As a result, there remains significant uncertainty regarding the future structure of local government in the King Country and any potential impacts on the Council's governance, operations, assets, liabilities, revenue, and expenditures. No reliable estimate of any financial effect can currently be made.

22. FINANCIAL INSTRUMENTS

FINANCIAL INSTRUMENTS CATEGORIES

The following tables are comparisons of carrying amounts of the Council's financial assets and liabilities in each of the financial instrument categories.

FINANCIAL INSTRUMENTS	ACTUAL 2024/25 ($000)	ACTUAL 2025/26 ($000)
FINANCIAL ASSETS		
Amortised cost		
Cash and cash equivalents	1,217	346
Receivables from non-exchange transactions	4,137	6,348
Receivables from exchange transactions	284	284
Borrower Notes	100	-
Loan receivable	1,507	-
Total amortised cost	**7,245**	**6,978**
Fair value through other comprehensive revenue (FVTOCRE)		
Listed shares	-	-
Unlisted shares	9,020	9,826
Total FVTOCRE	**9,020**	**9,826**
FINANCIAL LIABILITIES		
Financial liabilities at amortised cost		
Payables under exchange transactions	3,651	3,396
Borrowings:		
• secured loans	12,448	15,448
Total financial liabilities at amortised cost	**16,099**	**18,844**

ADDITIONAL INFORMATION IN RELATION TO SUBSEQUENT MEASUREMENT CLASSIFICATION ASSESSMENT

PBE IPSAS 41 requires equity instruments to be classified at FVTSD. However, it permits entities to make an irrevocable election on transition to PBE IPSAS 41 to subsequently measure at FVTOCRE if the shares are not held for trading. The Council has elected to subsequently measure all of its shares at FVTOCRE.

Ōtorohanga District Council has a series of policies to manage the risks associated with financial instruments. ŌDC is risk averse and seeks to minimise exposure from its treasury activities. ŌDC has established Council approved Liability Management and Investment policies. These policies do not allow any transactions that are speculative in nature to be entered into.

Credit risk
The Council is exposed to credit risk as a guarantor of all of NZLGFA's borrowings. Information about this exposure is explained in note 19.

Liquidity risk
The Council is exposed to liquidity risk as a guarantor of all of NZLGFA's borrowings. This guarantee becomes callable in the event of the NZLGFA failing to pay its borrowings when they fall due. Information about this exposure is explained in note 19.

23. EXPLANATION OF MAJOR VARIANCES AGAINST BUDGET

Explanations for major variations from the Council estimate figures in the 2024/34 Long Term Plan are as follows:

STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES

Subsidies were $4,835,000 over budget. This is due to the additional funding that was provided for repairs as a result of the October storm damage and the damage coming from the February flooding event.

Other income is over budget by $1,069,000. This relates to vested assets of $675,000 for land vested as part of the rural park. It also relates to additional income as a result of the weather event, including donations to the Mayoral Relief Fund as well as on-charging of costs associated with the response.

Other expenses is over budget by $4,953,000. This is mostly related to road maintenance increase due to the weather events, as well as costs associated with responding and recovering from the weather events.

Employee benefit expenses was down on budget by $523,000. This related to some jobs being budgeted for which were not filled for the entire year, as well as some vacancies that took some time to fill.

Depreciation and amortisation was $714,000 above budget. This reflects both additional depreciation for new assets acquired in the 2024/25 financial year after the budgets were finalised and 2025/26 financial year additions. There was also additional depreciation due to the revaluation of the roading assets in 2024/25, which was higher than reflected in the budgets.

Other Comprehensive Revenue and Expenses is below budget by $5,663,000. This is due to the budgeted revaluation of 3 waters assets not being as high as was projected during the budgeting process

BALANCE SHEET

Receivables from non-exchange transactions are $4,227,000 over budget due to the timing of invoicing and payments of some larger debtors, including subsidy claims for NZTA subsidy. The larger NZTA subsidy relates to claims for the weather event roading damage. There is also an amount owing from Waikato Waters Limited for our share of the establishment costs.

Investments are $1,942,000 above budget due to an increase in unlisted share value. The bulk of this increase is in the value of the Waikato Regional Airport Limited shares.

Property, plant and equipment is above budget by $16,288,000 due to the revaluation of roading assets in the prior year, which was not included in the budget at the level of increase that occurred.



Payables under exchange transactions is $634,000 above budget. This is due to the timing of payments at year end, particularly as there were some significant capital projects that were on-going at year end.

Borrowings is up on budget by $6,000,000 due to the loans being taken during the year being for a larger amount than was budgeted. This was a combination of being over budget in the prior year, as well as additional borrowing taken to cover the timing for the weather event repairs, where the work was paid for prior to subsidy or insurance claim revenue being received.

Revaluation reserves were above budget by $14,072,000 due to the revaluation of roading assets in the prior year being completed after the budgets were done, plus the revaluation of 3 waters assets in the current year.

STATEMENT OF CASH FLOWS

Cash flows from operating activities was below budget by $1,596,000, mostly because of increased payments to suppliers and employees of $4,738,000, offset by additional receipts from other revenue of $3,452,000.

Cash flows from investing activities is below budget by $2,966,000, mostly due to the timing of capital projects and the decreased work done.

Cash flows from financing activities is $225,000 below budget. This is due to borrowings not being required to be as much as originally budgeted. As budgets are set prior to the completion of the prior year, the budgeted cashflow from borrowings was for a $3,225,000 increase, of which $3,000,000 was borrowed. However, the balance sheet balance of the loans is $6,000,000 over the budgeted balance on the balance sheet because of borrowings in the prior year after the budget for 2025/26 was completed.

FINANCIAL INVOLVEMENT IN

COUNCIL CONTROLLED ORGANISATIONS (CCO'S)

WAIKATO REGIONAL AIRPORT LIMITED

Established in 1989, Waikato Regional Airport Limited (WRAL) operates the Airport situated at Rukuhia within Waipā District. The local authority part owners negotiated the purchase of the Crown's former shareholding to secure the retention of the airport as a major infrastructural facility important to the economy of the Waikato.

The objective of the airport company is to operate a successful commercial business, providing safe, appropriate and efficient services for the transportation of people and freight in and out of the airport of Hamilton.

> Council holds 3.125% of the airport company's shares. The remaining shares are owned by Hamilton City Council, Matamata-Piako, Waipa and Waikato District Councils.

Waikato Regional Airport Ltd Group reported total comprehensive revenue and expenses of $14,219,000 surplus for the year ended 30 June 2026 (2025: $29,614,000 surplus).

A total dividend to all shareholders of $450,000 was paid in 2025/26 (2024/25: no dividend).

Council intends to maintain its current shareholding for the foreseeable future. There are no formal policies or objectives relating to ownership and control of Waikato Regional Airport.

A comparison of the company's unaudited financial and performance measures for the year ended 30 June 2026 is summarised below:

KEY PERFORMANCE TARGETS - FINANCIAL	ACTUAL 30 JUNE 26	STATEMENT OF CORPORATE INTENT
CONSOLIDATED COMPANY FORECAST:		
Earnings before interest, taxation & depreciation (EBITDA) excluding land sales	$7.861M	$6M
EBITDA including land sales	$7.861M	$6M
Net profit before tax (no less than)	$13.512M	$3M
Net operating cash flow excluding land sales	$3.282M	$4.5M
Net debt a maximum of	$62.600M	$70M
PARENT COMPANY OPERATIONS ONLY:		
Percentage of non- landing charges revenue	48%	50%

For non-financial performance measures results for this year please refer to the Annual Report on the WRAL website.

WAIKATO LOCAL AUTHORITIES SHARED SERVICES[79]

Incorporated in December 2005, Waikato Local Authority Shared Service Ltd (WLASS) was developed as a joint initiative between the 13 councils of the Waikato region. Its evolution can be traced from a range of

[79] Known as Co-LAB.

projects that were implemented between local councils. These projects highlighted the benefits of a jointly owned governance structure to provide an opportunity for collaborative management and development. Central government devolution, closer working relationships between councils and a desire to benefit from cost saving opportunities offered by jointly progressing shared initiatives have fostered more efficient services.

The objective of WLASS is to provide Waikato local authorities with a vehicle to develop shared services that demonstrate a benefit to the ratepayers and provide those services to local authorities. Council has a 0.26% ownership interest in WLASS.

WLASS provides an effective structure that can promote such developments to the benefit of those councils that choose to be actively involved in a particular joint service. Each council owns an equal number of shares in WLASS and as such has an equal say in its development.

The WLASS governance structure enables the directors appointed by the shareholders to decide on the future direction of those services that will be promoted under its auspices. Any such services will be operated as a stand-alone business unit with an advisory group appointed by the shareholders participating in that service to provide direction but answerable to the directors.

A comparison of the company's audited financial and performance measures for the year ended 30 June 2026 is summarised below:

KEY PERFORMANCE TARGETS - FINANCIAL	ACTUAL 30 JUNE 26	STATEMENT OF CORPORATE INTENT
Surplus/(deficit) before tax	$0.354M	$0.177M
Net operating cash flow	$2.604M	($0.354M)

The contingent liability arising from ŌDC's interest is disclosed in note 19. There are no capital commitments arising from ŌDC's interest in the WLASS.

For non-financial performance measures results for this year please refer to the Annual Report on the WLASS website.

NEW ZEALAND LOCAL GOVERNMENT FUNDING AGENCY

New Zealand Local Government Funding Agency Limited (LGFA) was incorporated in December 2011 with the purpose of providing debt funding to local authorities in New Zealand and it has a current rating from Standard and Poor's of AA+.

Council became a shareholder in the LGFA along with 29 other local authorities and the New Zealand Government. Council contributed $100,000 for its shareholding in LGFA.

Four performance targets are specified for LGFA in the Statement of Intent. Performance against each of these targets for 30 June 2026 is presented below[80].

PERFORMANCE TARGETS	2025-2026 TARGET	PERFORMANCE TO 30 JUNE 2026
Comply with the Shareholder Foundation Polices and the Board approved Treasury Policy at all times.	No breaches.	No Foundation Policy breaches occurred. A Treasury Policy counterparty settlement limit was marginally exceeded due to NZD/EUR movements increasing the settlement exposure associated with the hedging of a EUR-denominated bond.
Maintain LGFA's credit rating equal to the New Zealand Government sovereign rating where both entities are rated by the same Rating Agency.	LGFA credit ratings equivalent to NZ Sovereign.	Achieved. Our credit ratings remain equivalent to those of the New Zealand Government from both S&P Global Ratings and Fitch Ratings. In February 2026, S&P Global Ratings affirmed our domestic currency credit rating at AAA. In March 2026, Fitch Ratings revised LGFA's our rating outlook to Negative following its sovereign rating action, while affirming the AA+ credit rating.
LGFA's total operating income (excluding unrealised gains/(losses) on financial instruments, for the year to 30 June 2026.	>$44.7 million.	Achieved. $53.4 million as at 30 June 2026, excluding unrealised gains and losses on hedged foreign currency issuance.
LGFA's total operating expenses (excluding AIL) for the year to 30 June 2026.	<$12.1 million.	Not achieved. $13.0 million as at June 2026 (excluding AIL).

For further financial and non-financial performance results for this year please refer to the LGFA' Annual Report on its website.

[80] Source: https://api.nzx.com/public/announcement/457720/attachment/450796/457720-450796.pdf page 39.

ANNUAL REPORT DISCLOSURE STATEMENT

FOR THE YEAR ENDING 30 JUNE 2026

PURPOSE

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

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

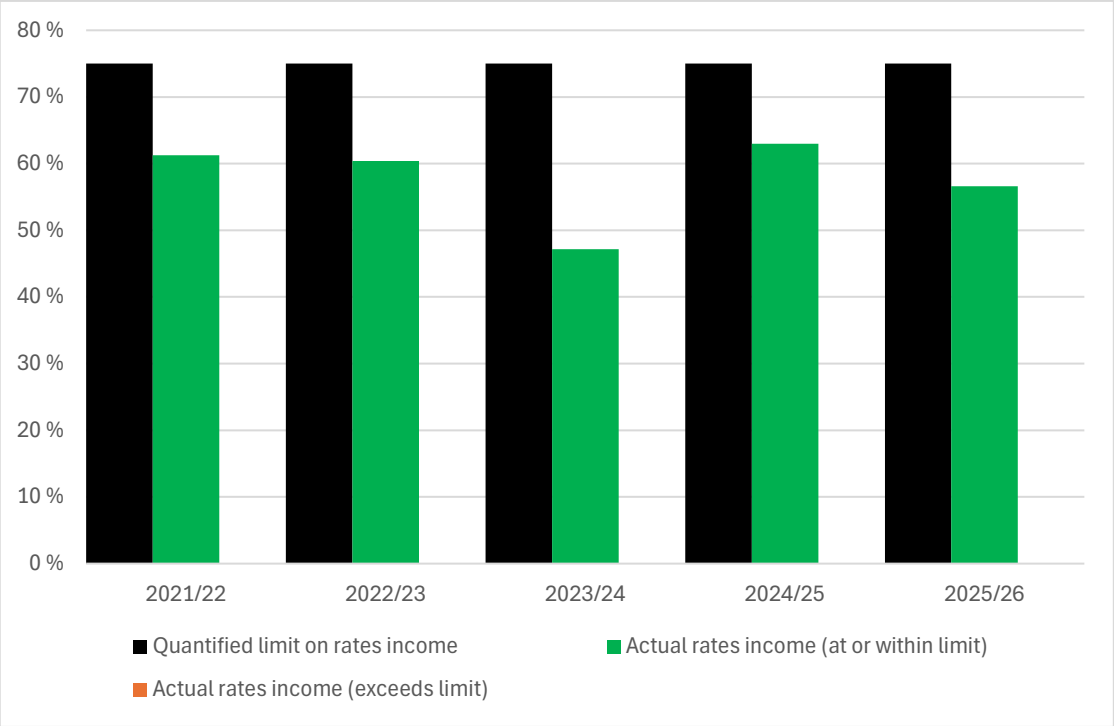
RATES AFFORDABILITY BENCHMARK

The council meets the rates affordability benchmark if:

- Its actual rates income equals or is less than each quantified limit on rates; and
- Its actual rates increases equal or are less than each quantified limit on rates increases.

RATES (INCOME) AFFORDABILITY

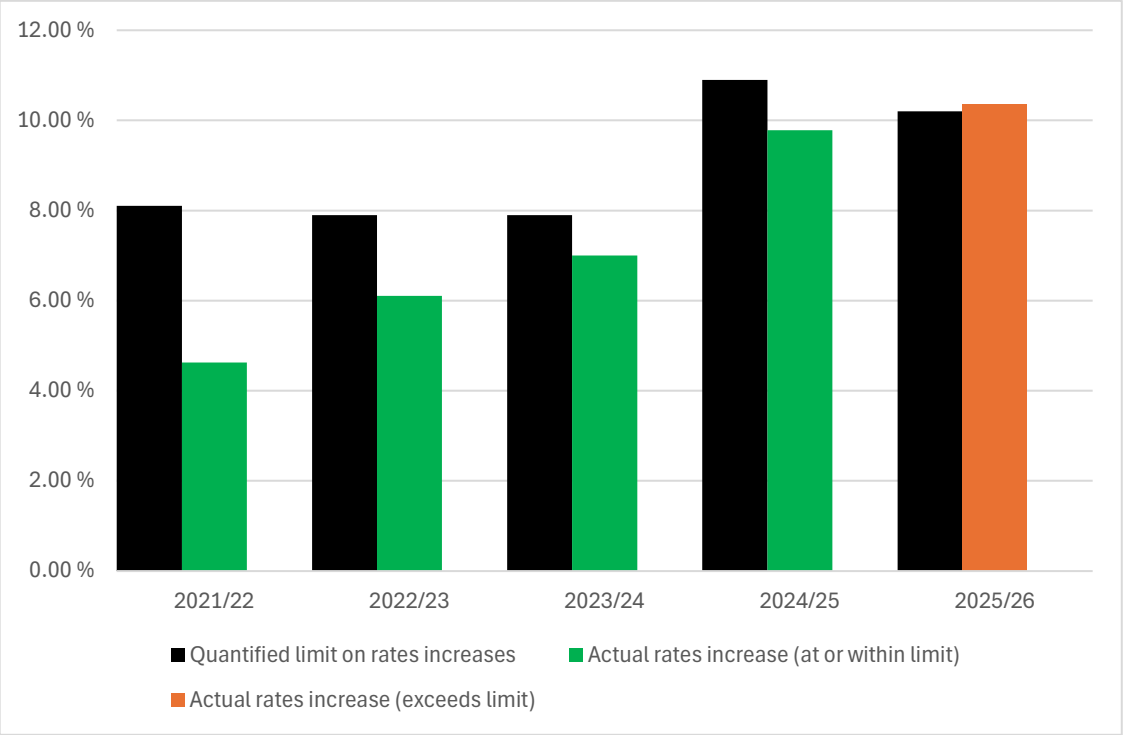
The following graph compares the council's actual rates income with a quantified limit on rates contained in the financial strategy included in the council's long-term plan. The quantified limit is 75% of total council revenue.



RATES (INCREASES) AFFORDABILITY

The following graph compares the council's actual rates increases with a quantified limit on rates increases included in the financial strategy in the council's long-term plan. The quantified limit is LGCI plus 2%. For the actual figures used refer to the council's long-term plan.

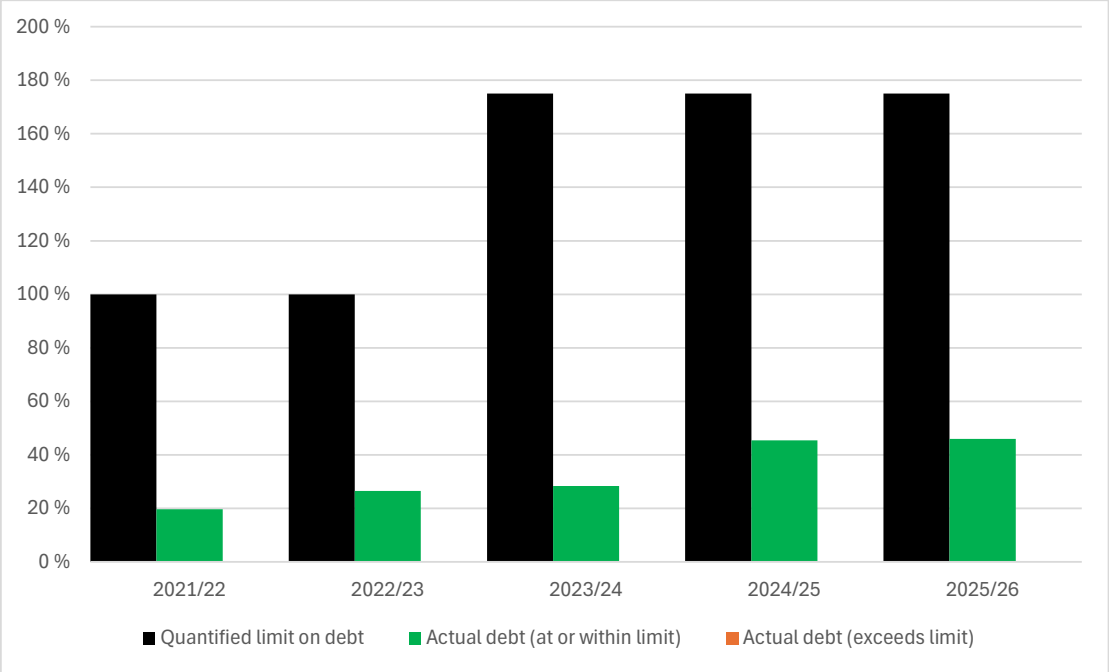
The 2025/26 year increase relates to an increase in metered water revenue over the prior year, which was due to an increase in consumption rather than an increase in the charges.



DEBT AFFORDABILITY BENCHMARK

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

The following graph compares the council's actual borrowing with a quantified limit on borrowing stated in the financial strategy included in the council's long-term plan. The quantified limit is borrowing cannot exceed 175% of total revenue.



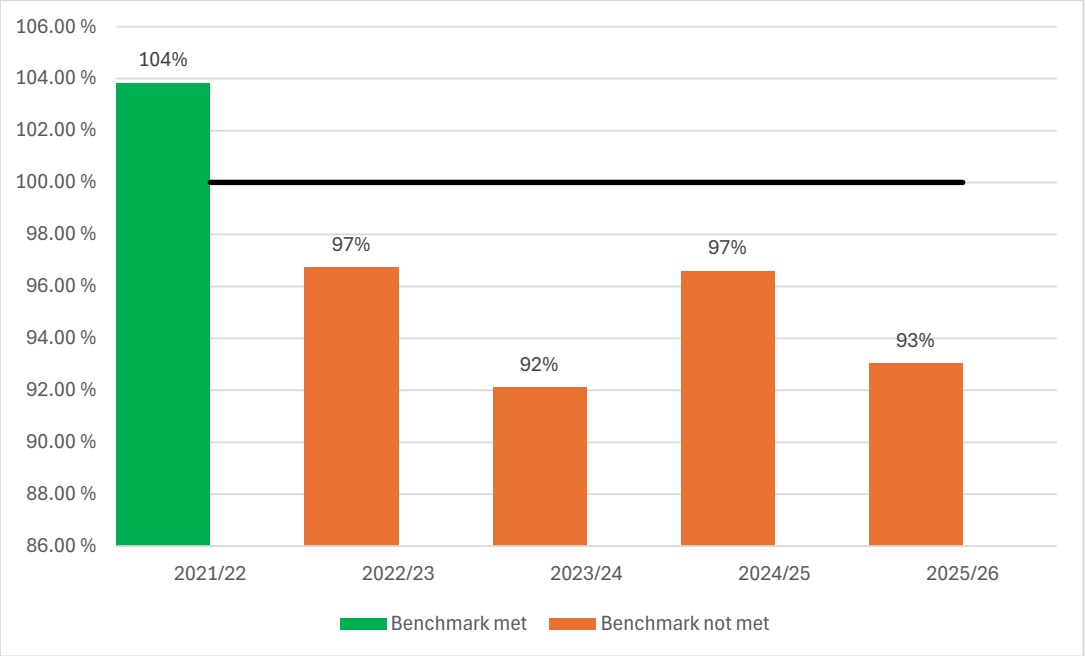
BALANCED BUDGET BENCHMARK

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

The decrease in the 2022/23 year relates to increased depreciation due to the revaluation of the 3 waters and roading assets in the 2021/22 year, which impacted on the 2022/23 year after the budget was set for the year. The decrease in the 2023/24 year again relates to increased depreciation from the revaluation of 3 waters assets in the 2022/23 year after the budgets were set.

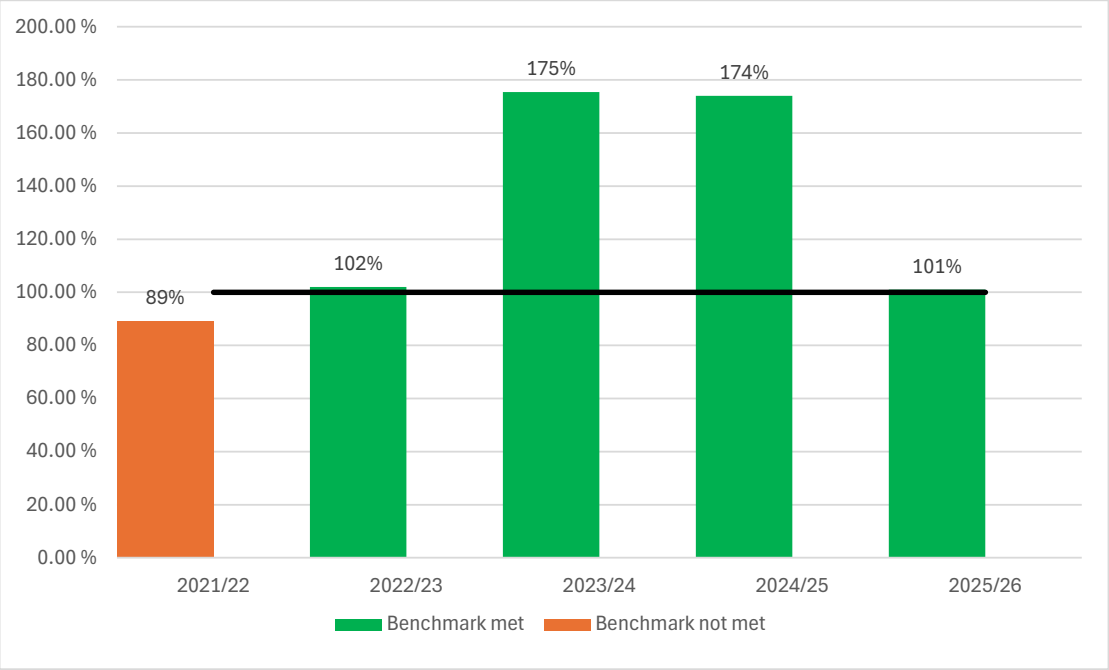
The decrease in the 2024/25 year relates in large part to the reduction in the subsidy funding received from NZTA as part of the new National Land Transport Programme. This reduced funding means that less capital work could be done, compared to the planned works.

The decrease in the 2025/26 year relates to an increase as a result of the revaluation of the Roading assets at the end of the prior year. It also relates to some increased expenditure as a result of the flooding event in February 2026.



ESSENTIAL SERVICES BENCHMARK

The following graph displays the council's capital expenditure on network services as a proportion of depreciation on network services. The council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.

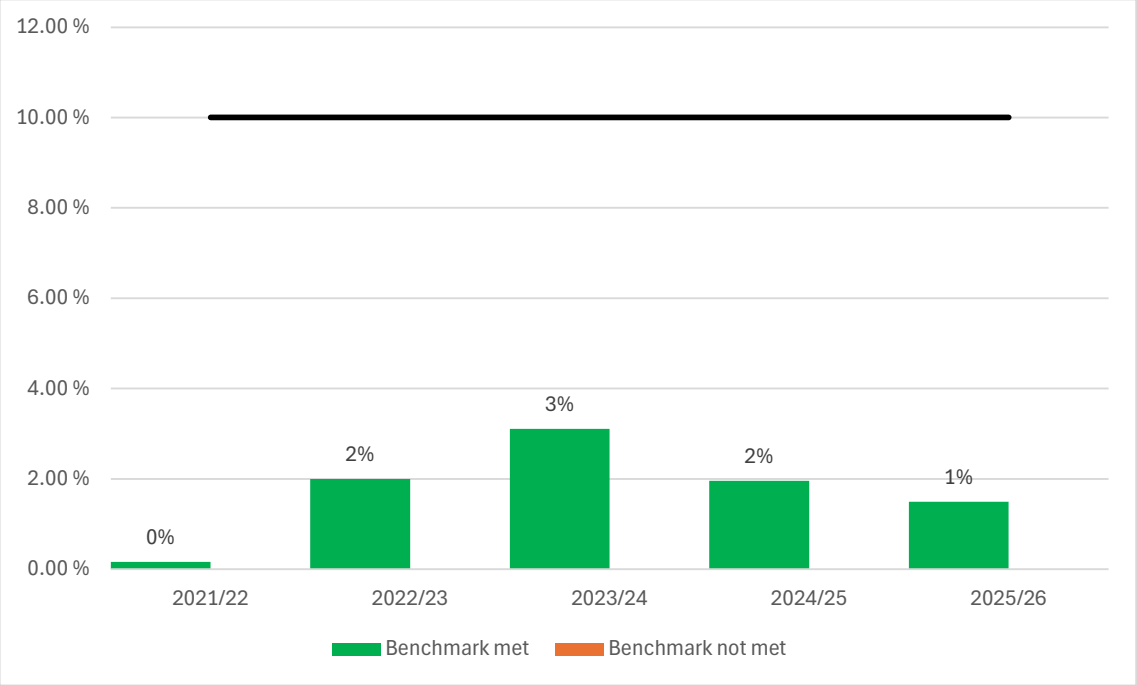


Due to the nature of capital expenditure, these movements relate to the timing of work being completed or carried over as work in progress. On average for the last 5 years the capital expenditure against depreciation for essential services has been 128.2%.

DEBT SERVICING BENCHMARK

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

Because Statistics New Zealand projects the council's population will grow more slowly than the national population growth rate, it meets the debt servicing benchmark if its borrowing costs equal or are less than 10% of its revenue.

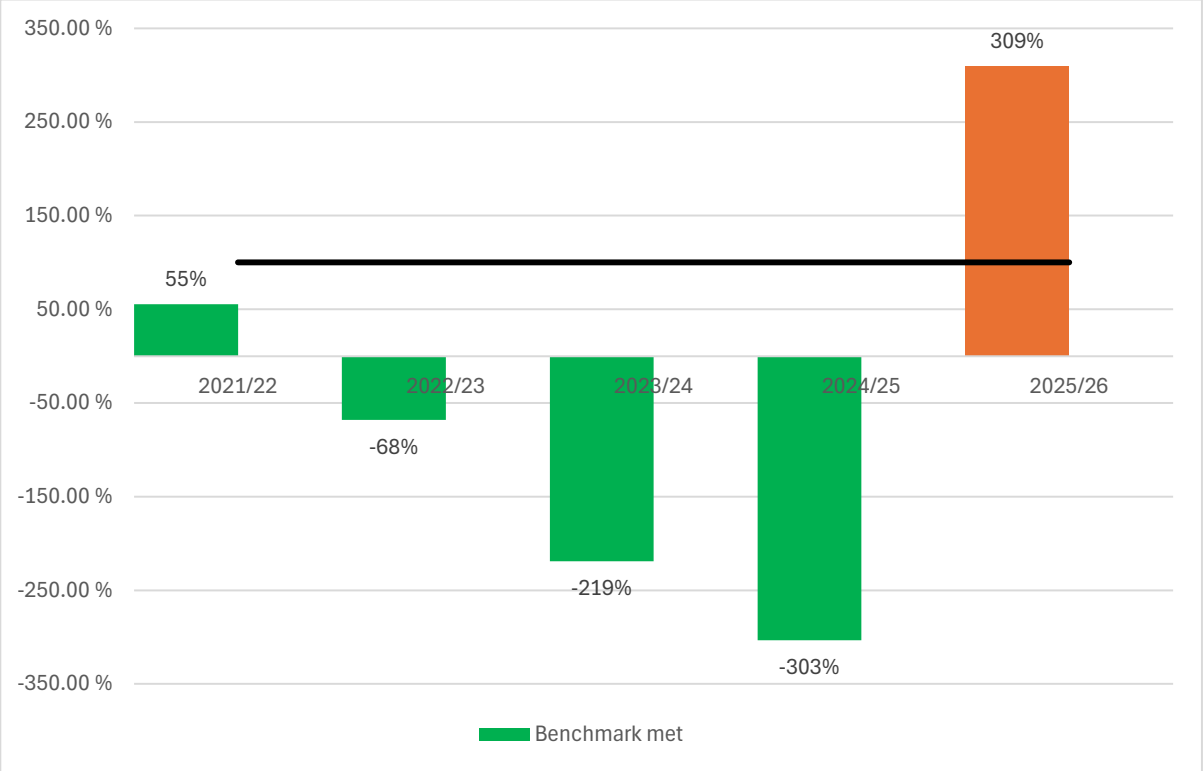


DEBT CONTROL BENCHMARK

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

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

In 2025/26, the Council breached the debt control benchmark because of the weather events in October 2025 and February 2026. Council borrowed some additional funds to cover the difference of timing between repairing assets and receiving funds from either insurance claims or subsidies for roading repairs.



OPERATIONS CONTROL BENCHMARK

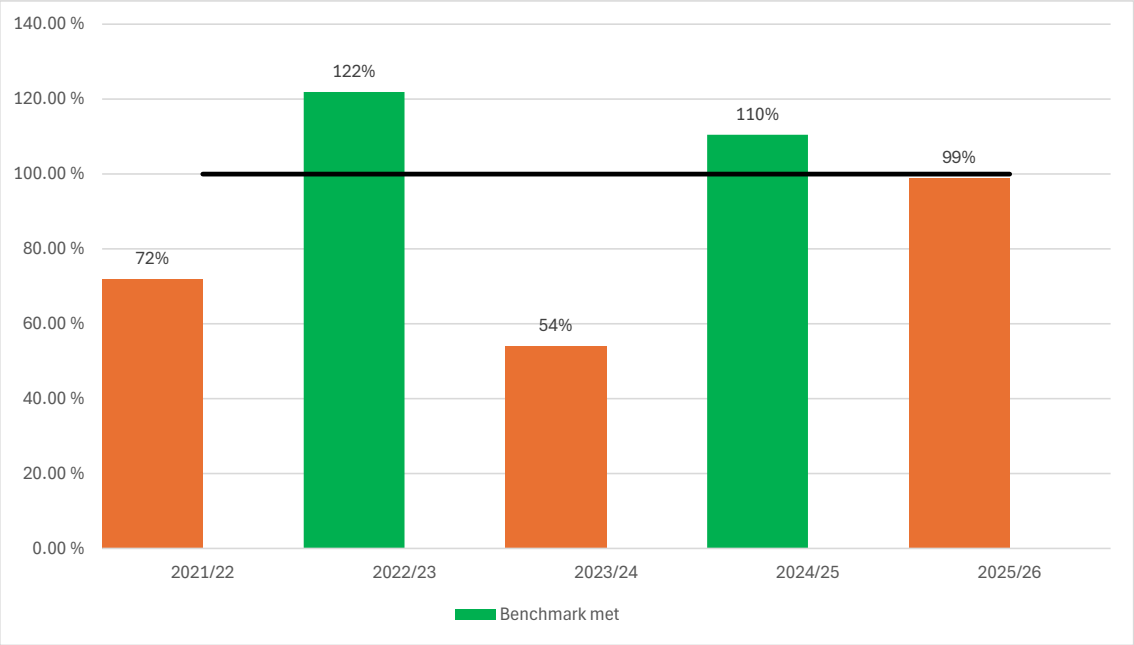
This graph displays the council's actual net cash flow from operations as a proportion of its planned net cash flow from operations.

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

The operations control benchmark was not achieved in the 2021/22 related to reduced income from other receipts. This related to roading work being carried over into the 2022/23 year, and the associated reduction in subsidies received as they are also carried over into the 2022/23 year.

The operations control benchmark was not achieved in 2023/24 due to reduced income from rates receipts, offset by increased payments to suppliers and staff.

The benchmark was not achieved in 2025/26 due to the weather event in February and the associated unbudgeted costs of responding to the emergency event.



LOCAL GOVERNMENT ACT DISCLOSURES

RATING BASE INFORMATION

Under the Local Government Act 2002, Council is required to disclose the following information:

RATING BASE INFORMATION	2025/26
Number of rating units	5,619
Total Capital value of rating units	$6,757,590,400
Total Land value of rating units	$4,455,125,250

INSURANCE

CONTINGENT LIABILITIES	CARRYING VALUE 30 JUNE 2026 ($000)	COVERED BY INSURANCE CONTRACTS ($000)	COVERED BY FINANCIAL RISK SHARING ARRANGEMENT ($000)	COVERED BY SELF INSURANCE ($000)
Total assets covered	98,411	92,495	-	-

Please note for motor vehicles the cover is up to $400,000 for any one vehicle, and $20,000,000 for Third Party Liability in any one accident. The covered by insurance contracts figure above includes $400,000, not the $20,000,000.

The variance between the carrying value and the insurance cover relates to the revaluation of water assets at 30 June, which has pushed the value above the current insurance cover. As this insurance renews in November, these assets will be covered by the new insurance.

INTERNAL BORROWINGS

Under the Local Government Act 2002, Council is required to disclose the following information:

INTERNAL BORROWINGS	OPENING BALANCE 2025/26	BORROWED 2025/26	REPAID 2025/26	CLOSING BALANCE 2025/26	INTEREST 2025/26
Trusted Leadership and Relationships	2,035	66	93	2,008	57
Strong Communities	-	489	-	489	
Vibrant Places and Spaces	1,790	78	111	1,757	50
Sustainable Development & Public Safety	-	51	-	51	
Resilient Infrastructure:					
• Land Transport	1,297	-	301	996	36
• Wastewater	6,713	364	214	6,863	188
• Water Supply	4,665	243	214	4,694	131
• Stormwater	313	26	42	297	9
• Flood Protection	375	4	27	352	11
Responsible Waste Management	58	-	14	44	2

AUDIT REPORT



TE KAUNIHERA Ā-ROHE O
ŌTOROHANGA
DISTRICT COUNCIL

OTHER INFORMATION

- ABOUT US
- MAYOR AND COUNCILLORS
- COUNCIL DIRECTORY



ABOUT US

Small in size but rich in history, Ōtorohanga District stretches 90 kilometres from the Tasman Sea in the west to the Waikato River in the east – an area of 1,976 square kilometres. Our near neighbours are the districts of Waipā to the North, Waitomo to the South and Taupō and South Waikato in the East.

Our high value natural habitats, landscapes and ecosystems and erosion prone hill country need particular care.

GEOGRAPHY

Around 30 kilometres wide, the district is relatively narrow with two distinct landscapes:

- In the west[81] rugged hill country and harbours dominate
- In the east the district's rolling lowlands are part of the Waipā river catchment - the single largest tributary of the Waikato River.

Historically significant, Kāwhia was the final landing place of the Tainui waka.

SETTLEMENT

Ōtorohanga District falls within the rohe of a number of iwi – Maniapoto, Raukawa and Ngāti Hikairo. There are also prominent iwi and hapū including Ngāti Apakura, Ngāti Mahuta, Ngāti Wehi and Te Patupō, with approximately 17 marae located in different parts of the district

Roads are our backbone and disruption affects resilience.

Today the district population is largely rurally based (69.9%[82]), supported by the two main urban areas - Ōtorohanga township and the Aotea/Kāwhia community.

POPULATION

We're one of the most youthful populations in the Waikato.

District population in 2023 was estimated to be 10,900, up 0.9% from a year earlier[83]. Figures for that same year show that the district's dependency ratio was 60.7% - higher than the New Zealand ratio (54%). This elevated ratio reflects both the slightly higher proportion of residents aged 65 years and older (17%; cf. New Zealand 16.5%) and higher proportion of young people aged under 15 years (20.6%; cf New Zealand 18.5%)[84].

Greater understanding between ŌDC and iwi, hapū and marae open future opportunities.

Nearly 30% of the district population identify as of Māori decent (cf. New Zealand – 16.5%) and 11.3% of residents were born overseas[85].

We're growing but it's gradual.

Population growth is expected to continue albeit gradually. By 2048, resident population is projected to be 12,656[86]

ECONOMY

Agriculture, forestry and fishing dominate the local economy.

Primary industries account for almost 50% of district's GDP[87]. Rental, hiring and real estate is the next largest sector making up just under 22%.

81 Waikato Regional Council, West Coast Zone Plan, 2016, pages 11 - 13

82 WSP, Ōtorohanga Town Concept Plan (Final), October 2022, page 52.

83 Source: Infometrics

84 Ibid

85 Ibid

86 Under a medium variant scenario. Refer: Waikato Regional Council Technical Report 2021/22, 2018-base Population, Family and Household, and Labour Force Projections for the Waikato Region, 2018-2068.

87 According to Infometrics, 45.9% in 2022 (Cf New Zealand 10.7%).

Ongoing support/ promotion is wanted for businesses.

In 2023, there were 2,019 businesses operating in the district up 0.9% from the previous year (cf. New Zealand 1.7%). The average number of employees was 2.3 per business in 2023 (cf. 2.6 in 2013).

The Māori economy is growing and iwi and post settlement governance entities are expected to play a major role in New Zealand's financial future. While local data is limited, anecdotally it is thought Māori businesses have an important contribution to make to district growth.

People's worries include money, jobs,food, petrol, technology and housing

In the year to March 2023, mean annual earnings in Ōtorohanga District were $64,186 (cf. New Zealand $74,754). The district's dependency ratio (discussed above) may in part contribute to the lower-than-average earnings.

HOUSING[88]

Demand for public and emergency housing has grown dramatically in since 2018 but supply has remained static.

Like other New Zealand communities, the availability, affordability and quality of housing is an issue for Ōtorohanga District. With almost 60% of houses built prior to 1980, over a quarter of the population are living in damp and/or mouldy dwellings. Other uncomfortable trends are:

- The cost of housing relative to income which is rising at a much higher rate than median incomes
- The current shortfall in the availability of houses. Looking ahead, in line with district growth, an additional 281 homes are estimated to be needed by 2043.

CLIMATE CHANGE

Extreme weather events (wet and dry) are likely to become regular.

The west coast is vulnerable to increased flooding and coastal inundation due to predicted sea level rise.

Maintenance of the Waipā stopbanks are important.

Over the medium to long-term the district can expect[89]:

- An increase in the frequency and intensity of storm events
- Higher temperatures
- Rising sea level (1.0 metre rise for Kāwhia/Aotea over the next 100 years)
- A change in rainfall patterns, with a 5% increase in rainfall intensity, producing more extreme weather events and increased drought events.

WELLBEING

Residents value their environment and have urged Council to keep supporting actions that care for te taiao (environment).

Bring Waiwaia (wellbeing) back to the Waipā awa (river).

The need for a multipurpose facility was often mentioned. Young people also thought an age-appropriate park suitable for older teenagers was needed.

While generally satisfied with their local environment (72%), a 2019 study of Waikato residents reported that just under half of respondents felt that its state had declined in recent years[90]. Water pollution from towns and cities and the spread urban areas across farmland were issues of particular concern for Ōtorohanga respondents. This finding is reinforced in our recent engagement with district residents. Caring for the moana (sea) and the awa (rivers) were frequently mentioned themes.

Overall people are satisfied with the network of green, open spaces throughout the district. However, needs are changing and community facilities - venues, sports grounds and open spaces - need to be flexible to cater for the new and emerging demands.

Art, culture and heritage are important components of wellbeing. People we talked to were keen to see support for events that create colour and social cohesion. Ongoing adult learning was also valued along with supporting our international community members.

---

88 Source: Ōtorohanga Housing Group, Homes for our Community, Draft Ōtorohanga District Housing Plan, Dec 2022.

89 Envirostrat & AECOM, 2020, Report prepared for Waikato Regional Council, Waikato Region Greenhouse Gas Emissions Inventory for the period July 2018 to June 2019, page 6.

90 Versus Research for Waikato Regional Council, Your Environment-What Matters: A Survey of Residents of the Waikato Region, May 2019, page 2.

TŌ TĀTOU KOROMATUA ME NGĀ KAIKAUNIHERA

YOUR MAYOR AND COUNCILLORS

HIS WORSHIP THE MAYOR RODNEY DOW



MAYOR I KAHIKA

07 873 4333

mayor@otodc.govt.nz

www.otodc.govt.nz

OUR COUNCILLORS

KATRINA CHRISTISON
DEPUTY MAYOR I KAHIKA KAITIRIWĀ

021 153 0774

DeputyMayor@otodc.govt.nz



TAYLA BARCLAY
COUNCILLOR I KAIKAUNIHERA ŌTOROHANGA

027 385 1370

Tayla.barclay@otodc.govt.nz



ANDREW BARKER
COUNCILLOR I KAIKAUNIHERA KIO KIO-KORAKONUI

027 570 4002

andrewbarker@otodc.govt.nz



JO BUTCHER
COUNCILLOR I KAIKAUNIHERA KĀWHIA-TIHIROA

027 500 8800

jobutcher@otodc.govt.nz



SHANE CARR
COUNCILLOR I KAIKAUNIHERA WHAREPŪHUNGA

027 250 3660

shanecarr@otodc.govt.nz



KIT JEFFRIES
COUNCILLOR I KAIKAUNIHERA KĀWHIA-TIHIROA

021 226 4904

kitjeffries@otodc.govt.nz



TENILLE KETE
COUNCILLOR I KAIKAUNIHERA
RANGIĀTEA

021 173 9242

tenille.kete@otodc.govt.nz



JAIMEE TAMAKI
COUNCILLOR I KAIKAUNIHERA
RANGIĀTEA

027 203 7930

jaimeetamaki@otodc.govt.nz



MICHAEL WOODWARD
COUNCILLOR I KAIKAUNIHERA
WAIPĀ

021 360 605

michaelwoodward@otodc.govt.nz



COUNCIL DIRECTORY

Postal Address:	PO Box 11, Ōtorohanga 3940
Council Chambers:	Maniapoto Street, Ōtorohanga
Telephone Number:	07 - 873 4000
0800 Number:	0800 734 000
Email:	Info@otodc.govt.nz
Bankers:	Bank of New Zealand
Auditors:	Bruno Dente for Deloitte Limited On behalf of the Office of the Auditor General
Solicitors:	Gallie Miles, Te Awamutu Tompkins Wake, Hamilton

Information only reports

Ngā pūrongo mōhiohio anake

Reports in this section are provided for information only.

Item xx	2026/25 Annual Survey and Implementation Plan.
To	Ōtorohanga District Council
From	Nardia Gower Group Manager Strategy and Community.
Type	**INFORMATION REPORT**
Date	27 October 2026



1. Purpose | Te kaupapa

1.1. To inform elected members on the results and improvement plans of the 2025/26 Annual Resident, Annual Library, Annual Older Persons' Housing, and Annual Māori Leaders Relationship surveys.

2. Executive summary | Whakarāpopoto matua

2.1. Ōtorohanga District Council (ŌDC/Council) undertakes four annual surveys - Residents, Library Users, Housing for Older Persons, and Māori Leaders - to report on the five service performance measures set through the Long-Term Plan 2024–2034.

2.2. The 2025/26 Annual Survey Report and Improvement Plan (the Report) is attached as Appendix 1. Results were mixed, with increased satisfaction in the quality and variety of parks and reserves, trust in Council, and library services. Satisfaction decreased for communication, overall Council performance, kerbside rubbish and recycling, and Māori leaders' trust in Council. The separate measure of Māori leaders rating their relationship with Council is the same or better than the previous year remained at 100%, excluding "I don't know" responses.

2.3. Feedback continues to reflect themes raised in previous years, including the cost of rubbish bags, the need for clearer and more timely communication, greater transparency and community involvement in decisions, and increased Council visibility. This year's survey also highlighted concerns about the transition to the new kerbside collection contract, particularly the communication and clarity of the new arrangements.

2.4. Participation decreased in the Resident, Library and Māori Leaders surveys, while increasing in the Housing for Older Persons Survey. The relatively small response numbers mean caution is needed when interpreting results and year-on-year changes. Council's responses to the feedback are outlined in the Report through an integrated improvement plan, reflecting actions underway or achievable within current budgets and resources.

2.5. The Report will be published on the ŌDC website and shared through Council's communication channels following the Council meeting. The findings will also inform future consideration of the annual survey approach, including whether a more targeted survey and periodic in-depth review would provide a more effective way to measure community satisfaction.

3. Staff recommendation | Tūtohutanga a ngā kaimahi

That Ōtorohanga District Council **receive** the report titled '2024/25 Annual Survey and Implementation Plan' by Nardia Gower, Group Manager Strategy and Community.

4. Discussion | He kōrerorero

4.1. Through the development of the Long-Term Plan 2024–2034 (LTP), Council agreed a set of service performance measures that require the annual surveying of residents, tenants living in ŌDC housing, library users, and Māori leaders. Progress against these measures is reported each year through the Annual Report. Specifically, the LTP requires Council to measure and report on:

- the percentage of residents satisfied with Council communication,
- the percentage of residents satisfied with the variety and quality of parks and reserves,
- the percentage of tenants satisfied with the comfort and safety of their housing unit,
- the percentage of library users satisfied with library services, and
- whether Māori leaders rate their relationship with Council as good or better than the previous year.

4.2. While the performance framework includes five required measures, the annual survey process provides a broader opportunity to understand community sentiment. Each survey also explores wider perceptions of Council services, assets, performance, and the quality of key relationships. These insights help ŌDC identify emerging issues, assess year-on-year trends, and prioritise improvements where they will make the most difference to the community.

4.3. To ensure each targeted group is appropriately represented, four distinct annual surveys are undertaken:

- Annual Resident Survey
- Annual Library Survey
- Annual Housing for Older Persons Survey
- Annual Māori Leaders Relationship Survey.

4.4. The survey presented in this report is the fifth set of annual surveys undertaken and the second within the three-year Long-Term Plan 2024–2034 service performance cycle.

25/26 Annual Survey Report

4.5. The attached Survey Report outlines the methodology, margin of error, data results, and qualitative feedback from the four annual surveys undertaken. The improvement plan has been fully integrated

into the body of the Report to make it easier for the community to review the collective feedback alongside Council's planned response.

4.6. The 'Year-on-Year' comparison presented on page 7 excludes all "I don't know" responses. This ensures alignment and consistency with how results are reported in the audited Annual Report. Historical data for 2021/22 and 2022/23 has been recalculated accordingly, and a footnote is included for transparency.

4.7. The age profile of Resident Survey respondents shifted from the previous year. Residents aged 65+ accounted for 31.7% of respondents, down from 38.7% in 2024/25, while those aged 30–50 were the largest respondent group at 34.1%.

4.8. Satisfaction results were mixed across the measures surveyed, with increases in satisfaction with parks and reserves, trust in Council, and library services, while decreases were recorded for communication, overall Council performance, kerbside rubbish and recycling, and Māori leaders' rating of their trust with Council. The measure of Māori leaders rating their relationship with Council as the same or better than the previous year has remained consistent at 100%, excluding respondents who selected "I don't know". This is a different measure to the one below of Trust of ŌDC by Māori Leaders. The 2025/26 satisfaction results are:

Measures	**25/26**	**24/25**
Kerbside Rubbish and Recycling	84.5%	97%
Communication	70.2%	76.3%
Quality of Parks and reserves	90.8%	87.3%
Variety of Parks and Reserves	91.9%	90.9%
Level of Trust in Council	82.2%	77.8%
Overall ŌDC Performance	86.2%	90%
Trust of ŌDC by Māori Leaders	90%	91 %
Libraries	100%	97.2%

Age Profile of Respondents (by survey year)
(Percentages reflect those who answered the question)

Age	**25/26** **Number of Submitters**	24/25 Number of Submitters	23/24 Number of Submitters	22/23 Number of Submitters	21/22 Number of Submitters
Under 16	**1 (0.8%)**	0	1 (0.7%)	0	0

16-20	**0**	3 (2.4%)	4 (3.0%)	4 (2.8%)	0
20-30	**7 (5.6%)**	6 (4.8%)	13 (9.6%)	10 (7%)	2 (4.4%)
30-50	**43 (34.1%)**	34 (27.4)	46 (34.1%)	63 (44.4%)	14 (31.1%)
50-65	**34 (27%)**	32 (25.8%)	34 (25.2%)	23 (16.2%)	9 (20%)
65+	**40 (31.7%)**	48 (38.7%)	27 (27.4%)	41 (28.9%)	20 (44.4%)
1 preferred not to say					

4.9. Four areas showed a slight decrease in satisfaction. The table below summarises the "unhappy to very unhappy" responses and key reasons for dissatisfaction, along with the breakdown by age demographic.

Category	Number of Submissions	Reasons for dissatisfaction
Communication	27 submitters 29.8%	• Over-reliance on social media and digital channels, with requests for more direct communication, letterbox drops and traditional channels. • Insufficient advance notice of service changes, closures and disruptions, particularly waste and recycling services. • Concerns about transparency, accountability and opportunities for community input before decisions are made. • Communication not consistently reaching rural and coastal communities or the people directly affected.
Kerbside Rubbish and Recycling	5 submitters 15.5%	Concerns about changes to the collection service and a preference for previous arrangements; the cost of rubbish bags alongside rates contributions; and insufficient clarity about bag colours, collection arrangements and the transition to the new contractor.
Level of trust in ŌDC	22 submitters 13.8%	• Concerns about Council decisions being made without sufficient community consultation or consideration of feedback. • Dissatisfaction with rates, spending priorities and the perceived value of services received, particularly in some rural and coastal communities.

		• Perceptions of limited Council visibility and engagement in some communities, alongside concerns about communication of significant changes. • Concerns about transparency, accountability and whether Council delivers on its commitments.
Trust of ŌDC by Māori Leaders	1 submitter 10%	While trust has been established with individual Council representatives, perceptions of bureaucracy, processes and red tape continue to affect trust in Council as an organisation.

4.10. Council's follow-up actions to all themed feedback—both satisfied and dissatisfied—are detailed in the Report under the sections titled 'What we're doing about it'.

Survey Response Levels and Margin of Error – year on year comparison:

Survey	25/26 Number of Submitters	25/26 Margin of Error	24/25 Number of Submitters	24/25 Margin of Error	23/24 Number of Submitters	23/24 Margin of Error	22/23 Number of Submitters	22/23 Margin of Error	21/22 Number of Submitters	21/22 Margin of Error
Residents	**126**	**9%**	128	9%	136	8%	144	8%	46	14%
Library	**142**	**8%**	157	7%	121	9%	81	10%	99	9%
Housing for Older Persons	**21**	**11%**	17	15%	16	16%	11	19%	14	19%
Māori Leaders	**10**	**25%**	12	17%	7	29%	8	33%	10	19%

4.11. To support high participation from Council's Older Persons' Housing tenants, Customer Experience staff visited each complex with morning tea and offered support to complete the survey.

4.12. The Māori Leaders Relationship Survey was sent only to recipients who have engaged directly with Council within the past 24 months. While survey-based feedback remains valuable, collecting this input via formal surveys continues to be challenging.

4.13. Since the peak of 144 submissions in 2022/23, the number of Annual Resident Survey respondents has decreased. This widens the margin of error and reduces confidence that results fully represent the broader population. It also increases the risk of over-interpreting small shifts year-on-year.

4.14. At the same time, the themes raised remain largely consistent across the past four years:

- Desire to reduce the cost of rubbish bags.
- Calls for greater transparency and timeliness in Council communication.

- Requests to use multiple communication channels, including direct communication rather than relying solely on social media.
- Desire for greater Council visibility and engagement, particularly in rural and coastal communities.
- Requests for more shade, seating, maintenance and upgrades in parks and reserves.
- Calls for greater community involvement in Council decisions and clearer explanations of how decisions are made.

4.15. Council's responses to this feedback reflect the work already underway, planned, or feasible within current budgets and resourcing levels.

Cost of rubbish bags

4.16. The cost of rubbish bags continues to be raised through the Annual Survey. The price of an official rubbish bag covers more than the bag itself; it contributes towards collecting, transporting and disposing of rubbish.

4.17. Under Council's current waste collection contract, the contractor supplies the bags and retains the revenue from bag sales, which helps offset the overall cost of providing the service. Reducing the bag price would reduce this revenue. Unless collection and disposal costs also decreased, the difference would need to be funded through a higher Council contract payment, ultimately increasing the amount funded through rates.

4.18. Council's current user-pays approach means households contribute to the cost of rubbish disposal based on how much waste they generate. This also supports the objectives of Council's Waste Management and Minimisation Plan by encouraging waste reduction, recycling and diversion from landfill.

4.19. Council can review rubbish bag prices annually through its fees and charges process. While lowering the price would reduce the direct cost for households purchasing bags, it would not necessarily reduce the overall cost of the service. Instead, it would shift a greater share of the cost to the wider community through rates and could reduce the financial incentive to minimise waste.

4.20. The key consideration is therefore how the cost of the service is shared between those using it and the wider community, while supporting Council's waste minimisation objectives.

Kerbside collection contract transition

4.21. The timing of the Annual Resident Survey is relevant when considering the kerbside collection results. The survey was undertaken shortly after implementation of the new kerbside collection contract and therefore captured community views during a period of transition, before the new arrangements had been fully embedded.

4.22. Kerbside collection is a highly visible service that households interact with regularly, and a contract change of this scale involves a number of operational and communication elements. During the transition, the previous contractor continued to provide its privately operated yellow rubbish bag collection service, while Council moved to its new contractor and red Council rubbish bags. The overlap

between the two services contributed to some uncertainty within the community about which service was Council-operated and the new collection arrangements.

4.23. Council communicated the changes through a range of channels, however, as operational issues and areas of confusion emerged, some communication was necessarily reactive. Survey comments indicate that some respondents would have valued earlier and clearer information about the change, particularly around the different bag services and collection arrangements.

4.24. It is important, however, to distinguish feedback about the transition and communication from feedback about the performance of the collection service itself. There was a mix of experiences, including positive comments about the reliability of collections, noting this may have been for the previous contractor. Communication was specifically raised by three of the 12 Kāwhia respondents who provided written comments and six of the 33 Ōtorohanga respondents who provided written comments. Concerns about the cost of rubbish bags were also raised, and this is a recurring theme in Annual Resident Survey feedback that is not solely associated with the contractor change.

4.25. A transition of this scale and visibility requires time for new operational arrangements to become established. Council will continue to monitor service delivery and respond to issues as they arise. The transition has also highlighted an opportunity to strengthen the integration of operational and communication planning for future significant service changes, particularly the flow of timely information between contractors, operational staff and those responsible for community communications.

Considering the data

4.26. While annual surveys provide useful insights, councillors are encouraged to exercise caution in making significant decisions based solely on small or fluctuating samples. The improvement plan included within the Report reflects practical, achievable actions aligned with current capacity.

4.27. Given that the Annual Report performance framework centres on only five satisfaction measures, it is suggested that next year's survey be a scaled-back version. As part of developing the Long-Term Plan 2027–2037, Council may wish to consider moving to a three-yearly "deep dive" model and review whether alternative mechanisms for measuring satisfaction may be more effective.

4.28. Once received by Council, the Report will be made available on the ŌDC website[1] and shared through Council's communication channels.

4.29. Finally, while this survey again asked residents about kerbside rubbish and recycling, the LTP 2024–2034 measure for this area has now shifted to compliance with the National Waste Strategy. This is monitored through the contractor's monthly reporting and will be publicly reported through the Annual Report.

[1] https://engage.otodc.govt.nz/how-have-we-done-this-year

5. Appendices | Ngā āpitihanga

Number	Title
1	2025/26 Annual Survey Report and Improvement Plan

TE KAUNIHERA Ā-ROHE O
ŌTOROHANGA
DISTRICT COUNCIL



ŌTOROHANGA DISTRICT COUNCIL

ANNUAL SURVEY REPORT AND IMPROVEMENT PLAN

2025-2026

OUR ANNUAL SURVEYS

Ōtorohanga District Council has continued the direction set in the 2021–31 Long Term Plan (LTP), strengthening our focus on community wellbeing, deepening relationships, and ensuring the Ōtorohanga district remains a great place to live, work, and enjoy.

Over the past year, we've continued to work closely with iwi and the wider community, and we've continued building a more future-focused organisation. Planning for growth while protecting what makes our district unique has remained at the heart of our approach.

As we weave our future together in the spirit of kotahitanga, alongside our partners and community, it is important that we take a moment to reflect on how we're doing.

This report marks the fifth Annual Resident and Māori Leaders Surveys. These surveys are designed to listen to the people of Ōtorohanga district and our Iwi/Māori partners, helping us understand how satisfied you are with Council services, assets, performance, and the strength of our relationships. Your feedback is essential in helping us prioritise the improvements that matter most to you.

We use your feedback to track trends and outcomes year by year, to ensure we're moving in the right direction. You can learn more about the goals of this survey and how you think we're doing in the pages that follow.

WE CONDUCT FOUR KEY SURVEYS EACH YEAR:

- Annual Resident Survey
- Annual Library Survey
- Annual Housing for Older Persons Survey
- Annual Māori Leaders Relationship Survey

OUR SURVEY OBJECTIVES

OBJECTIVE ONE

To provide a clear and comparable understanding of how our community feels about Council's relationships, services, assets, and overall performance.

OBJECTIVE TWO

To identify the key areas where Council can focus on making improvements that matter most to our community.

OBJECTIVE THREE

To track changes in satisfaction over time, helping us measure progress and align our efforts with the goals set out in the Long Term Plan.

OUR SURVEY METHOD

We collected feedback through a variety of methods to ensure everyone had the chance to participate. The Annual Resident and Library surveys were available online, with the full version also printed in the King Country News. Hard copies of both the Annual Resident and Library surveys were provided at our libraries and the Customer Experience Centre at our main office.

Additionally, the Library Survey was emailed to our database of active library users and promoted in person to people visiting the library, ensuring both regular and occasional visitors had the opportunity to take part.

For residents living in Council's 'Housing for Older Persons' units, we delivered hard copies of the survey directly. Our friendly Customer Experience team also visited each complex, meeting with residents face-to-face to support them in sharing their thoughts with us.

The Māori Leaders Relationship Survey was sent via email to a group of 28 Iwi leaders, ensuring their voices were included in our feedback process.

All surveys ran for five weeks, from 3 July to 9 August 2026.



THE MARGIN OF ERROR

The margin of error (MOE) helps us understand how closely the survey results reflect the views of our entire community. It's a useful tool to gauge the accuracy of the survey. A smaller margin of error means we can be more confident that the results represent the overall population, while a larger margin suggests the results may be less reflective of everyone's views.

Generally, a margin of error between 4% and 8% at a 95% confidence level is considered acceptable.

MARGIN OF ERROR FOR EACH SURVEY

The Annual Resident Survey was open to all age groups, and we had one under the age of 16 complete the survey this year.

To calculate the MOE for the survey, we used the 2023 Census data from Statistics New Zealand for residents aged 15 and over, which totals 8,187 people. With 126 submissions received, the margin of error for the Resident Survey is 9%. To reach a margin of error of 8% we needed a minimum of 131 submissions.

Library Survey: This survey targets active library users - those who have used their library card within the last two years. From a total of 1688 active users as of June 2024-26 (an increase of 216 users from last year's count) we received 142 submissions, resulting in an 8% margin of error. To ensure reliable insights, we aimed for a minimum of 124 submissions from this year's library user numbers.

Māori Leaders Relationship Survey: This survey was emailed to a targeted group of 28 Māori leaders, with 10 providing feedback, resulting in a margin of error of 25%. Achieving a low margin of error is particularly challenging when surveying a small, defined group. To reach our preferred margin of error of 8%, we would need 24 responses – meaning 86% of the entire group would need to participate. While the margin of error means the quantitative results should be interpreted with some caution, the survey still provides valuable insight into the experiences and perspectives of those who responded.

Housing for Older Persons Survey: This survey was delivered to 28 occupied units, with 21 tenants providing feedback, giving a margin of error of 11%. As with our Māori Relationship Survey, achieving a low margin of error within a small, defined group requires a very high proportion of the entire group to participate. To reach our preferred margin of error of 8%, we would need 24 responses – 86% of all occupied units. Participation has continued to improve, increasing from 11 responses three years ago, to 16, then 17 last year, and 21 this year. To further encourage participation, our Customer Experience team visited each complex, providing morning tea and support for tenants while they completed the survey.



YEAR ON YEAR COMPARISON

YEAR ON YEAR COMPARISON

COMBINED SATISFACTION RATING ACROSS BOTH KĀWHIA AND ŌTOROHANGA

2021-2022 Year 2022-2023 Year 2023-2024 Year 2024-2025 Year 2025-2026 Year

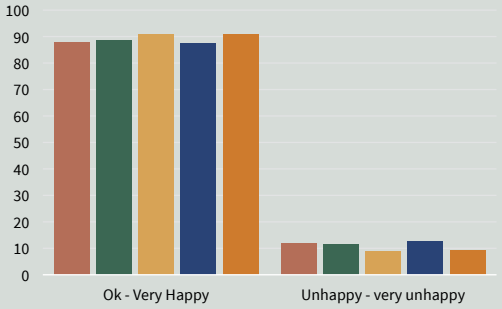
KERBSIDE RUBBISH & RECYCLING



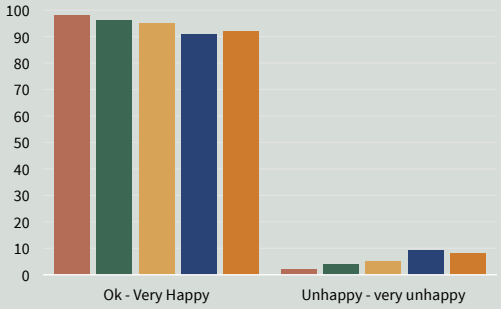
COMMUNICATION



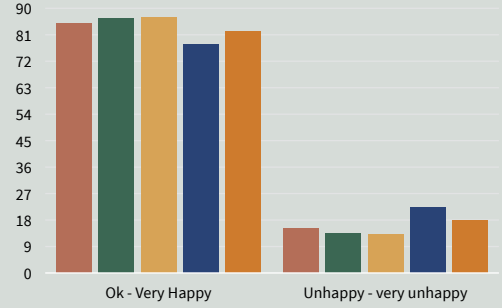
QUALITY OF PARKS AND RESERVES



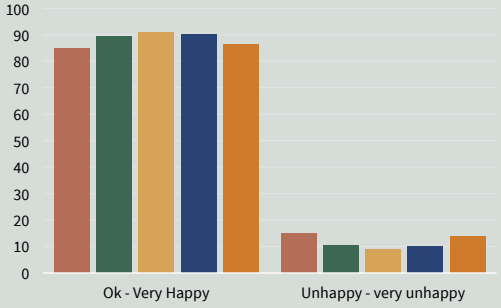
VARIETY OF PARKS AND RESERVES



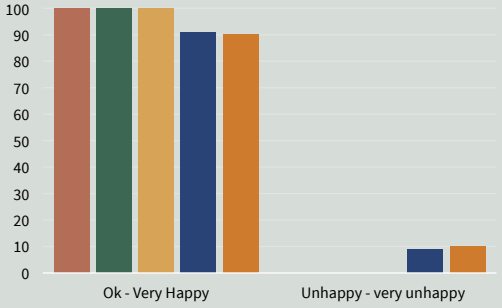
LEVEL OF TRUST IN ŌDC



OVERALL ŌDC PERFORMANCE



TRUST OF ŌDC BY MĀORI LEADERS



LIBRARIES



The year-on-year comparison data on this page has been updated from previous reports, which included 'I don't know' responses. To align with our audited Annual Report, we have removed those responses and adjusted the metrics. This approach provides council with a clearer and more accurate understanding of residents' sentiments.

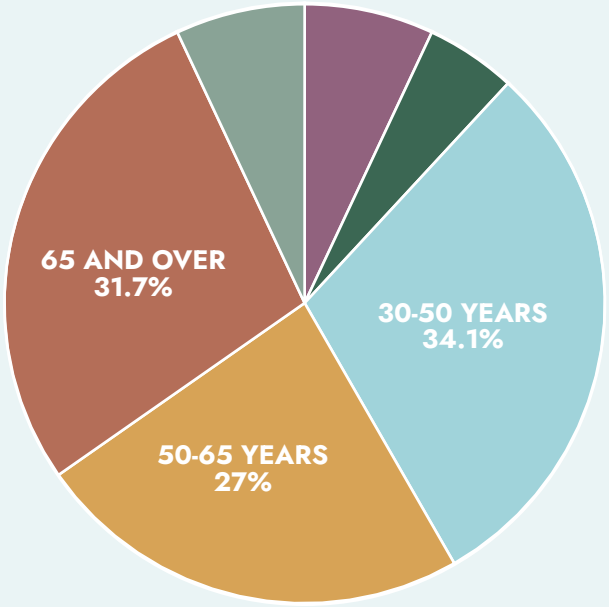


ANNUAL RESIDENT SURVEY

ANNUAL RESIDENT SURVEY

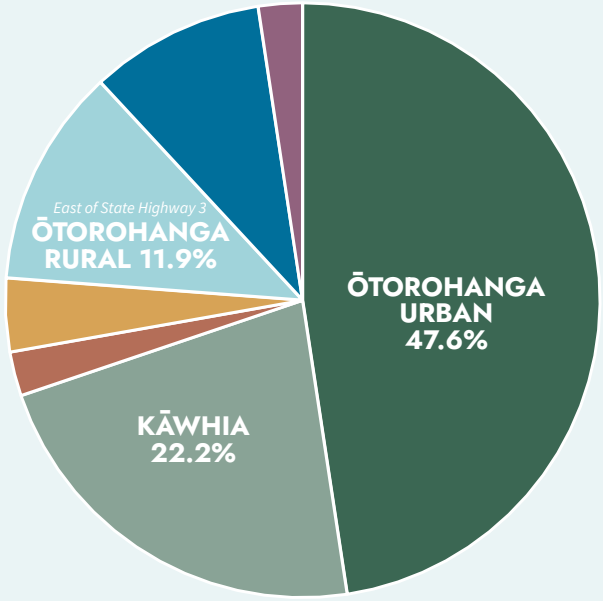
SURVEY DEMOGRAPHICS

WHICH AGE GROUP ARE YOU IN?



20-30	5.6%
Under 16	0.8%
Would rather not say	0.8%

WHICH COMMUNITY DO YOU PRIMARILY LIVE IN?



West of State Highway 3 Ōtorohanga Rural	9.5%
Ōpārau	4.0%
Aotea	2.4%
I'm not sure	2.4%



KERBSIDE COLLECTION RUBBISH AND RECYCLING

THEMED RESPONSES TO KERBSIDE COLLECTION RUBBISH AND RECYCLING

Each year we ask those of you who receive Council's kerbside collection service how we could improve the weekly collection.

This year's survey took place shortly after a change in collection contractor, which provided important context for the feedback received. Some of you questioned the change itself, others commented on transition issues, while some felt it was too early to form a view on how the new service was performing.

As a result, this year's comments reflect both experiences of the kerbside collection service and the early stages of transitioning to the new collection arrangements.

KĀWHIA

Of the approximately 445 properties receiving the Kāwhia kerbside collection service, 21 survey respondents indicated they receive the service. Of these, 12 provided a written comment about how the service could be improved – equivalent to around 2.7% of all properties receiving the service and a MOE of 28%.

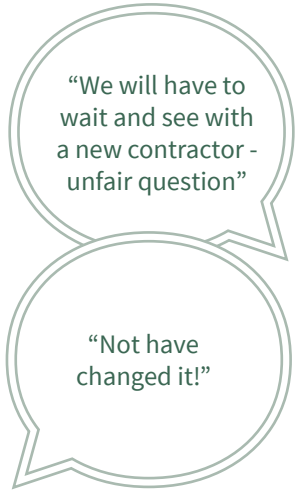
With only 12 written comments, we need to be careful about drawing broad conclusions about the views of all Kāwhia households receiving the service. Your comments covered a range of issues, with only a small number appearing more than once.

ADJUSTING TO THE NEW COLLECTION SERVICE

Several of you commented on the recent contractor change and the new collection arrangements. You questioned why the service had changed, why different contractors were operating and aspects of the new bins.

Some of you weren't happy with the change, while others felt it was simply too early to judge the new service.

- *"Why have we now got 2 rubbish collection contractors doing kawhia rubbish what is the matter with system up to now"*



The contractor transition occurred shortly before the survey and presented some initial transition issues, meaning respondents had only limited experience of the new arrangements when providing their feedback.

BINS AND RECYCLING NEEDS

A small number of you commented on the size or usefulness of the new recycling bins. Your needs weren't necessarily the same – some wanted larger recycling bins, while another wanted greater capacity specifically for cardboard.

- *"I recycle lots of cardboard."*
- *"You have made the bins smaller with the new collection company"*

With only a small number of comments, there isn't enough evidence to suggest this is a wider concern across Kāwhia. It does, however, give us something to monitor as you become more familiar with the new collection arrangements.

There were also individual comments about cost and other collection arrangements, while one of you described the service as "*very reliable*". Given the number of responses, there isn't enough evidence to draw broader themes from these individual comments.

"Supply larger recycle bins like Waipa Council"

ŌTOROHANGA

Approximately 1,420 properties receive the Ōtorohanga kerbside collection service. Of the Ōtorohanga survey respondents, 56 indicated they receive the service and 33 provided a written comment about how it could be improved – equivalent to around 2.3% of all properties receiving the service and an MOE of 17%.

While this gives us more written feedback than Kāwhia, the 33 comments still represent a relatively small proportion of households receiving the service. We have therefore focused on the issues that appeared repeatedly in your comments rather than treating individual suggestions as broader themes.

THE CONTRACTOR CHANGE SHAPED YOUR FEEDBACK

The recent change in contractor featured prominently in your comments. Some of you questioned why a service you felt was working well had been changed, while others weren't happy with your initial experience of the new arrangements.

- *"Stop changing everything"*

Others wanted more time to experience the new service before reaching a conclusion:

- *"I am waiting to see how the new rubbish provider measures up before I make a comment. I was very happy with the previous provider"*

"Why change to a new contractor when we finally had things going well."

As with Kāwhia, the timing matters. The contractor had changed shortly before the survey and there were some initial transition issues. Your feedback therefore captures, in part, your immediate experience of that change rather than a settled view of how the new service is performing.

COST OF RUBBISH BAGS

Some of you raised the price of rubbish bags and asked whether they could be cheaper.

- *"Cheaper bags"*
- *"make the bags cheaper than the yellow bags"*
- *"make the bags less expensive"*

This isn't new feedback. The cost of rubbish bags has been raised through previous Annual Resident Surveys, indicating an ongoing concern for some of you rather than something arising solely from this year's contractor change.

Page 271

"I put the rubbish and recycling out, it gets picked up, don't need anything else."

"Clarification on the changes"

RELIABILITY AND CONSISTENCY

Some of you expressed a desire for the collection times to be more predictable:

- *"Have a regular driving route so pick up time is similar every week"*
- *"By picking up the garbage on time."*
- *"Coming out to do the rubbish on consistent times"*

GENERAL FEEDBACK

Importantly, your feedback was not uniformly negative. Several of you said the service worked well for you or required no improvement:

- *"Great, reliable service, never had any issues."*
- *"Nothing, it works great."*

There was also positive feedback about the introduction of a separate glass recycling bin.

CLEARER INFORMATION THROUGH THE TRANSITION

Communication about the contractor change was raised across both Kāwhia and Ōtorohanga with a total of 9 written comments specifically identified communication or information as something that could be improved.

The feedback focused on clearer and earlier information about what was changing, how the new collection arrangements would work, and what people needed to know or do.

- *"More direct and clear communication regarding changes that affect residents and property owners."*
- *"The Council recently sent out an announcement that they were introducing changes to kerbside collection beginning 1 July. These changes have not been implemented... You could communicate better."*

Overall, the communication feedback appears closely connected to the contractor transition rather than the ongoing performance of the kerbside collection service itself. It does, however, highlight the importance of clear and timely information when significant service changes are introduced.



"Service is up to standard"

WE'RE LISTENING
www.otodc.govt.nz/contact-us

WHAT WE'RE DOING ABOUT IT:

WORKING WITH OUR NEW COLLECTION CONTRACTOR

We'll continue working closely with our new kerbside collection contractor to monitor the service as the new arrangements settle in and address issues as they arise.

If a collection is missed or there is another problem with the service, please let us know through Council's Service Request system. Antenno is one way to do this – it allows you to report an issue, include a photo and send the information directly to Council. You can download the Antenno app directly to your mobile phone from your app store.

Where rubbish bags or recycling bins are overfilled or break because of how they have been presented for collection, clean-up is not the responsibility of the collection contractor.

COST OF RUBBISH BAGS

We continue to hear concerns about the cost of rubbish bags, including through previous Annual Resident Surveys.

The price of rubbish bags contributes towards the cost of collecting and disposing of rubbish, including central government landfill levies. Our user-pays approach means you pay based on the amount of rubbish you put out. This helps offset the cost of the service, rather than those costs being shared equally across all properties regardless of how much rubbish they produce.

While we understand the desire for cheaper bags, these costs mean Council is not currently able to reduce the price.

LEARNING FROM THE CONTRACTOR TRANSITION

Changing a major service such as kerbside collection involves many moving parts, and this year's transition highlighted some areas where we can improve.

For future significant service changes, we'll strengthen how operational and communication planning work together throughout the transition. This includes more regular information sharing between Council, contractors and those responsible for communicating with the community. This will enable emerging issues to be addressed and updates to be provided as quickly as possible.

We've also learned that when all the answers aren't immediately available, it is better to communicate what we do know, be clear about what is still being worked through, and let people know when they can expect the next update.

This won't remove every challenge that comes with changing a major service, but it will help us provide clearer and more timely information as changes are implemented.

MONITORING HOW THE NEW SERVICE SETTLES IN

Because this year's survey was undertaken shortly after the contractor change, it provides an early snapshot rather than a settled view of the new service.

We'll continue monitoring collection reliability, recycling arrangements and other service issues as the new contract becomes established. Feedback received through Service Requests and any future Annual Resident Surveys will help us understand whether the transition issues identified this year have been resolved and where further improvements may be needed.

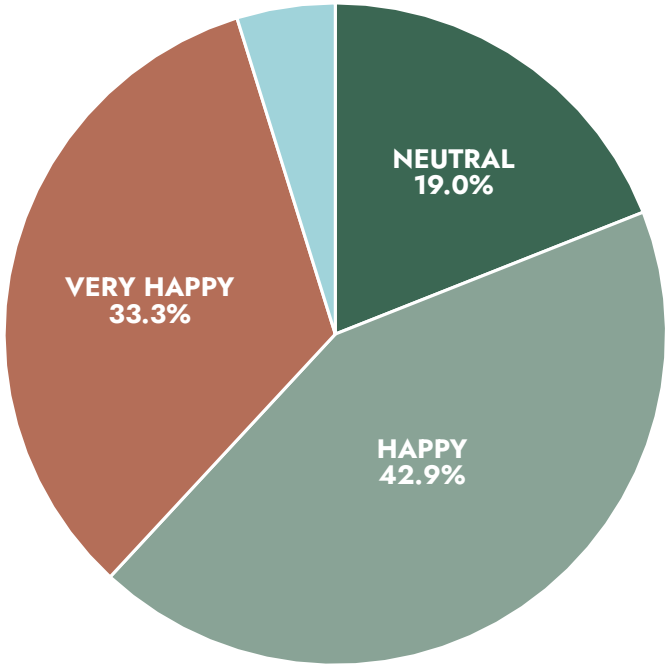
"Thank you so much for your hardwork."

"Happy over all looking forward to trying to new Duel bins for glass ect"

"We only get recycling and have no problem"

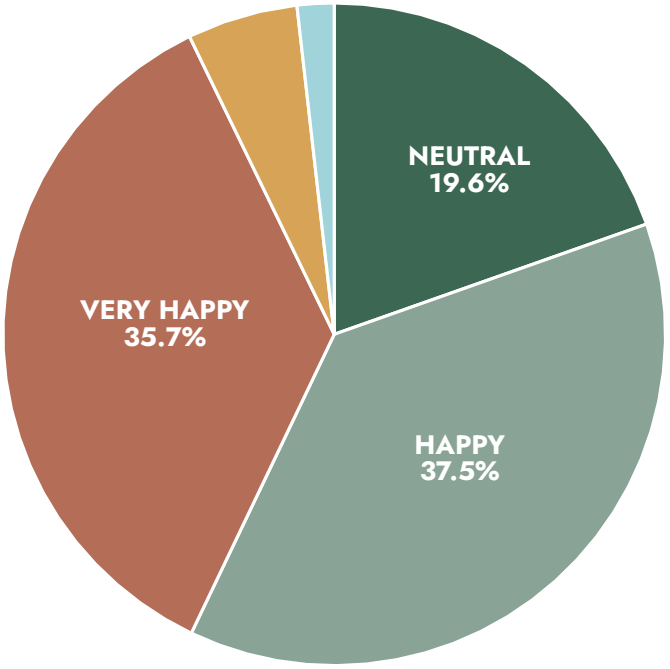
Page 273

HOW SATISFIED ARE YOU WITH THE SERVICE OF KĀWHIA KERBSIDE COLLECTION IN THE LAST YEAR?



Unhappy	4.80%
Very unhappy	0%

HOW SATISFIED ARE YOU WITH THE SERVICE OF ŌTOROHANGA KERBSIDE COLLECTION IN THE LAST YEAR?



Unhappy	1.8%
Very unhappy	5.4%



COMMUNICATION

"Actually communicating other than on social media would be a start."

THEMED RESPONSES TO COMMUNICATION

Each year we ask how we could improve the way we communicate, helping us understand what's working well and where we can do better.

This year's feedback continues to show that good communication isn't simply about providing more information. You want information to be timely, clear and easy to find, and to reach you in ways that work for you. Alongside suggestions for improvement, a number of you also told us you feel well informed and think Council is communicating well.

IMPORTANT INFORMATION NEEDS TO BE TIMELY AND PROACTIVE

A strong theme was the need to communicate service changes and disruptions before they happen, particularly when they directly affect how you use a Council service.

Recycling centre closures, road closures and changes to rubbish services were among the examples raised. Some respondents described finding out about changes only when they arrived to use a service.

- *"Changes like this need to be transparent and residents should be informed well ahead of time."*
- *"Impacts such as the closure of recycling centres needs to be clearly communicated."*

"Inform affected residents before road closures and local events."

The feedback suggests that it is not simply the amount of information that matters. Timing and making sure the people most affected receive the information are equally important.

DON'T RELY ON ONE COMMUNICATION CHANNEL

As in previous years, you told us that there is no single communication channel that works for everyone.

Some of you prefer email or text messages, others value newspapers and letterbox information, while others find Facebook and Antenno useful. A recurring message was that social media and websites are useful tools but should not be the only way important information is communicated.

- *"Not everyone uses modern methods of communication and so Council should not rely on Website and facebook/ LinkdIn to communicate."*
- *"I find that direct emails are good for me."*

The survey results reinforce this. Facebook was the most preferred communication channel at 57.9% and direct email/e-newsletters at 50.0%, followed by community newsletters/letterbox drops at 30.2%, newspapers at 27.8%, the website at 23.0% and Antenno at 17.5%, noting you could choose up to three preferences.

The newspaper results also demonstrate why a mix is important. While 63.7% of you said you read the King Country News, 31.5% said they don't read any newspaper.

"Council does a great job in my opinion. I feel informed."

BE CLEAR, ACCURATE AND TRANSPARENT

Another consistent theme was a desire for communication that is straightforward, accurate and transparent.

Some of you wanted greater explanation of Council decisions and earlier communication about changes. Others linked good communication with accountability and the opportunity for communities to understand or contribute to decisions before they are made.

- *"Don't make things confusing."*
- *"Liaise with the ratepayers more about decisions that are made from council."*

"Have all information correct before changes are made."

"Making sure it is actually connected to each house so info gets out properly"

KEEP OUR RURAL AND COASTAL COMMUNITIES CONNECTED

Location continues to matter when it comes to communication.

Some of you who live outside Ōtorohanga township said our information does not always reach you through the same channels available in town. This included those who receive a newspaper from a neighbouring district rather than the King Country News, as well as requests for more direct engagement and locally targeted information.

- *"Improving communication with rural and coastal communities, targeted updates for areas like Kawhia, Aotea, and other outlying communities where information doesn't always reach people quickly."*
- *"Explore whether residents outside of Ōtorohanga can receive King Country News in Mailboxes - our address in RD6 Te Awamutu and we get the TA News but we reside in Ōtorohanga District and don't receive the King Country News."*

This reinforces the need to consider where people live as well as how they prefer to receive information, particularly when deciding which channels to use.

KEEP DOING WHAT'S WORKING

While the question asks where we could improve, a noticeable group of you also told us you were happy with our communication.

Some particularly valued Facebook, Antenno, direct emails and regular updates from elected members.

- *"Doing a banging job, for example, this survey..... How do I know about it? Good council communication."*
- *"Council does a great job at communicating. Especially their facebook."*

Others simply told us, "I think the communication is great", "It's doing well" and "No problem with the communication."

This feedback is useful alongside the suggestions for improvement. It tells us that many of the channels and approaches already in place are working, while the opportunity is to improve their reach, timing and consistency rather than necessarily replacing them.

WHAT WE'RE DOING ABOUT IT:

GETTING IMPORTANT INFORMATION TO YOU EARLIER

You told us that timing matters, particularly when a change or disruption affects a service you use.

We'll place greater emphasis on proactive communication for significant service changes and disruptions, such as road closures, changes to waste and recycling services and temporary facility closures. Where possible, we'll identify the people or communities most affected and use more than one appropriate channel to reach them.

We'll also continue to strengthen our internal communication to make sure our Customer Experience team has timely and accurate information when changes are announced, so when you contact us you receive a clear and consistent answer.

USING THE RIGHT CHANNELS FOR THE RIGHT INFORMATION

Your feedback, and your communication preferences, confirm there isn't one channel that will reach everyone.

We already use a mix of Facebook, direct email, our website, Antenno, print media, and face-to-face engagement, depending on the type of information, its urgency and who it affects. Newspapers and community newsletters remain an important part of this mix, particularly where print is more likely to reach the intended audience. We consider the audience, geographic reach and cost when deciding which publications are appropriate for different information.

We also work to extend the reach of our communications beyond Council's own channels. Relevant social media posts are shared with community Facebook pages and groups, helping information reach specific communities and audiences. We use Antenno particularly for timely service information, alerts and disruptions, and direct email allows us to proactively send important information to people who have chosen to receive Council updates about specific subjects.

Rather than putting every message across every channel, we consider the urgency of the information, who is affected and which channels and community networks are most likely to reach them.

This year's strong preference for direct email/e-newsletters also gives us an opportunity to build on our existing approach and look at how we can make even better use of direct communication with people who choose to receive Council updates.

MAKING INFORMATION CLEAR AND EASY TO UNDERSTAND

You told us you want clear information about Council changes and decisions – including what is happening, why it is happening and what it means for you.

For significant changes, we will continue to focus on providing this information upfront and making detailed information easy to find and refer back to. We'll continue using our website as a source of detailed Council information, supported by other channels that help people know the information is there.

We'll also continue improving how we explain Council decisions, projects and changes in plain, accessible language. This includes translating complex, technical or regulatory information into plain language and providing clear information about what is changing, why, and what it means for the people affected.

KEEPING RURAL AND COASTAL COMMUNITIES CONNECTED

Location is already part of our communication planning, particularly where the usual Council channels may not reach communities consistently.

For Kāwhia, Aotea and our rural communities, we use a combination of targeted digital communication, local and community Facebook pages/groups and local networks to help extend the reach of important information.

We will continue looking for opportunities to strengthen this approach, particularly for significant service changes or disruptions where timely, locally targeted information is important.

We acknowledge that newspaper circulation does not reach every part of our district, but King Country News can be viewed online via phones, tablets or computers. Residents can access this here - https://kingcountrynews.co.nz/

Where appropriate, we also consider publications serving neighbouring areas, such as Te Awamutu News or Cambridge News, where these are more likely to reach Ōtorohanga residents in parts of our district.

We also maintain a community presence through initiatives such as Pop-Up Council and connections through elected members, community boards and other trusted local networks.

BUILDING ON WHAT'S WORKING – AND SHARING THE RESPONSIBILITY

We'll keep using and strengthening the communication approaches you tell us are working, while continuing to improve their reach, timing and consistency.

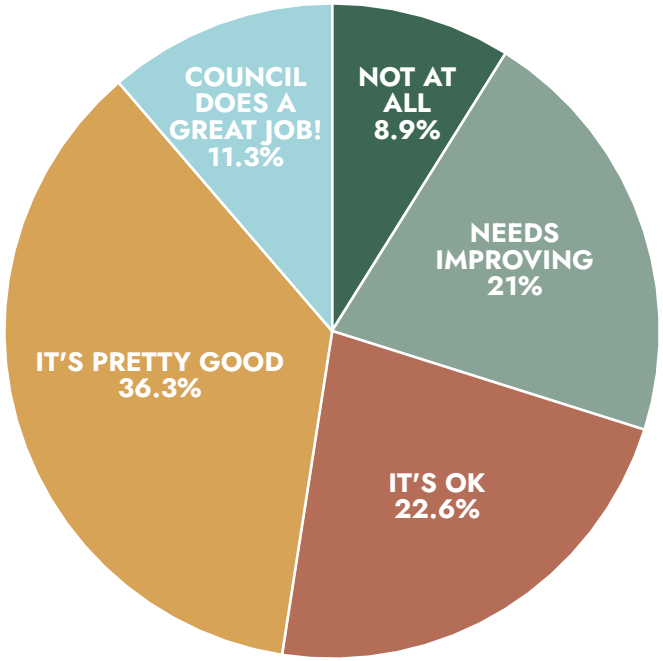
At the same time, it isn't practical or cost-effective to deliver every Council update individually or through every available channel. Staying informed is something we do together.

Our responsibility is to make important information clear, timely and accessible and to proactively communicate significant changes. We encourage you to choose the Council communication channels that work best for you and, where possible, connect with more than one channel to help you stay informed.

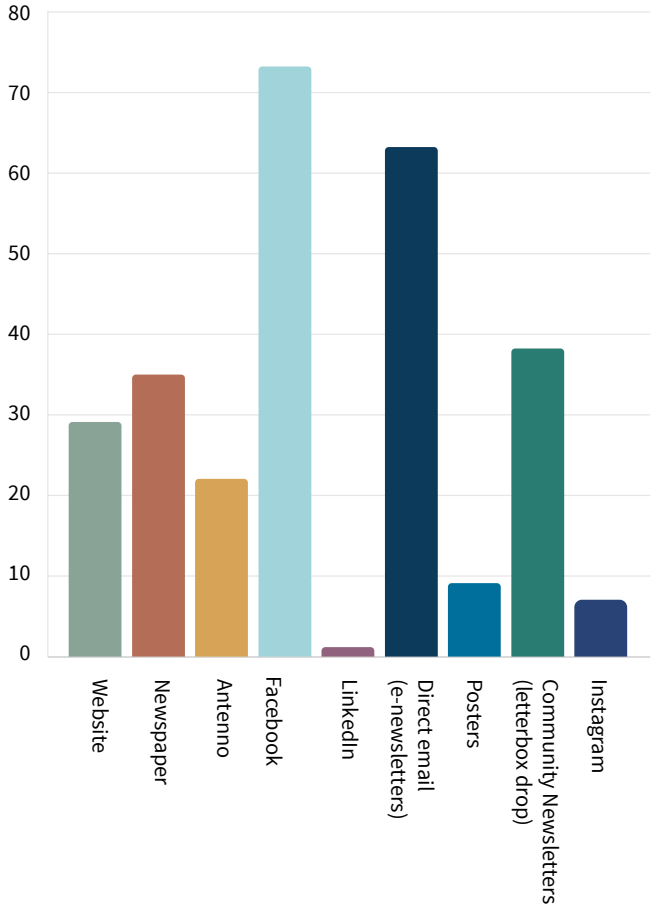


Page 278

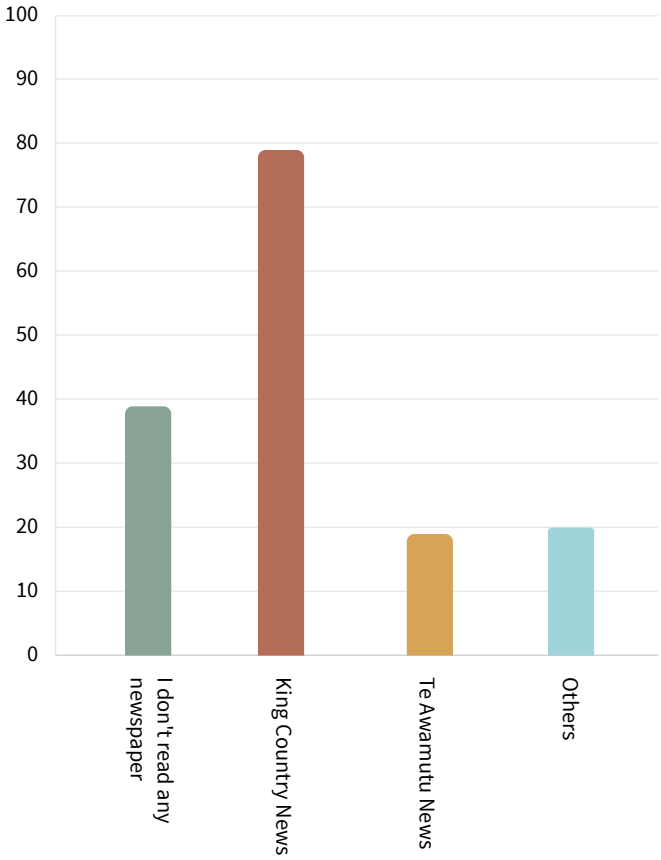
DO YOU THINK ŌTOROHANGA DISTRICT COUNCIL COMMUNICATES WELL WITH THE COMMUNITY?



WHAT ARE YOUR PREFERRED WAYS OF RECEIVING COUNCIL COMMUNICATION (UP TO THREE)?



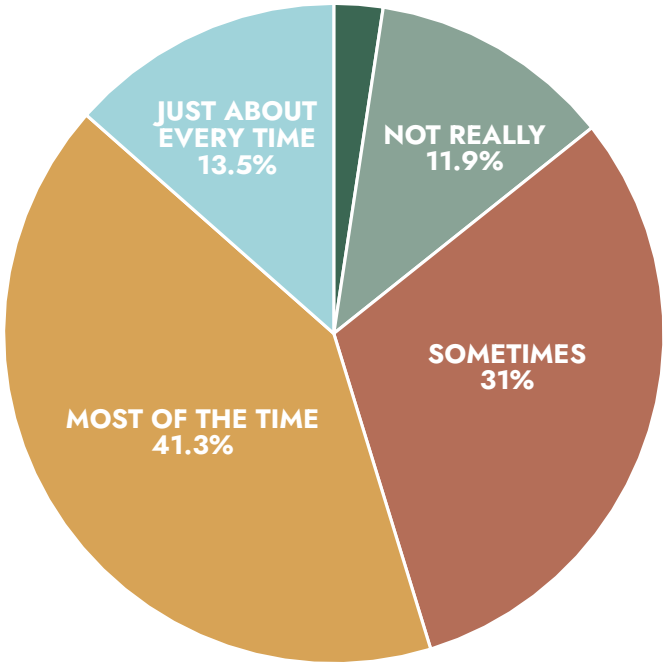
WHICH OF THE FOLLOWING NEWSPAPERS DO YOU READ (SELECT ALL THAT APPLY)



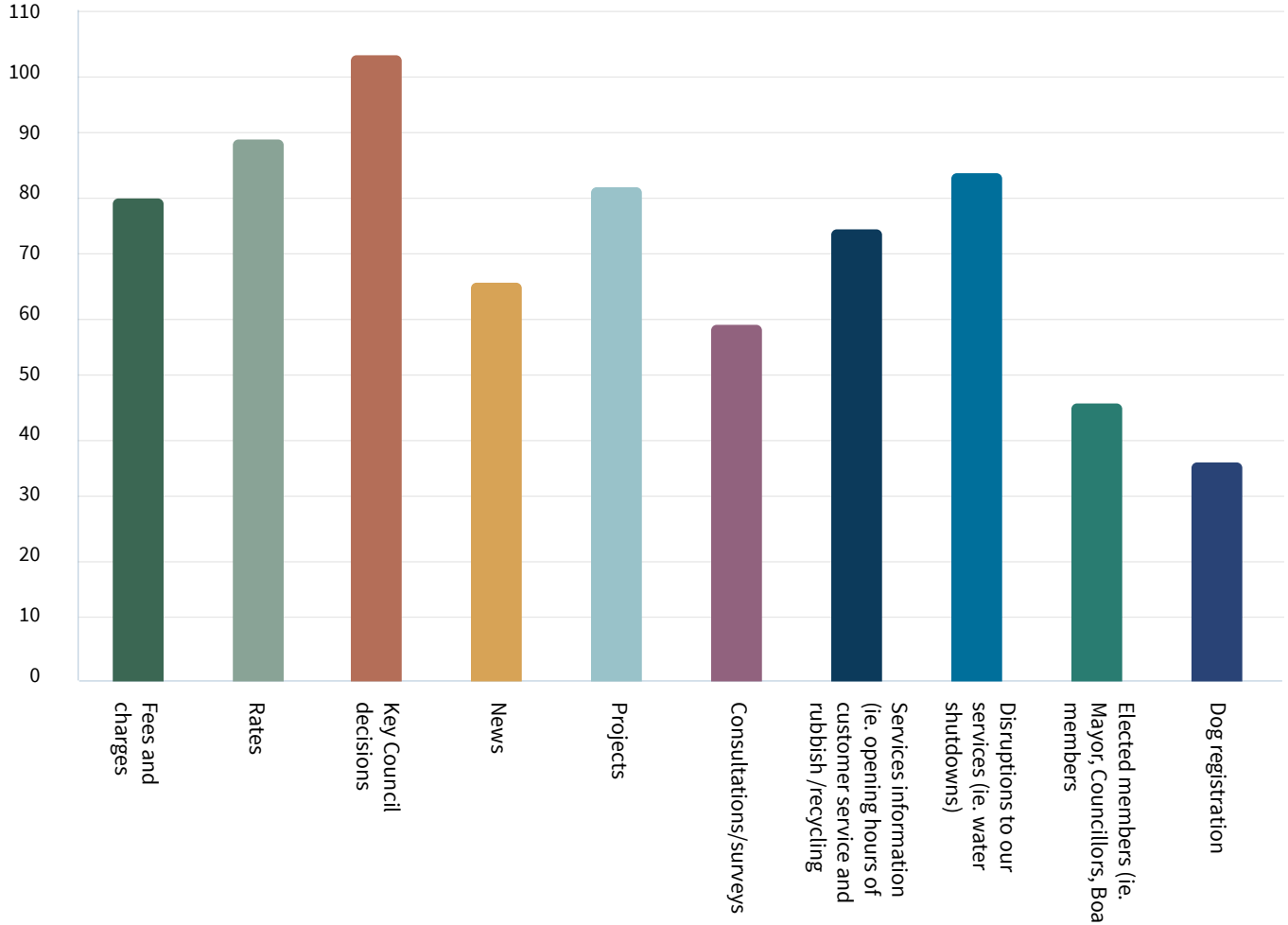
Others included: Waikato Times, Herald. Stuff. NewsHub. The Guardian, Times – many noting these were online.

Page 279

CAN YOU GET/FIND COUNCIL INFORMATION WHEN YOU NEED IT?



WHAT INFORMATION IS MOST IMPORTANT TO YOU AND YOU WANT TO RECEIVE COMMUNICATIONS ABOUT?



PARKS AND RESERVES

THEMED RESPONSES TO PARKS AND RESERVES

Each year we ask how the variety and quality of our parks and reserves could be improved. Your feedback helps us understand not only what else you would like these spaces to offer, but also what matters most in looking after the parks and reserves we already have.

This year, many of your suggestions about variety focused on making more of our existing spaces – creating different experiences, providing options for different ages and activities, and adding features such as dog exercise areas, shade and seating. At the same time, some of you felt the current variety is already appropriate for the size of our community and would prefer the focus to remain on looking after what we have.

When it comes to quality, there was strong positive feedback about the presentation and upkeep of many of our parks and reserves. Where you identified opportunities for improvement, these were largely practical – maintaining a consistent standard across different spaces, keeping parks clean and tidy, and providing facilities and amenities that make them safe, comfortable and enjoyable to use.

Overall, your feedback points towards making the most of the parks and reserves we already have – maintaining them well and enhancing them thoughtfully, rather than simply providing more.



VARIETY OF PARKS AND RESERVES

MAKE EXISTING SPACES OFFER SOMETHING DIFFERENT

Rather than simply asking for more parks, your suggestions focused on creating more variety within the spaces we already have.

You suggested more walking and cycling opportunities, skate and pump tracks, nature-based recreation and play opportunities for different ages and needs.

- *"More walks through bush/nature reserves would be good."*
- *"A skatepark/ bigger bike track"*

Your feedback suggests that variety isn't necessarily about having more parks – it's also about giving people different reasons to visit and enjoy the parks we already have.

"Fully fenced dog park and dog poo bins"

MORE OPTIONS FOR DOGS

A number of you would like more options for exercising dogs, with fully fenced areas raised several times.

- *"More dog exercise areas - especially near and including water for dogs to swim."*
- *"a dog park that has a fence"*

There was also feedback about dog waste in shared spaces, alongside a request for dog poo bins. This highlights the need to balance appropriate facilities for dogs with responsible use of our shared spaces.

LOOK AFTER WHAT WE ALREADY HAVE

Importantly, not everyone thought more variety was needed. Several of you told us the current range of parks and reserves is already sufficient or that the priority should be looking after what we have.

- *"For my needs the variety is fine."*
- *"For a town of our size, i feel it is ample, as long as they are maintained, no issue"*
- *"Look after what we already have"*

A small number of you also questioned the cost of providing additional parks and reserves. Your feedback gives us an important balance to consider – opportunities to enhance existing spaces while being mindful of the cost of providing and maintaining them.

QUALITY OF PARKS AND RESERVES

KEEP UP THE GOOD WORK – AND KEEP IT CONSISTENT

Many of you commented positively on the quality and presentation of our parks and reserves. Mowing, general upkeep and the condition of green spaces were specifically recognised, with some of you telling us there was little that needed to change.

- *"Parks are always tidy and well kept"*
- *"Council seems to be providing and maintaining parks and gardens very well indeed"*

Alongside this positive feedback, others asked us to make sure the same standard is maintained consistently across different parks and reserves.

Overall, your feedback suggests that maintaining the quality of the spaces we already have is just as important as adding new features.

"The parks and reserves have been looking fantastic lately. The lawn mowing has been done to a very high standard, with the grass consistently kept neat, tidy, and well maintained."

KEEP PARKS CLEAN AND ENJOYABLE FOR EVERYONE

Rubbish and dog waste appeared in responses to both the Variety and Quality questions, including several requests for more rubbish bins.

You also raised the cleanliness of toilets and concerns about rubbish or broken glass in playgrounds and other public spaces.

- *"Rubbish bins on the stop bank so people can put their dog poo away prompting them to actually pick it up."*
- *"Somehow limit vandalism and rubbish / broken glass at children's playgrounds."*

There were also requests for dogs to be kept under better control in shared spaces. Together, this feedback highlights that park quality isn't only about how spaces are maintained – how people use and care for them also affects everyone's experience.

"Cleaner toilets at the parks"

MAKE PARKS COMFORTABLE, SAFE AND EASY TO USE

Across both questions, you suggested practical improvements that could make parks more comfortable, safe and accessible.

Shade was raised several times, alongside seating, toilets, lighting, picnic facilities and playground improvements. There was also positive recognition of recent improvements, including the new Windsor Park toilets and new shade structures.

- *"More public toilets that are child and disability friendly"*
- *"Some more shade at the parks would be great - I believe that is coming :-)"*

Your feedback shows that improving quality doesn't always require major new facilities. Features such as shade, seating, toilets, lighting and well-maintained play areas can make existing spaces more comfortable and enjoyable to use.

"Picnic tables and toilets so families can go out and have a picnic etc"

"Love the new shades going up"

WHAT WE'RE DOING ABOUT IT:

We're pleased to hear the positive feedback about the presentation and upkeep of many of our parks and reserves. This year's feedback also reinforces the importance of looking after the spaces we already have, while making thoughtful improvements that give people more ways to enjoy them.

KEEPING OUR PARKS WELL MAINTAINED

We'll continue regular mowing, maintenance, equipment checks and planting across our parks and reserves. Playground equipment is inspected in line with national safety standards, with repairs prioritised when issues are identified.

Your feedback shows that while many parks are looking great, maintaining a consistent standard across all our spaces remains important. We'll continue working with our contractors to monitor maintenance and address issues as they arise.

If you notice something that needs attention – such as damaged equipment, rubbish, vegetation or another maintenance issue – please let us know through Council's Service Request system. Reporting an issue helps us identify the location and respond appropriately.

MAKING EXISTING SPACES MORE COMFORTABLE AND ACCESSIBLE

This year you again highlighted the value of practical amenities such as shade, seating, toilets and accessible facilities.

We'll continue looking for opportunities to improve these features as parks are renewed or upgraded, prioritising improvements according to need, use and available funding.

Recent improvements, including the new toilets at Windsor Park and new shade structures, are examples of the practical enhancements being made to existing spaces.

CREATING DIFFERENT WAYS TO ENJOY OUR PARKS

Your feedback suggests that greater variety doesn't necessarily mean creating more parks. There are opportunities to make existing spaces offer different experiences for different ages, interests and activities.

The new outdoor gym / Te Papa Whaiora in Mair Street, at the access point to the Te Ara a Waiwaiā (Stopbank) Walkway, is one example. The location provides an opportunity for people to combine use of the walkway with outdoor fitness and recreation.

We'll continue considering opportunities to enhance existing parks and reserves through future planning and renewal programmes, while balancing new ideas with the ongoing cost of maintaining the facilities we already provide.

Page 283

KEEPING OUR SHARED SPACES CLEAN AND ENJOYABLE

Rubbish, dog waste and responsible use of shared spaces featured in this year's feedback.

We'll continue providing and servicing rubbish bins where appropriate and monitoring how facilities are being used. Everyone also has a part to play in keeping our parks enjoyable – including disposing of rubbish responsibly, picking up after dogs and respecting playgrounds, planting and other public facilities.

Where vandalism or damage occurs, we will continue to respond and make repairs as appropriate. We appreciate the positive feedback this year recognising that damaged or vandalised facilities have been dealt with promptly.

DOG EXERCISE AREAS

Several of you asked for fully fenced or additional dog exercise opportunities. We recognise the value of providing appropriate spaces for dogs to exercise while ensuring our parks and reserves remain enjoyable for everyone.

The Ōtorohanga Community Board is continuing to explore improvements to the district's dog park, including opportunities to enhance the facilities and how the space can be used.

A new dog poo bin is also on its way for the off-lead dog exercise area on Waipā Esplanade, responding to feedback about making it easier for dog owners to dispose of waste responsibly.

As this work is still being developed, we'll provide further information as plans progress.

PLANNING FOR THE FUTURE

As we plan future renewals and improvements, we'll use community feedback alongside information about how our parks are used, asset condition, growth, accessibility and available funding to help determine priorities.

This year's feedback provides a useful balance: there are ideas for new activities and amenities, but there is also a clear message to look after what we already have. Our focus will continue to be on maintaining good-quality parks and making considered improvements that add value to the spaces our communities already enjoy.

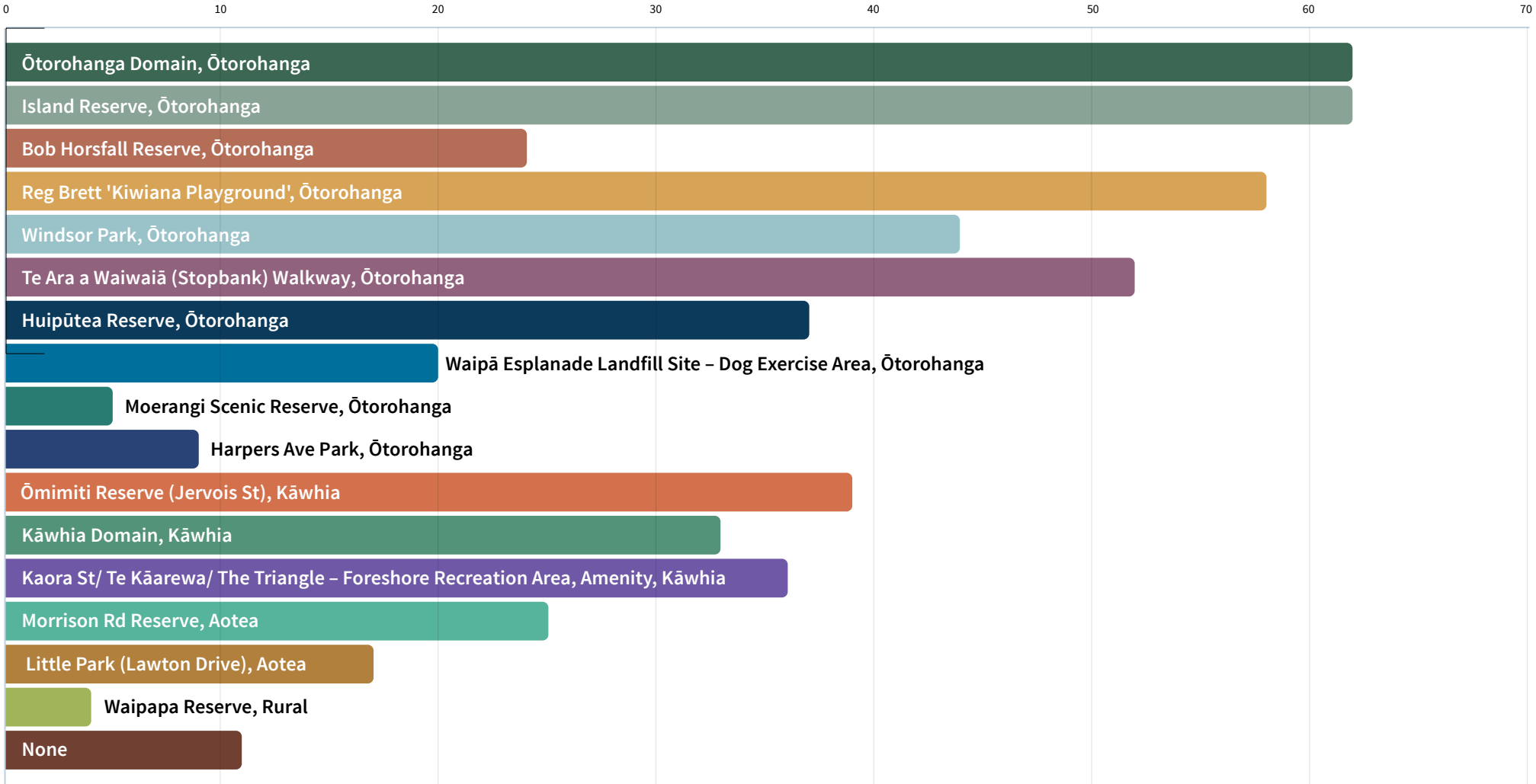
"You've already put a toilet on Windsor Park. Good work."

"They all look nicely kept."

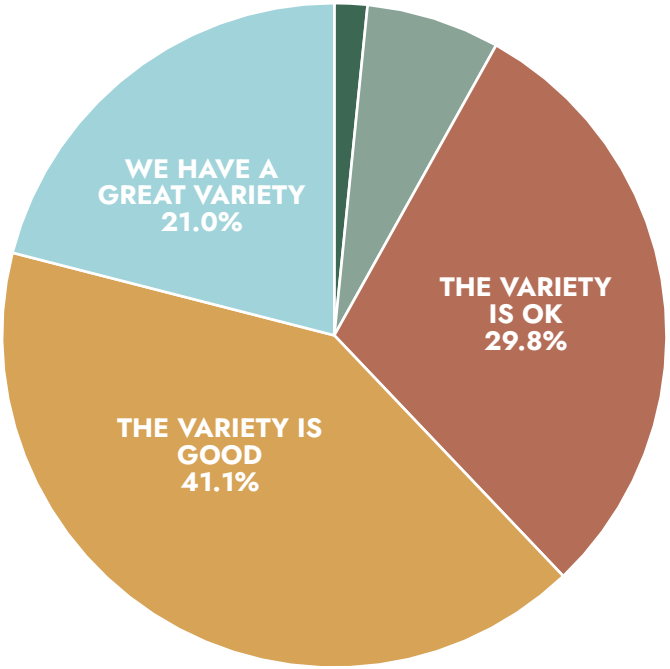
"Noted how good these looked in summer and Autumn, particularly stopbank walkways, Otorohanga green spaces look very tidy."



PLEASE SELECT ALL THE COUNCIL PARKS AND RESERVES YOU HAVE VISITED IN THE LAST 12 MONTHS.



DO YOU THINK THAT THE ŌTOROHANGA DISTRICT HAS A GOOD VARIETY OF PARKS AND RESERVES?



It could be better	6.5%
Not at all	1.6%

DO YOU THINK THAT THE ŌTOROHANGA DISTRICT HAS A GOOD QUALITY OF PARKS AND RESERVES?



It could be better	8.4%
Not at all	0.8%



TRUST

THEMED RESPONSES TO TRUST

Trust in Council remains strong among many of you with this year, 54% telling us you trust Council most of the time or have high trust, while 28.2% rated your trust as average.

The reasons you gave for your ratings help us understand what sits behind those numbers. Positive experiences with our staff, responsiveness, communication and transparency all help build confidence. Where trust was lower, your comments frequently related to decisions or changes you didn't understand or agree with, feeling that community views had not been heard, difficulties getting information or responses, and concerns about Council priorities and spending.

TRANSPARENCY AND COMMUNICATION:

Your comments continue to show a close connection between trust and how clearly and openly we communicate. For some of you, regular communication and transparency are important reasons for trusting Council. For others, trust is affected when there isn't enough visibility of what is happening, why decisions have been made, or when information comes after a decision.

- **Positive:** *"Nothing is a secret and communication is just right - transparency is key and Council delivers that."*
- **Positive:** *"Clear communication and regular updates"*
- **Less positive:** *"As mentioned in communication segment. I feel as though the Council act first then inform."*

Less Positive: "I don't have great visibility over what is happening or why."

Positive: "Excellent response to all my issues and civic issues"

ACTIONS, RESPONSIVENESS AND FOLLOW-THROUGH

Your experiences of our service delivery, responding to issues and following through on commitments also influence trust. Positive experiences where issues have been addressed build confidence, while unanswered enquiries, delays or a perceived lack of follow-through can have the opposite effect.

- **Positive:** *"ODC have exceeded expectations in relation to recent floodings, they got things organised really quickly and communicated well."*
- **Less positive:** *"Never able to get answers"*
- **Less positive:** *"When consultation has been carried out Council doesn't follow through with outcomes."*

DECISION-MAKING AND HAVING A SAY

Some of your trust ratings were influenced by how Council makes decisions and whether you feel there has been an appropriate opportunity for the community to contribute. Particular decisions including the Council logo, potential changes involving other councils and waste services were used as examples. This feedback highlights the importance of being clear about when and how the community can influence a decision and what happens to feedback received.

- **Positive**: *"I am new to the area. So I don't have a reason not to trust the people at council... I might not always agree with the approach but I do believe we are all trying to make Ōto a better place for all who live here."*
- **Positive**: *"No reason not to trust council"*
- **Less positive:** *"Changing the kiwi no logo with no rate payer say"*

Less positive: "Council make their decisions regardless of whether there is a petition or not."

PEOPLE AND PERSONAL EXPERIENCE

Many of your positive comments about trust relate to the people behind Council. Helpful staff, approachability, community connection and taking the time to explain things all contribute to confidence in the organisation. Conversely, difficulty contacting staff or getting answers can affect that confidence.

- **Positive:** *"Great people who care"*
- **Positive:** *"The team have provided me a lot of information in the last 12months. They are always willing to take the time to explain the history or other locations for further information if required"*
- **Less positive:** *"Customer service is slow and grumpy and I often have to chase things up. Errors are made with payments etc."*

Less Positive:
"Not being able to make contact with staff easily"



WHAT WE'RE DOING ABOUT IT:

COMMUNICATING OPENLY AND EXPLAINING OUR DECISIONS

You told us that clear, regular and transparent communication helps build trust. We'll continue to provide information about Council decisions and, importantly, explain the context and reasoning behind them.

Council meetings remain open to the public, with agendas and minutes available online and meetings livestreamed and available to watch afterwards. We'll continue to complement these formal channels with plain-language updates through Āmio, our monthly community newsletter published in the King Country News and distributed by email, media releases, our website and social media, particularly where decisions or issues are likely to attract wider community interest.

Our aim is to make it easier to understand not only what has been decided, but why these decisions were made.

IMPROVING RESPONSIVENESS AND FOLLOW-THROUGH

Many of you told us that positive experiences with our staff and having issues resolved contribute to your trust in Council. We also heard from people who have experienced delays, difficulty reaching the right person or a lack of follow-up.

Improving the way we manage service requests continues to be a dedicated area of focus. Over the past year we have strengthened our processes and reporting around how requests are recorded, assigned, followed up and closed, including clearer expectations for providing a callback within five working days when feedback is requested.

This work is showing measurable improvement. Between April and June 2026, 88% of people who requested feedback received a call back within five working days, increasing to 93% in June. The quality of our service request records has also improved, giving us greater confidence in the information we use to monitor performance.

We also recognise that improving a process and rebuilding trust are not necessarily the same thing. For those who have previously experienced poor follow-up, confidence will take time and consistently better experiences to rebuild. Service requests will therefore remain an area of ongoing focus as we work to provide more reliable follow-through and keep people informed about what is happening with the issues they raise.

BEING CLEAR ABOUT WHEN AND HOW YOU CAN HAVE A SAY

Your feedback shows that trust can be affected when people feel they haven't had an opportunity to contribute to a decision they consider important.

Not every Council decision can or should involve formal consultation, but we can be clearer about when we're asking for community input, what can be influenced, and what cannot.

This year's feedback also reinforces something we have heard before, that what might appear to be a relatively small operational or organisational decision can still matter strongly to parts of our community. We will keep this in mind when considering when and how we communicate or engage.

MATCHING WHAT WE SAY WITH WHAT WE DO

One of the clearest messages in this year's feedback is that trust is influenced by follow-through. Good communication helps, but confidence is strengthened when actions match what has been communicated and people can see progress.

We'll continue to be open about what we can deliver, provide updates where circumstances or timeframes change, and avoid creating expectations where an outcome is not yet certain.

As a small rural council, there will be times when competing priorities, available resources or circumstances outside our control affect how quickly something can be delivered. Being clear about those constraints and keeping people informed when things change is an important part of maintaining trust.

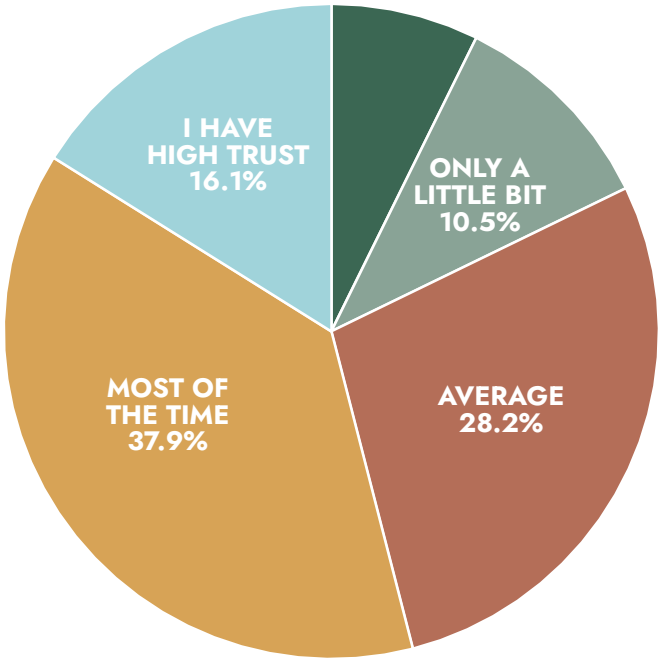
BUILDING TRUST THROUGH EVERYDAY INTERACTIONS

Many of the positive comments this year were about the people behind Council – staff being helpful, approachable and willing to explain things, as well as Council being visible and connected within the community.

We'll continue to support you as an organisation where people can ask questions, find the right information and have constructive conversations with us. Being accessible doesn't always mean the right staff member will be available immediately, but we should make it clear how you can reach us, connect you with the right person and let you know when you can expect a response. Every interaction won't necessarily result in the outcome someone wants, but it should be professional, respectful and clear.

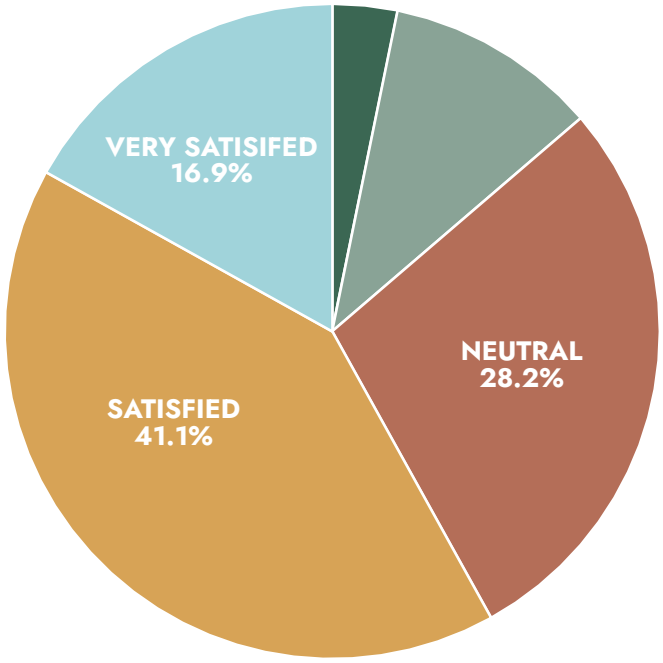
Building and maintaining trust is ongoing. This year's feedback shows that trust isn't built through one project or communication channel – it comes from being open, listening appropriately, responding well and consistently matching our actions with what we say.

HOW MUCH DO YOU TRUST THE ŌTOROHANGA DISTRICT COUNCIL?



- Not at all 7.3%

HOW SATISFIED ARE YOU WITH THE OVERALL PERFORMANCE OF ŌTOROHANGA DISTRICT COUNCIL IN THE LAST YEAR?



- Unsatisified 10.5%
- Very unsatisfied 3.2%

Page 290



ANNUAL LIBRARY SURVEY

THEMED RESPONSES

"The librarians are always lovely to me and my family when we visit."

THEMED RESPONSES TO LIBRARY

This year we asked about different parts of the library experience – from the collection and programmes to online resources, accessibility and the comfort of library spaces. We also asked what people value most about their library and what they would like to see in the future.

Across those questions, there was a strongly positive picture of our libraries. Staff were mentioned repeatedly as a favourite part of the library experience, alongside the range of books, welcoming atmosphere and having a free community space where people can read, learn, connect or simply spend time.

Your suggestions for improvement were varied, but several clear themes emerged – particularly around continuing to refresh the collection, making the best use of our limited spaces, and creating more opportunities for learning and connection.

YOUR LIBRARY EXPERIENCE

One message came through particularly strongly this year: you value the people who make our libraries what they are.

You described library staff as friendly, knowledgeable, approachable and willing to go the extra mile. For some, the personal connection with staff – being welcomed, helped to find something or simply having someone friendly to talk to – is an important part of visiting the library.

You also value the library as more than somewhere to borrow books. Many comments described a warm, quiet and welcoming place where people can spend time without needing to spend money. For families, it is somewhere children feel comfortable and confident; for others, it provides an important place for connection.

- *"The lovely helpful staff. Being greeted with a warm smile and the feeling that nothing is too much trouble."*
- *"Having a community space that is comfy and warm to hang out in without the expectation of needing to spend money... and the books"*
- *"The kids love using the library and always feel confident and welcome using the space and talking to librarians."*

One comment captured particularly well the importance a welcoming public space can have:

- *"I dont dress very nicely, by choice, but not once did I feel judged on my appearance for the first time entering a library. That meant alot to me."*

FINDING BOOKS YOU LOVE

Books remain at the heart of what many of you value about the library. There was plenty of positive feedback about the existing collection, including the regular arrival of new books, children's books and graphic novels, large-print books, audiobooks and eBooks.

At the same time, requests for more books, newer books and greater variety form a clear improvement theme. The individual interests varied considerably – from non-fiction, biographies and self-help to Christian authors, science fiction, westerns, graphic novels, children's classics, local Māori history and weaving. Rather than pointing to one particular genre we need to expand, the feedback shows the challenge of maintaining a varied and current collection within the space and resources available.

Some of you also raised access to books held elsewhere, including interloans and their cost, and there appears to be an opportunity to make sure people know what they can request and what options are available when a title isn't held locally.

- *"Keep adding to the range of books - seem to be a*

good number of new books regularly available."

- *"increase number/ variety of authors; arrange inter-library loans (with other districts) to provide more variety"*
- *"The kids love the graphic novels, which you've added lots of. They would love more of the newer books as they come out."*
- *"Your books need refreshing as a lot of non fiction are out dated or not relevant"*

LEARNING, ACTIVITIES AND COMMUNITY CONNECTION

There is clear interest in libraries continuing to provide opportunities to learn, create and connect with others.

The ideas were broad rather than pointing to one particular programme. You suggested practical skills, digital confidence, Te Reo Māori, sign language, knitting and crochet, preserving and growing food, creative activities, literacy support and opportunities for people to share their own skills and knowledge.

Digital skills came through particularly strongly in responses about future services. Several of you identified a role for libraries in helping people – particularly older people or those less confident online – navigate an increasingly digital world. Suggestions included help with online forms and banking, accessing information, building confidence with technology and staying safe from scams.

There was also interest in ensuring activities are available to different age groups, including tamariki, teenagers and adults, and in considering evening or weekend options for people who work during the day.

- *"With technology changing at such a fast pace, having a safe space to learn and keep up with change would be a great community service."*
- *"Community workshops are very important when living in very small communities, & make people feel valued when they can share their knowledge & skills."*
- *"Community programs to learn a new skill run on weeknights or weekends to allow great access to those working during week day hours."*
- *"More teenager activities or have activities that teenagers can do if wanted to not all teenagers are the same"*

MAKING THE MOST OF OUR LIBRARY SPACES

Most comments about accessibility and library facilities were positive or indicated that no improvement was needed. There were, however, some practical suggestions about how the existing spaces could work better.

Seating is the clearest recurring theme, particularly comfortable seating and additional places for adults to sit with children. Other individual suggestions



included quiet or study areas, outdoor seating, improved lighting, clearer signage and more comfortable chairs for older people and people with limited mobility.

Space is also a constraint that people recognise themselves, particularly at Kāwhia. Some Kāwhia respondents would like more room for reading, studying, digital access, children's activities and community programmes, while also acknowledging the limitations of the current building.

- *"There isn't many places for me to sit with the kids and look at books. A couch or kids armchairs or floor pillows would be nice."*
- *"Could have more comfortable chairs or reading only zones. Laptop computer zone."*
- *"Kawhia library is very limited for space. Would love a comfy couch to sit and read but that would mean a lot less books"*

REACHING PEOPLE BEYOND THE LIBRARY

For those of you living rurally or some distance from our libraries, being able to access library services without regularly visiting a branch is important.

Those of you already using our rural delivery service spoke very positively about it, particularly where distance or mobility makes visiting the library more difficult. We also heard from several of you who didn't know the service was available, suggesting there is an opportunity to make this service better known.

You also suggested other ways library services could reach people further afield, including remote collection points, mobile services and working with neighbouring libraries for those living close to district boundaries.

- *"They provide a wonderful Rural Delivery Library Service! Thank you!"*
- *"I did not know about the rural delivery service - perhaps these type of initiatives could be more widely advertised"*
- *"I love the audiobooks. I live on the very edge of the district and so appreciate being able to still use the library in this way."*



WHAT WE'RE DOING ABOUT IT:

Your feedback shows that our libraries continue to be highly valued for their welcoming staff, collections and the support they provide. You also gave us practical ideas about how library services could continue to evolve – particularly around learning opportunities, access to services from rural areas, awareness of digital resources and the spaces available within our libraries.

CONTINUING A WELCOMING AND HELPFUL LIBRARY SERVICE

We're pleased to hear how strongly you value the friendly, knowledgeable and helpful service provided by our library team. We'll continue to focus on providing personalised support – whether that's helping you find a book, access digital resources, use library technology or simply find the information you need.

Services such as interloans and our Rural Delivery Service will also continue to help make our collections accessible when the item you're looking for isn't on the shelf or getting to a library isn't easy.

HELPING YOU FIND BOOKS AND RESOURCES

Your suggestions and requests continue to help inform how our collections develop. We'll keep adding new titles and responding to demand across different genres, interests and age groups, while making use of interloan services where we don't hold a particular title locally.

We'll also continue promoting our digital collections and resources and helping you access them. If you're unsure how to use an online library service, our team can provide one-to-one assistance.

LEARNING, SKILLS AND COMMUNITY-LED PROGRAMMES

You gave us a range of ideas for opportunities to learn and connect through the library, including digital skills, practical learning and community-led activities.

We'll be recommencing Stepping Up digital skills classes, providing structured opportunities for people who would like more confidence using digital tools. These will initially be offered during normal library opening hours, alongside the one-to-one digital assistance our library team already provides. This will also help us understand the level of demand for regular group-based digital training before considering what might come next.

We're also open to working with local groups and people who have skills or knowledge they would like to share through library-based workshops or programmes. The Ōtorohanga Family History Group is one example of a community-led activity already using the library in this way.

Not every suggestion will necessarily become a programme, but we welcome conversations with community groups about opportunities that could work well within our library spaces and available resources.

REACHING OUR RURAL COMMUNITIES

We heard that distance can make it harder for some of you to access our libraries, and that not everyone is aware of the services already available without needing to visit a branch.

Over the coming year, we'll undertake targeted library engagement in the Wharepūhunga and Kāwhia-Tihiroa wards, with a particular focus on making sure our rural communities know what they can access remotely. This includes our Rural Delivery Service, digital library membership, online resources and Beanstack, our online platform for taking part in library reading challenges and activities.

This builds on our wider commitment to take library services beyond our buildings and increase outreach opportunities for our rural communities.

KĀWHIA LIBRARY

We heard suggestions about the size of the Kāwhia Library and requests for additional space, seating and opportunities for the library to provide more activities.

There are currently no plans to extend the Kāwhia Library building, and an extension was not identified through the Kāwhia Concept Plan or subsequent

planning. We therefore don't want to create an expectation that additional building space is planned.

Instead, we'll continue to make the best use of the space available and look for practical opportunities to support access to library services, programmes and resources within the existing facility.

CONTINUING TO LISTEN AND ADAPT

Some of the ideas you shared can be acted on through existing services, while others will help inform how library services develop over time. Space, staffing, demand and available resources all need to be considered when introducing new programmes or facilities.

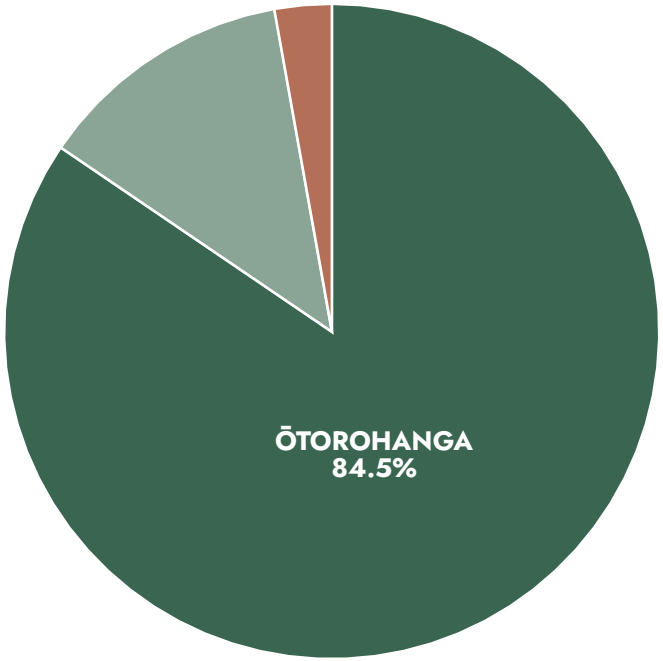
We'll continue to listen to what you tell us, monitor how services and programmes are being used, and look for practical opportunities to keep our libraries welcoming, useful and accessible – whether you visit us in person or connect with us from elsewhere in the district.



"Terrific Tales is a great way to engage families and get them reading more."

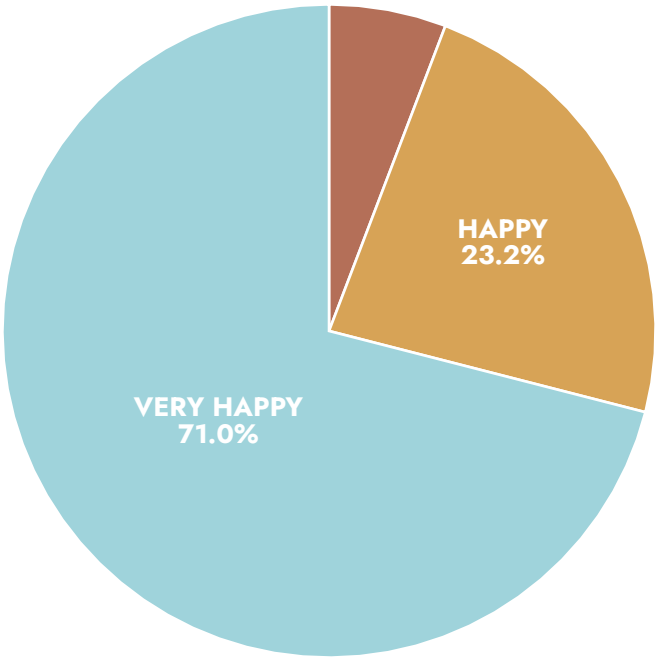
"The kids programmes are wonderful- the planning that goes into them is awesome."

WHICH LIBRARY, IF ANY, DO YOU USE MOST OFTEN?



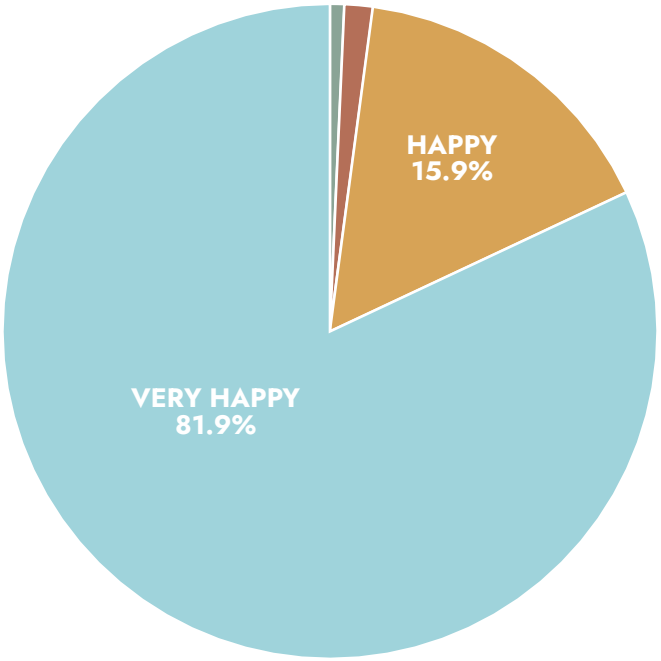
Kāwhia	12.7%
I don't use the library	2.8%

HOW SATISFIED ARE YOU WITH THE OVERALL LIBRARY SERVICES IN THE PAST YEAR?



Very Unhappy	0%
Unhappy	0%
Neutral	5.8%

HOW HAPPY ARE YOU WITH THE SERVICE YOU RECEIVE FROM STAFF?



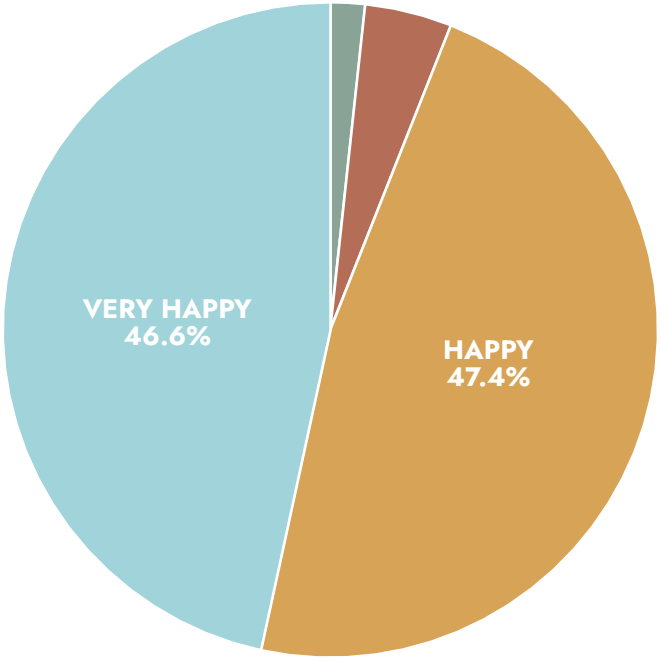
Very Unhappy	0%
Unhappy	0.7%
Neutral	1.4%

Page 297

"Digital access that also gives access to upper North Island libraries is fantastic."

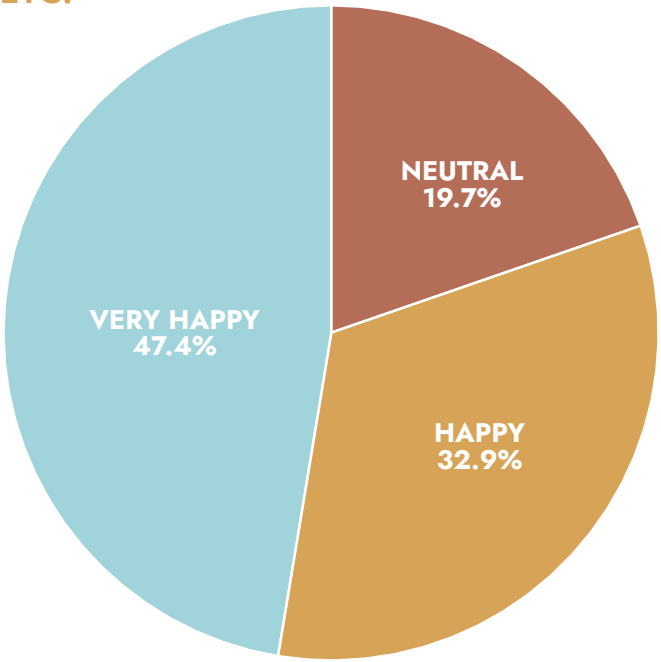
"I like that I can get a whole series of chapter books."

HOW DO YOU RATE THE COLLECTION OF BOOKS, MAGAZINES, DVD's AND OTHER MATERIALS?



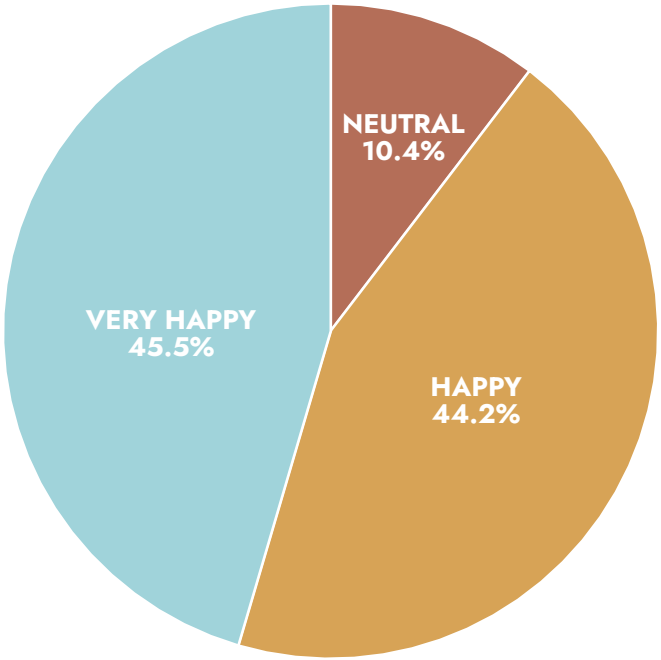
Very Unhappy	0%
Unhappy	1.7%
Neutral	4.3%

HOW DO YOU RATE THE LIBRARY PROGRAMMES OFFERED? FOR EXAMPLE CLASSES, HOLIDAY PROGRAMMES, STORYTIME, AFTER-SCHOOL PROGRAMME ETC.



Very Unhappy	0%
Unhappy	0%

HOW DO YOU RATE OUR ONLINE RESOURCES? FOR EXAMPLE, THE LIBRARY WEBSITE, APPS, EBOOKS, DIGITAL NEWSPAPERS AND MAGAZINES, DIGITAL RESOURCES...



Very Unhappy	0%
Unhappy	0%



ANNUAL HOUSING FOR OLDER PERSONS SURVEY

RESPONSES

RESPONSES

This year we received responses from 21 of our 28 tenanted units – a 75% response rate and our highest level of participation to date.

While participation was very strong, relatively few written suggestions for improvement were provided. Those that were received were mostly individual and practical requests rather than recurring themes. This means there isn't enough written feedback to draw broad conclusions or identify significant themes across the housing portfolio.

The comments do, however, provide useful insight into individual experiences and identify some specific matters relating to comfort, safety and the maintenance of communal outdoor areas.

COMFORT IN THE UNITS

There was no clear recurring theme in the written feedback about improving comfort this year. The small number of suggestions reflected individual circumstances and preferences rather than a common concern across the units.

Suggestions included more kitchen bench space, a replacement stove, bathroom heating and removing an exterior Perspex shelter. One respondent simply told us “Nothing” was needed to make their unit more comfortable.

Given the small number and varied nature of these comments, they are better considered as individual matters rather than evidence of a wider issue with the comfort of the units.

FEELING SAFE AT HOME

Very little written feedback was provided about how safety could be improved this year, and there was no recurring theme in the comments.

Practical maintenance matters were entered into Council’s Service Request system for follow-up.

As with all our housing, we encourage tenants to let us know promptly if they identify a maintenance or safety issue so it can be assessed and addressed appropriately.

LAWNS, GARDENS AND COMMUNAL AREAS

The comments about lawns, gardens and communal areas were also limited and varied.

A small number of you raised practical maintenance matters, including mowing frequency and quality, weed-eating and leaf clearing. One respondent suggested adding flower beds, while another raised a drainage issue following recent heavy rain.

- *“Perhaps more frequent use of leaf blower”*
- *“It would be lovely to have them weed eated around every unit and mow lawns a bit lower”*

Maintenance matters identified through the survey have been treated as an individual service issue rather than an indication of a wider concern.



FOLLOWING UP YOUR FEEDBACK

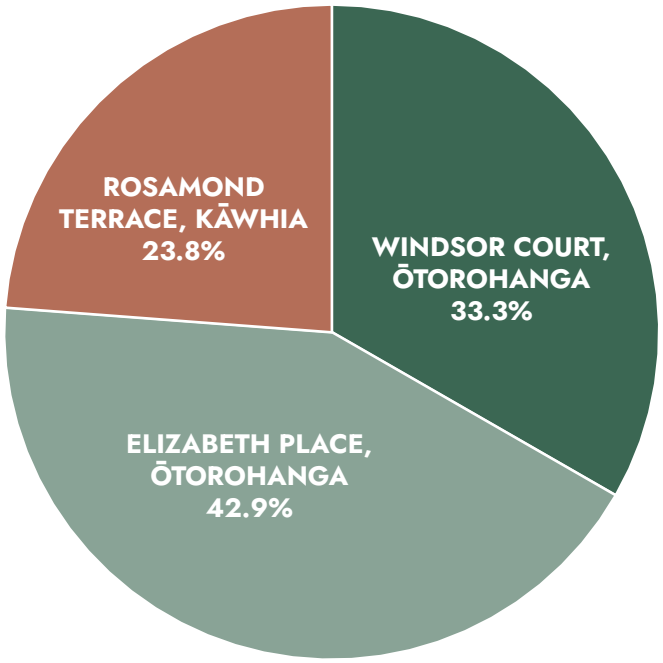
We maintain regular contact with our housing tenants throughout the year, so the annual survey is one of several opportunities for you to let us know how things are going or raise something that needs attention.

Where this year's written feedback identified a maintenance or service issue that required follow-up, we have entered it into Council's Service Request system so it can be assessed and actioned appropriately.

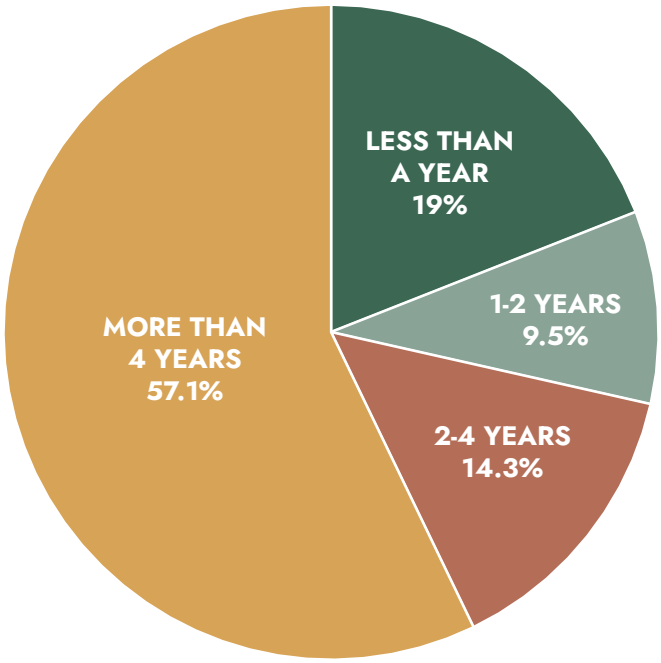
You don't need to wait for the annual survey to tell us when something isn't right. We encourage you to raise maintenance, safety or other concerns with us when they arise so we can respond as soon as possible.



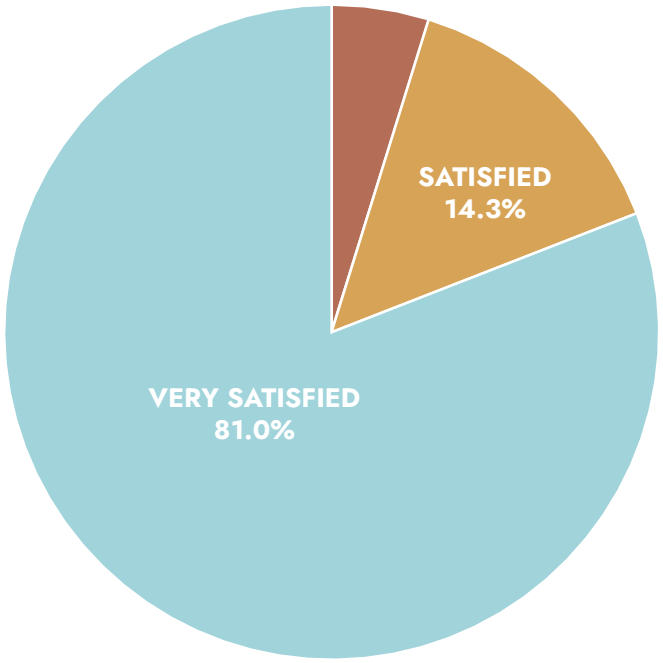
WHICH OF THE HOUSING COMMUNITIES DO YOU LIVE IN?



HOW LONG HAVE YOU LIVED IN COUNCIL'S OLDER PERSONS HOUSING?



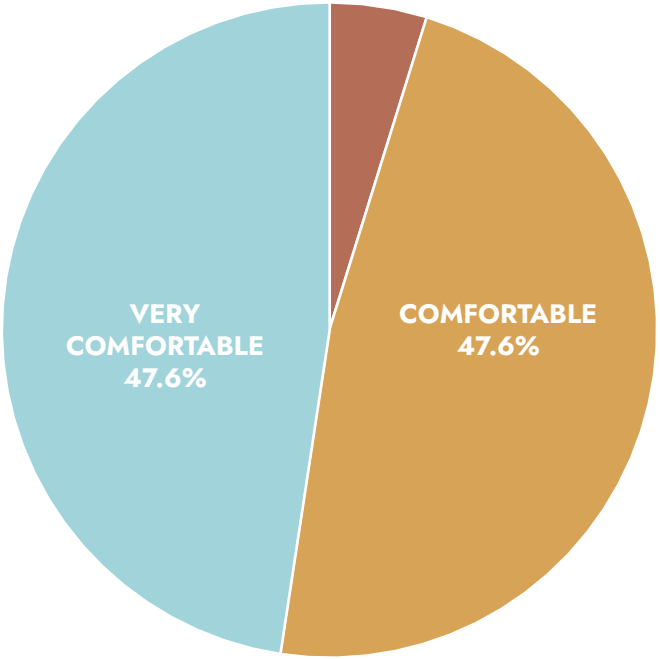
HOW SATISFIED ARE YOU WITH THE OVERALL CONDITION OF YOUR HOUSING UNIT?



Very unsatisfied	0%
Unsatisfied	0%
Neutral	4.6%

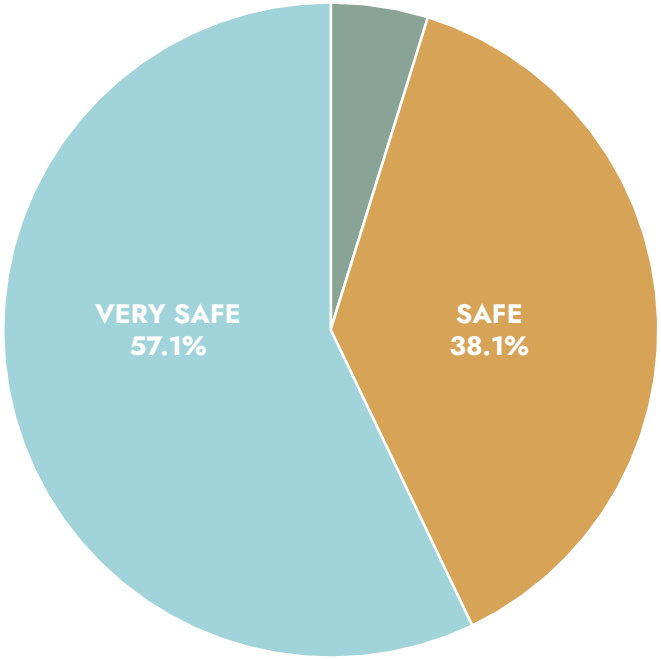
Page 302

HOW COMFORTABLE IS YOUR UNIT?



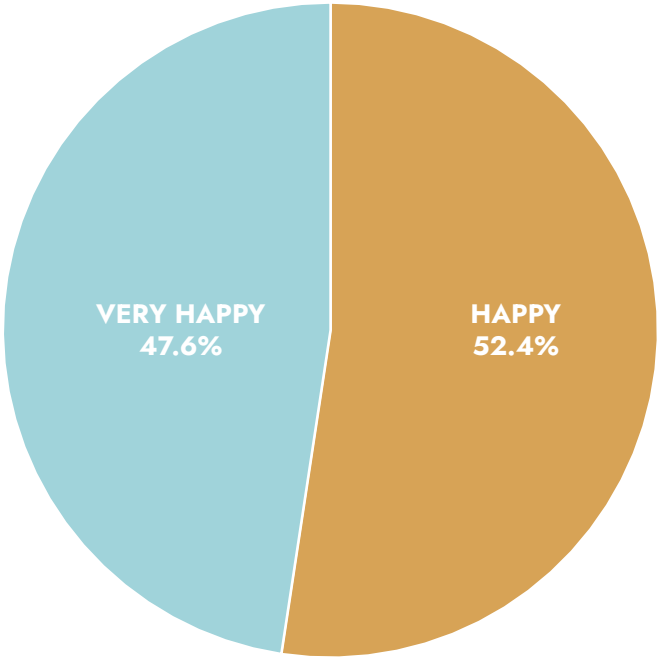
Very uncomfortable	0%
Uncomfortable	0%
Average	4.8%

TO WHAT LEVEL DO YOU THINK YOUR UNIT IS SAFE?



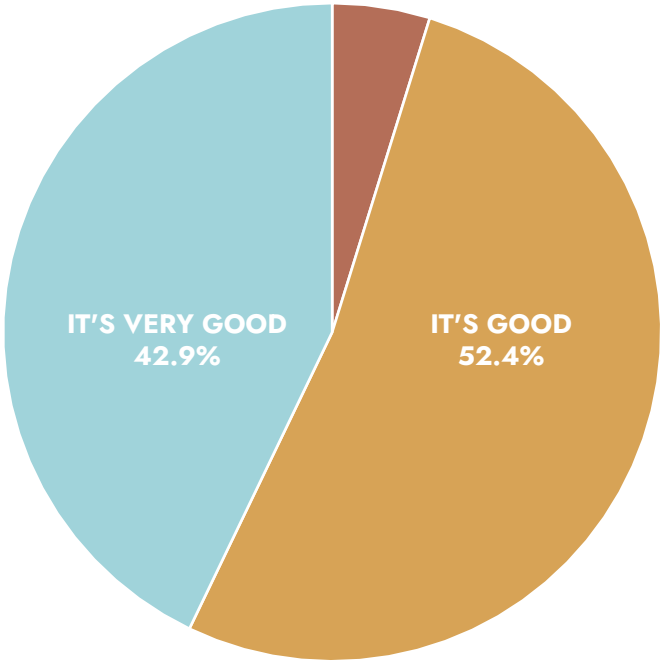
Very unsafe	0%
Unsafe	4.8%
Average	0%

IF YOU HAVE MADE A MAINTENANCE REQUEST IN THE PAST YEAR, HOW HAPPY WERE YOU WITH THE RESPONSE TIME?



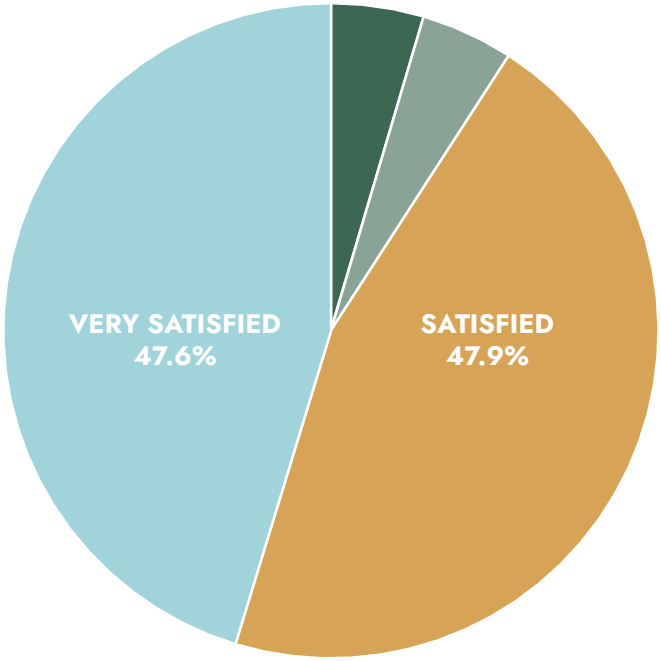
Very unhappy	0%
Unhappy	0%
Neutral	0%

TO WHAT LEVEL DO YOU THINK THAT THE UNIT IS WARM, DRY AND WEATHERTIGHT?



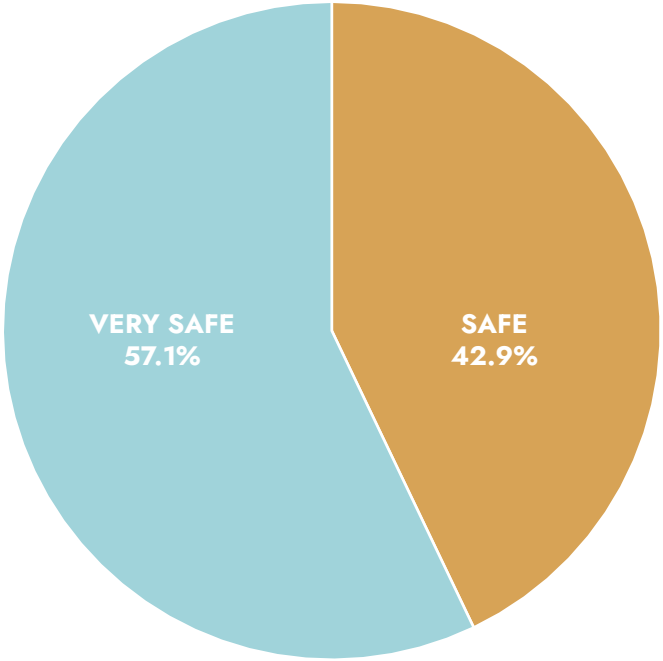
It's not at all	0%
It could be much better	0%
It's ok	4.8%

HOW SATISIFIED ARE YOU WITH THE LAWNS AND GARDENS OF COMMUNAL AREAS?



Very unsatisfied	4.8%
Unsatisfied	4.8%
Neutral	0%

HOW SAFE DO YOU FEEL IN YOUR HOUSING COMMUNITY?



Very unsafe	0%
Unsafe	0%
Average	0%

ANNUAL MĀORI LEADERS RELATIONSHIP SURVEY



THEMED RESPONSES

THEMED RESPONSES TO IWI RELATIONSHIPS

Over recent years, we have deliberately focused on strengthening our relationships with iwi, hapū and Māori communities. This year's feedback suggests that a strong foundation of trust and relationships continues, while also reminding us that these relationships require ongoing care, consistency and commitment.

The overall feedback remains positive, with most of you expressing a high level of trust in Council and confidence in the relationships being built and maintained. Looking across the past year, those of you who felt able to make a comparison considered Council's relationships with Māori leaders to be as good as or better than before, with no one indicating they had worsened.

The written feedback helps provide context behind those results. You continue to value regular and transparent communication, early and genuine engagement, kanohi ki te kanohi connection, and opportunities to work together on shared priorities. Several of you recognised the progress we have made in these areas and encouraged us to continue building on it.

There was also feedback that reminds us that relationships are experienced individually as well as collectively. While the overall results are positive, not every experience has been the same, and some of you identified opportunities for more regular contact, greater consistency and continued attention to how relationships are maintained over time.

Overall, the message is encouraging but also clear: strong relationships cannot be taken for granted. They are built over time through transparency, consistency, genuine engagement and what we achieve together.

> "I have not had reason to question Council staff, the Mayor's or councillors' integrity in the work they undertake."

REGULAR, OPEN COMMUNICATION BUILDS TRUST

Clear and consistent communication continues to be one of the strongest themes in your feedback.

Several of you recognised improvements in the way we communicate and keep iwi/Māori informed, including through direct communication, hui and updates during significant events. Being informed early also gives iwi and hapū the opportunity to decide when and how they want to engage.

- *"Council liaises often and consistently, and are improving early on kaupapa pertinent to Mana Whenua"*
- *"Transparency. Trust is built through transparency and the ODC is building trust by communicating regularly with iwi leaders."*
- *"Improved communications and reports shared with stakeholders, following weather event in mid-Feb 2026. Good to be kept informed"*

At the same time, one respondent told us engagement had reduced again following the February weather event and asked for more regular contact. This is an important reminder that consistency matters – particularly between major projects or events, not only when there is an immediate kaupapa requiring engagement.

EARLY AND GENUINE ENGAGEMENT MATTERS

Your feedback reinforces the importance of engaging early, being genuine about why engagement is occurring and providing meaningful opportunities to participate.

The Māori ward and constituency legislation change was identified as an example where engagement occurred early and continued throughout the process. Other comments highlighted open communication, face-to-face kōrero and opportunities to engage as positive features of the relationship.

- *"With the Māori Ward review, engagement occurred early and throughout that time period."*
- *"Authenticity... there is much to be achieved when parties engage in a genuine and meaningful way and are honest in their communication(s)."*
- *"Open and effective communications - whanaungatanga. Transparent processes - pono. Inclusiveness - whakauruuru"*

You also reminded us that how and when we engage matters. Māori leaders and representatives often have employment, whānau and other kaupapa commitments alongside the contribution they make to Council processes. Timing hui appropriately and recognising dynamic commitments can help create more meaningful opportunities to participate.

KANOHI KI TE KANOHI AND WORKING TOGETHER

There continues to be value in meeting and working together kanohi ki te kanohi.

You recognised Council's visibility at kaupapa, facilitation of hui and opportunities for face-to-face kōrero. Looking ahead, you also suggested more regular forums, reaching out to marae, land trusts, hapū and other groups, and creating opportunities to work together on shared priorities.

- *"Reach out to Marae, Land Trusts and other hapu and support groupings"*
- *"Invitations online or face to face opportunities to korero"*
- *"Continue the collaborative approach with some identifiable and strategic actions to positively impact and support our people"*

This feedback suggests the next step is not simply about having more engagement, but continuing to strengthen purposeful engagement around shared priorities and outcomes.

RELATIONSHIPS REQUIRE ONGOING CARE

"Like all relationships this relationship with manawhenua is ongoing. It requires maintenance and nurturing."

While the overall results are positive, your comments also make clear that strong relationships require continued investment.

One respondent described engagement as limited outside the response to the February weather event, while others encouraged more regular contact and opportunities to work together. Another noted that trust in local government also sits within a much longer historical context.

- *"Regular contact would be appreciated"*
- *"The ŌDC of recent years has been very good and trending in the right direction. But history is not easily forgotten..."*
- *"There is always something to work on and it might be identifying what that is so we can mitigate any possible future risks/issues..."*

The message is a useful one: positive ratings are not a reason to become complacent. Authentic relationships are built over time through consistency, transparency, presence and what we achieve together.

"More opportunities to work together with manawhenua on kaupapa."

WHAT WE'RE DOING ABOUT IT:

This year's feedback shows that the work we have put into strengthening relationships with iwi, hapū and Māori communities is making a difference. It also reinforces that these relationships need to be continually nurtured through regular communication, early and genuine engagement, kanohi ki te kanohi connection and opportunities to work together on shared priorities.

EMBEDDING EARLY AND MEANINGFUL ENGAGEMENT

Over the past year, we have continued implementing our Māori Engagement Framework, moving from establishing the framework to embedding it into the way Council works.

The framework is now supported by practical tools and resources that help staff consider Māori engagement earlier when planning projects and preparing advice for Council. Workshops have also been delivered to staff and elected members to build understanding of our responsibilities, relationships and how meaningful engagement can be incorporated into our everyday work.

The next phase of this work will focus on strengthening our practice and understanding the difference the framework is making, so we can continue to learn and improve.

KEEPING COMMUNICATION REGULAR AND OPEN

You told us that regular, transparent communication is an important part of building and maintaining trust.

We'll continue sharing pānui and direct updates with iwi partners on significant kaupapa and emerging issues, as well as providing information about Council's forward work programme and upcoming opportunities to participate.

We'll also continue to provide notice of engagement and consultation opportunities as early as practicable, with clear information about the kaupapa, process and opportunities to contribute.

MAKING TIME FOR KANOHİ KI TE KANOHİ

Your feedback continues to reinforce the value of kanohi ki te kanohi – taking the time to meet, listen and build relationships in person.

We will continue to attend hui, marae and kaupapa across the district and maintain opportunities to meet kanohi ki te kanohi. Where there are opportunities to connect more regularly with marae, hapū and Māori organisations, we'll remain open to these conversations and explore approaches that work for those involved.

WORKING TOGETHER ON SHARED PRIORITIES

This year you also encouraged us to continue moving beyond engagement towards working together on kaupapa that can make a meaningful difference for our communities.

There are already examples of this approach in practice. Iwi authorities have been invited to participate alongside Council in emergency management, helping strengthen relationships and capability across our wider Civil Defence network. We are also working through existing relationships and agreements with iwi and hapū on matters of shared interest.

We'll continue looking for appropriate opportunities to work collaboratively, recognising that the form this takes depends on the kaupapa, the aspirations and capacity of those involved.

SUPPORTING PARTICIPATION AND BUILDING OUR OWN CAPABILITY

We recognise that meaningful participation requires time and expertise. We will continue to provide appropriate recognition for iwi expertise and participation, including koha and payment for involvement in hearings and evaluation panels where applicable.

At the same time, the responsibility for effective engagement doesn't sit with iwi alone. We need

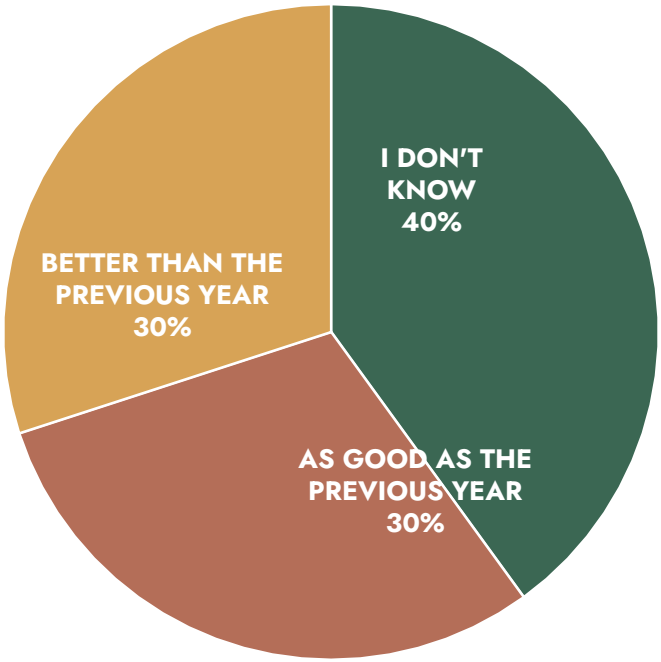
to continue building our own capability. Cultural learning opportunities, practical Māori Engagement Framework workshops and resources for staff are strengthening understanding across the organisation so that meaningful engagement increasingly becomes part of how we work.

Strong relationships are built over time. We'll continue to focus on showing up, communicating openly, engaging early and looking for opportunities to work together – while recognising that relationships need flexibility and should develop in ways that are meaningful for everyone involved.

"Open and effective communications - whanaungatanga. Transparent processes - pono. Inclusiveness - whakauruuru"

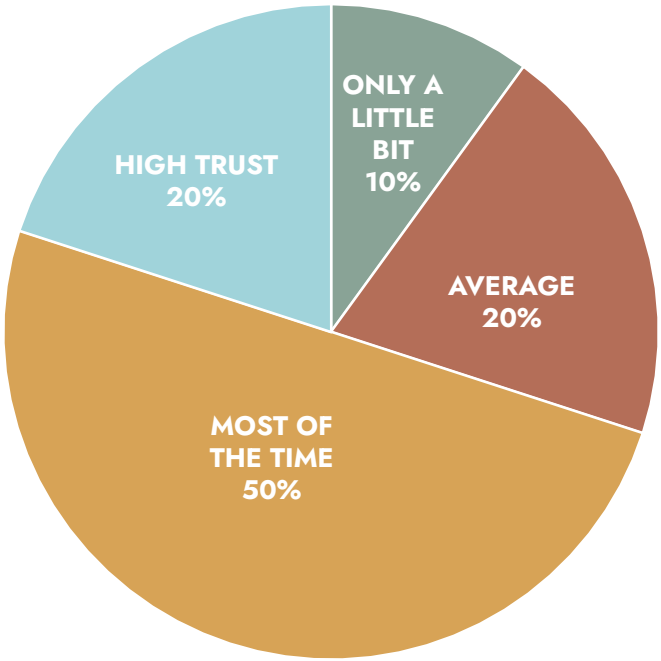


HAS COUNCIL IMPROVED ITS RELATIONSHIPS WITH IWI LEADERS COMPARED TO LAST YEAR?



Worse than previous year	0%

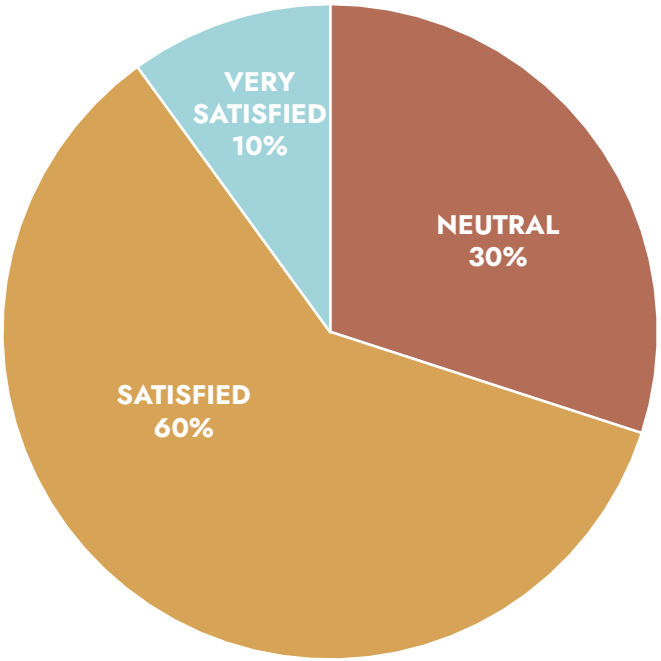
HOW MUCH DO YOU TRUST THE ŌTOROHANGA DISTRICT COUNCIL?



No trust	0%

HOW DO YOU FEEL THE ŌTOROHANGA DISTRICT COUNCIL ARE DOING?

IN BUILDING AND MAINTAINING AUTHENTIC, STRONG, AND PRODUCTIVE RELATIONSHIPS WITH MĀORI LEADERS REPRESENTING MANA WHENUA (COUNCIL INCLUDES MAYOR, COUNCILLORS, COMMUNITY BOARDS AND STAFF)



Very unsatisfied	0%
Unsatisfied	0%

TE KAUNIHERA Ā-ROHE O
ŌTOROHANGA
DISTRICT COUNCIL

WE'RE LISTENING

Whether you need to ask a question, make a request, pass on a compliment or complaint about any of our services, or reach an Elected Member - here's how!

HERE ARE ALL OF THE WAYS YOU CAN CONTACT US:

- Online - www.otodc.govt.nz
- Lodge a Service Request - www.otodc.govt.nz/contact-us/fix-report-a-problem
- Phone - 0800 734 000
- Email - info@otodc.govt.nz
- Antenno App - www.otodc.govt.nz/contact-us/antenno-app
- In person – 17 Maniapoto Street, Ōtorohanga
- Post - PO Box 11, Ōtorohanga 3940
- Elected Members - www.otodc.govt.nz/about-council/mayor-councillors-and-boards
- Follow us on Social Media - www.facebook.com/OtorohangaDistrictCouncil

WEAVING THE FUTURE, TOGETHER

KOTAHITANGA

Ōtorohanga District Council | 17 Maniapoto St, Ōtorohanga
0800 734 000 or 07 873 4000 | **www.otodc.govt.nz**

TE KAUNIHERA Ā-ROHE O
ŌTOROHANGA
DISTRICT COUNCIL

Item 52 Finance Report to 30 September 2026

To	Ōtorohanga District Council
From	Brendan O'Callaghan, Project Accountant
Type	**INFORMATION REPORT**
Date	27 October 2026

1. Purpose | Te kaupapa

1.1. To provide an update on progress against the 2026/27 budget.

2. Executive summary | Whakarāpopoto matua

2.1. The Financial Report for the period ended 30 September 2026 shows the operating surplus being down on year to date budget by $58k, but still showing a healthy surplus.

2.2. Capital expenditure and loan repayments are under budget due to the timing of some capital projects compared to the budget timing.

2.3. The balance sheet shows a healthy working capital position due to the charging of the first instalments of the rates for the 2026/27 financial year.

3. Staff recommendation | Tūtohutanga a ngā kaimahi

That Ōtorohanga District Council **RECEIVE** the report titled 'Finance Report to 30 September 2026' by Brendan O'Callaghan, Project Accountant.

4. Discussion | He kōrerorero

Statement of Comprehensive Revenue and Expenses
For the Period Ending September 2026

	Actual	Budget	Variance	Full Year Budget
Revenue				
Rates income	9,063,934	8,870,242	-193,692	17,935,894
Contributions	880	1,985	1,105	10,420
Water by Volume Rates	-248,706	-285,850	-37,144	2,444,818
Subsidies and Grants	1,185,030	1,280,184	95,154	6,839,026
Other Income	222,800	423,041	200,241	2,175,908
Other gains/(losses)	0	0	0	0
Total Revenue	10,223,938	10,289,602	65,664	29,406,066
Expenses				
Employee Benefit Expenses	1,620,641	1,713,094	92,453	7,651,016
Depreciation and Amortisation	1,967,034	1,967,034	0	8,106,468
Other Expenses	3,935,767	3,732,123	-203,644	14,766,473
Finance Costs	-18,016	100,401	118,417	371,995
Total Expenditure	7,505,426	7,512,652	7,226	30,895,952
Operating Surplus/(Deficit)	2,718,512	2,776,950	58,438	-1,489,886

4.1. Overall, there is a net surplus to the end of September of $2.72M, compared to a budgeted year to date surplus of $2.77M. The variance in the surplus against budget is due to:

4.2. Operating Revenue is down on budget by $66k. This is due to being $193k up on budget in rates income, offset by being $95k under budget on subsidies and grants and $200k under budget on other income.

4.3. Other income is down on budget due to the reversal of income accrued back to last year associated with the February weather event for funding to be invoiced to NEMA and Waipa District Council. This is offset by changes in timing of income for regulatory items.

4.4. Operating expenses is down on budget by $7, with other expenses being $203k over budget, employee benefit expenses being $92k under budget and finance costs being $118k under budget.

4.5. Other expenses are over budget by $203k because of increased other expenses spending compared to the timing of the budget. Other expenses is broken down as we do in the notes to the financial statements below.

Other Expenses

	Actual	Budget	Variance	Full Year Budget
Activity operation	455,125	497,908	42,783	2,169,386
Asset Maintenance	152,993	142,717	(10,276)	784,174
Deloitte Fees	(148,812)	0	148,812	344,190
Grants and Subsidies	214,829	151,235	(63,594)	467,514
Insurance	9,939	62,919	52,980	225,090
Minimum Lease Payments Under Operating Leases	6,128	5,150	(978)	25,970
Other expenses	1,849,212	1,508,566	(340,646)	5,692,748
Regional Initiatives	13,750	0	(13,750)	192,955
Road maintenance	1,256,835	1,213,585	(43,250)	4,620,500
Youth Initiatives	125,768	150,043	24,275	273,010
	3,935,767	3,732,123	(203,644)	14,795,537

A further breakdown of the Other Expenses line follows below.

	Actual	Budget
Communication and Engagement	17,241	23,450
Consultants	100,061	84,518
Council Held Resource Consent Costs	4,573	32,252
Emergency Management Shared Services	37,242	28,954
February Flood Event Response Costs	680,636	0
Fleet Costs	43,800	47,000
Fringe Benefit Tax	15,586	21,038
Governance Costs	41,330	51,852
Grants to External Providers	20,880	64,355
Legal Expenses	18,671	21,720
Office Costs	141,046	169,153
Organisational Development	1,300	38,107
Other Sundry Expenses	(273,270)	102,825
Rates	279,638	254,867
Regulatory Costs	22,222	24,277
Security Patrol Contract	32,142	25,818
Shared Services	31,087	19,050
Strategies and Plans	27,566	134,531
System Support	384,467	251,174
Town Centres Development	0	113,625
Waste Management Contracts and Initiatives	222,994	0
	1,849,212	1,508,566

The Flood event costs relate to items that are being covered by insurance which are still on-going, and so those costs have been carried over from last year, as well as some of the final costs associated with recovery. Insurance payments related to these expenses have been approved in October and payments have started to be received for some repairs.

The negative other sundry expenses relate to the reversal of accruals for the last year of invoices that have not yet been processed prior to preparing this report.

Statement of Financial Position
For the period ending September 2026

	Actual	Full Year Budget	YTD Last Year
Assets			
Current Assets			
Cash and Cash Equivalents	1,362,898	1,216,032	267,609
Trade and Other Receivables	3,078,683	4,733,712	3,352,778
Inventory	56,821	33,807	46,241
Total Current Assets	4,498,401	5,983,551	3,666,628
Non-current Assets			
Investments	9,826,008	9,468,109	9,020,210
Property, Plant and Equipment	458,509,088	438,096,192	435,653,939
Intangible Assets	115,483	248,767	181,895
Loan Receivable	0	1,501,191	1,666,121
Total Non-current Assets	468,450,580	449,314,259	446,522,165
Total Assets	472,948,981	455,297,810	450,188,793
Liabilities			
Current Liabilities			
Trade and Other Payables	357,614	3,528,027	3,789
Provisions	1,246	1,164	1,164
Employee Benefit Liabilities	384,372	409,019	0
Income in Advance	0	1,061,969	0
Development and Financial Contributions in Advance	529,753	585,566	585,567
Borrowings	11,000,000	0	12,000,000
Total Current Liabilities	12,272,985	5,585,745	12,590,521
Non-current Liabilities			
Provisions	9,533	10,779	10,779
Employee Benefit Liabilities	42,374	51,048	47,531
Borrowings	3,447,613	18,947,613	447,613
Total Non-current Liabilities	3,499,520	19,009,440	505,922
Total Liabilities	15,772,505	24,595,185	13,096,443
Net Assets	457,176,476	430,702,625	437,092,350
Equity			
Retained Earnings	168,886,575	162,603,561	171,475,501
Reserve Funds	3,225,408	3,079,279	3,204,471
Revaluation Reserves	285,064,492	265,019,785	262,412,377
Total Equity	457,176,476	430,702,625	437,092,350

4.6. Overall, the balance sheet is showing a healthy position as at 30 September. The working capital to the end of September (excluding borrowings) is $3.2M. This is primarily due to the first rates instalment being invoiced in July and due at the end of August.

4.7. Non current assets and Equity have increased from the prior year, as a result of the revaluation of 3 Waters assets undertaken as at 30 June 2026. The overall increase on the 3 Waters asset value is $21.7M, which represents a 38.3% increase in the value of those assets at year end. The remainder of the increase relates to asset capitalisation.

Combined Cost of Service Statement
For the Period Ending September 2026

	YTD Actual	YTD Budget	YTD Variance	Full Year Budget
Operating Revenue				
Activity Revenue	1,407,830	1,703,225	295,395	9,014,934
Targeted Rates	3,743,841	3,734,219	-9,622	9,935,212
Development Contributions	880	1,985	1,105	10,420
General Rates	5,145,230	5,121,263	-23,967	10,445,500
Other General Sources	3,179,252	5,117,789	1,938,537	13,806,517
	13,477,033	15,678,481	2,201,448	43,212,583
Operating Expenditure				
Trusted Leadership & Relationships	4,533,470	5,147,023	613,553	17,471,065
Strong Communities	733,157	832,887	99,730	2,368,669
Vibrant Places and Spaces	1,120,944	1,239,661	118,717	4,397,200
Sustainable Development and Public Safety	358,303	708,042	349,739	2,706,583
Resiliant Infrastructure: Land Transport	2,652,443	3,232,105	579,662	11,901,574
Resiliant Infrastructure: Water Supply	709,177	843,968	134,791	3,240,787
Resiliant Infrastructure: Wastewater	402,041	389,422	-12,619	1,444,266
Resiliant Infrastructure: Stormwater	122,874	123,430	556	408,766
Resiliant Infrastructure: Flood Protection	62,531	91,818	29,287	500,545
Responsible Waste Management	281,969	66,093	-215,876	823,985
	10,976,909	12,674,449	1,697,540	45,263,440
Funding Required				
Capital Renewals	3,649,515	3,906,772	257,257	7,613,319
Capital Growth	2,427	50,000	47,573	400,000
Capital Level of Service	246,317	0	-246,317	332,999
Loans Repaid	252,922	252,922	0	967,931
	4,151,181	4,209,694	58,513	9,314,249
Funding Applied				
Funding from Depreciation Reserves	0	0	0	4,493,658
Loans Raised	0	0	0	2,223,871
Capital Income	505	130,375	129,870	151,235
Transfer to and from Balance	1,650,553	1,075,287	-575,266	4,496,343
	1,651,058	1,205,662	-445,396	11,365,107

4.8. In the Combined Cost of Services statement, overall operating revenue is $2.2M under budget. This relates mostly to Other General Sources being under budget due to the reduced costs associated with overhead activities.

4.9. Operating expenditure is $1.7M under budget, with this mostly being in Trusted Leadership and Land Transport groups due to the timing of budgets in the beginning of the year, as well as the reversal of prior year accruals.

Statement of Cashflows
For the Period Ending September 2026

	Actual	Year to Date Budget
Cash flows from operating activities		
Receipts from rates revenue	8,682	7,122
Receipts from other revenue	3,581	3,661
Interest received	24	-
Dividends received	7	1
Payments to suppliers and employees	(9,117)	(5,962)
Interest paid	18	44
Net cash provided by/(used in) Operating Activities	3,195	4,866
Cash flows from investing activities		
Proceeds from Sale of Property, Plant and Equipment	1	-
Purchase of property, plant and equipment	(1,606)	(1,818)
Purchase of investments	792	(3,658)
Purchase of intangible assets	(364)	(234)
Net cash provided by/(used in) Investing Activities	(1,178)	(5,710)
Cash flows from financing activities		
Proceeds from borrowings	-	-
Repayment of borrowings	(1,000)	-
Net cash provided by/(used in) Financing Activities	(1,000)	-
Net (Decrease)/increase in cash, cash equivalents and bank overdrafts	1,017	(844)
Cash, cash equivalents and bank overdrafts at the beginning of the year	346	2,207
Cash and cash equivalents at the end of the period	1,363	1,363

4.10. The cashflow statement shows the cashflows in and out for the period to 30 September 2026. As can be seen, net cashflow from operating activities has been money coming in, due to the first instalment of this year's rates being charged, as well as receipt of the increased NZTA subsidy from the end of the last financial year.

4.11. Cashflows from investing activities shows the amount spent on capital expenditure to the end of September. This is only cash spent this financial year and does not include items not yet paid. The purchase of investments relates to the money received from Waikato Waters Limited for the reimbursements of the initial setup funding provided.

4.12. Cash flows from financing activities shows the borrowings and repayments made on external loans as well as transfers between reserve accounts. When the August loan came due Council was able to repay $1M of that balance.

Current Debt Profile

4.13. Current LGFA borrowing at the end of August has the following maturity profile. This is higher than what was projected in the Long Term Plan.

4.14. This increase is due to Council taking some borrowing to cover the funding of the reinstatement works for the storm damage from October 2025.

4.15. While the work to repair the October storm damage was being completed and the money was being claimed from NZTA, the February 2026 storm event hit, which meant that the loan was rolled over to

cover those costs as well. The bulk of the NZTA subsidy has been received for both events (with some additionally subsidy recently approved for additional works), however the proceeds from the insurance claims are still outstanding. These funds will allow the repayment of some of these loans as they come due, either partially or in full.

4.16. The loan below that came due on 15 October 2026 was rolled over for the same amount, with a term until August 2027. Further information on this will be included within next month's report.

Amount	Term	Maturity Date	Interest Rate
$2,000,000	6 months	15 October 2026	2.955%
$3,000,000	6 months	27 November 2026	3.01%
$3,000,000	9 months	26 February 2027	3.287%
$3,000,000	12 months	26 May 2027	3.51%
$3,000,000	11 months	27 July 2027	3.695%

Councillor updates — Ngā kōrero hou a ngā Kaikaunihera

All councillors will be invited by the Chairperson to provide a verbal update on meetings attended on behalf of Ōtorohanga District Council.

Resolution Register — Rēhita tatūnga

Outstanding Council resolutions are listed below.

There are no outstanding Council resolutions.

Public excluded — Take matatapu

Information considered in public excluded must be reviewed for release in accordance with the Local Government Official Information and Meetings Act 1987.

Reports in this section contain recommendations for a decision on whether to exclude the public.

Item	Resolution to exclude the public for Item PE12
To	Ōtorohanga District Council
From	Jess Hood - Manager, Governance
Type	**DECISION REPORT**
Date	27th October 2026



1. Purpose | Te kaupapa

1.1. To exclude the public from parts of the proceedings of the Ōtorohanga District Council meeting.

2. Executive summary | Whakarāpopoto matua

2.1. All formal meetings are open to the public; however, there are some parts of the meeting where the public can be excluded. ŌDC must provide a good reason if to exclude the public from a ŌDC or committee meeting - this also includes the media. A resolution must be made at a time when the meeting is open to the public stating the general subject of each matter, the reason for passing that resolution in relation to the matter, and the grounds on which the resolution is based.

3. Staff recommendation | Tūtohutanga a ngā kaimahi

That the Ōtorohanga District Council exclude the public from the following parts of the proceedings of this meeting confirming:

a) This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 7 of that Act where a risk of prejudice is minimised by the holding of the whole or the relevant part of the proceedings of the meeting in public; and

b) The general subject of each matter to be considered while the public is excluded and the reason for passing this resolution in relation to each matter and the specific grounds for the passing of this resolution are as follows:

General subject of each matter to be considered	Ground(s) under section 48(1) for the passing of this resolution	Interest
Item PE12: Waikato Regional Airport Limited (WRAL)	Section 7(2)(a)	protect the privacy of natural persons, including that of deceased natural persons.

4. Context | Horopaki

4.1. The Ōtorohanga District Council (ŌDC) is required under the Local Government Official Information and Meetings Act 1987 (LGOIMA) to conduct its meetings in a manner that is open and transparent to the public, except in circumstances where there is a justified reason to exclude the public. Section 48(1)(a) of LGOIMA permits the exclusion of the public from parts of a meeting to protect commercial interests, as specified in section 7(2)(b)(ii).

4.2. Public excluded agendas and minutes are not available to the public; however, ŌDC will release public information considered during the public excluded part of a meeting where possible. This approach ensures compliance with statutory obligations while balancing the principles of transparency and privacy.

5. Discussion | He kōrerorero

5.1. ŌDC must ensure that any decision to exclude the public is made transparently, with clear reference to the relevant legislative grounds. The process must also consider the potential for releasing non-sensitive information after the meeting, in line with ŌDC's commitment to openness. The decision aligns with the requirements of the Local Government Act 2002.

6. Strategic Considerations | Ngā whai whakaarotanga

Significance and engagement

6.1. While the exclusion of the public is a procedural matter, it is important to ensure that the rationale for exclusion is clearly communicated and that any non-sensitive information is made available to the public as soon as practicable. This approach maintains public confidence in ŌDC's processes and aligns with the principles of transparency and accountability under the Local Government Act 2002.

Mana whenua / Māori

6.2. ŌDC acknowledges its obligations to engage with mana whenua and Māori in decision-making processes. The subject matter of this report is procedural and does not require consultative or informative discussions with mana whenua/Māori.

Strategic alignment

6.3. This decision supports ŌDC's strategic objectives by ensuring that governance processes are robust and compliant, The exclusion of the public in this context is consistent with best practice for managing commercial interests and upholds the integrity of ŌDC's risk and assurance functions.

Legal

6.4. The recommendation is made in accordance with section 48(1)(a) of the Local Government Official Information and Meetings Act 1987. The process also aligns with the decision-making provisions of the Local Government Act 2002.

Financial

6.5. There are no direct financial implications arising from the procedural decision to exclude the public.

Risk analysis

6.6. Excluding the public for this item mitigates the risk of breaching commercially sensitive information and ensures compliance with statutory requirements. There is a reputational risk if the exclusion is not clearly justified or communicated; however, this is mitigated by adherence to legislative requirements and ŌDC's commitment to releasing non-sensitive information post-meeting.

7. Options analysis | Tātari Kōwhiringa

Options summary of considerations

	Option 1: Exclude the public for the entire item	Option 2: Exclude the public for part of the item	Option 3: Do not exclude the public
Summary	Full exclusion to protect privacy.	Partial exclusion, with some discussion in public.	All discussion held in public.
Advantages	Maximum protection and compliance with LGOIMA.	Balances transparency. Non-sensitive matters discussed publicly.	Maximum transparency.
Disadvantages	Limits public oversight; may be perceived as lacking transparency. Reputational risk if perceived as overly secretive.	Risk of inadvertent disclosure of sensitive information. Complexity in managing public/private split; potential for error.	Risk of breaching obligations; potential legal liability. Legal and reputational risk.

Recommended option and rationale

7.1. Staff recommended Option 1: Exclude the public for the entire item. This approach provides the highest level of protection for matters under consideration, ensures full compliance with section 48(1)(a) of LGOIMA. While this limits immediate transparency, ŌDC can release non-sensitive information after the meeting, maintaining public trust and accountability.

Closing prayer/reflection/words of wisdom — Karakia/huritao/whakataukī

The Chairperson will invite a Member to provide the closing words and/or prayer/karakia.

Meeting closure — Katinga o te hui

The Chairperson will declare the meeting closed.

Workshops — Hui awheawhe

Workshops are held to discuss issues and provide direction. No decisions are made. Decisions will be made at a formal meeting. The timing indicated below is subject to change.

Please contact our team on 0800 734 000 for updated timing on the day.

Item 1	**Monthly discussion with the Chief Executive**			
Type	Briefing	**Discussion**		External
Open?	Yes **No**	Reason for exclusion:	To maintain the effective conduct of public affairs through the free and frank expression of opinions by or between members, officers, or employees of a local authority.[1]	
Presenter/s	Chief Executive			

Item 2	**LTP Funding Community-led Concept Plan Projects**		
Type	Briefing	**Discussion**	External
Open?	**Yes** **No** :		
Presenter/s	Sally Sheedy - Concept Plan Lead		

Item 3	**LTP Revenue and Financing Policy – Part 3**		
Type	Briefing	**Discussion**	External

[1] Section 48(1)(a) of the Local Government Official Information and Meetings Act (LGOIMA), clause s7(2)(f)(i).

Open?	**Yes** **No**
Presenter/s	Brendan O'Callaghan - Finance Manager

Item 4	**Service Request Dashboard Update**		
Type	Briefing	**Discussion**	External
Open?	**Yes** No		
Presenter/s	Nardia Gower - GM Strategy and Community		

Item 5	**Chief Executive Recruitment**			
Type	Briefing	**Discussion**		External
Open?	Yes **No**	Reason for exclusion:	To maintain the effective conduct of public affairs through the free and frank expression of opinions by or between members, officers, or employees of a local authority.[3]	
Presenter/s	Mayor and Councillors			

[2] Section 48(1)(a) of the Local Government Official Information and Meetings Act (LGOIMA), clause s7(2)(f)(i).
[3] Section 48(1)(a) of the Local Government Official Information and Meetings Act (LGOIMA), clause s7(2)(f)(i).

For use in both opening and closing meetings

A Member will provide the words of their preference or may choose to use the following:

Mā te whakapono	*By believing and trusting*
Mā te tūmanako	*By having faith and hope*
Mā te titiro	*By looking and searching*
Mā te whakarongo	*By listening and hearing*
Mā te mahi tahi	*By working and striving together*
Mā te manawanui	*By patience and perseverance*
Mā te aroha	*By all being done with compassion*
Ka taea e tātou	*We will succeed*

Ōtorohanga District Council | 17 Maniapoto Street, Ōtorohanga | PO Box 11, Ōtorohanga 3900 | info@otodc.govt.nz | www.otodc.govt.nz