

Water Services Delivery Plan Assessment

Assessment Report – New Plymouth District Council

Te Kāwanatanga o Aotearoa
New Zealand Government



Internal Affairs
Te Tari Taiwhenua

Glossary and abbreviations

The table below sets out the abbreviations used in this report

	Abbreviation
Asset Management Plan	AMP
Capital expenditure	Capex
Department of Internal Affairs	Department
Drinking Water Quality Assurance Rules	DWQAR
Funds From Operations	FFO
In-house Business Unit	IBU
Level of Service	LOS
Local Government Funding Agency	LGFA
Local Government (Water Services Preliminary Arrangements) Act 2024	Preliminary Arrangements Act
Long Term Plan	LTP
New Plymouth District Council	NPDC
Resource Management Act 1991	RMA
Service Level Agreements	SLA
Water Services Delivery Plan	Plan
Water Services Council Controlled Organisation	WSCCO

Note for the Plans review panel regarding format of this assessment report

- The delivery model New Plymouth District Council is adopting is a single-council WSCCO for delivery of drinking water and wastewater services. NPDC will retain stormwater in an IBU.
- NPDC submitted separate Plans for its proposed two waters WSCCO and its IBU for stormwater.
- The Assessment Report is divided into two parts to assess the Plans separately:
 - Drinking water and wastewater (pages 9 to 29)
 - Stormwater (pages 30 to 50).

Assessment Cover Sheet

Background on council/s and engagement with the Department

Detail	Commentary
Councils involved in plan	New Plymouth District Council
Number of connections	Drinking water: 32,253 rising to 35, 580 by 2034; Wastewater: 30,311 rising to 33, 810 by 2034; and Stormwater: serviced population is approximately 87,000, based on 2023 Census data.
DIA comment on council engagement during Plan development process	<ul style="list-style-type: none"> NPDC have been consistently proactive in their engagement with the Department throughout the development of their Plan. Since November 2024, NPDC has continued discussions on the potential joint WSCCO with Stratford District Council (SDC) and South Taranaki District Council (STDC) as well as looking at delivering water independently. The three Taranaki councils grouping presented a financially viable model within the debt to revenue limits and FFO to debt limits indicated by the LGFA. In November 2024 the Department assisted the Taranaki grouping with the AMP section of the Plan template. In February 2025, STDC provided the Department with an updated regional financial model, on behalf of the grouping, for quality assurance review before the Taranaki Council grouping finalised their consultation documents. On 19 February 2025, through council resolution, NPDC agreed their preferred model for consultation was a joint Taranaki regional water entity in partnership with SDC and STDC. In the event that STDC and/or SDC opted out of a joint Taranaki WSCCO, it was decided the preferred option for NPDC would be a single WSCCO for drinking and wastewater services. An in-house model for stormwater was also included as a third option. NPDC consulted their community from 30 April 2025 to 30 May 2025, which indicated 57% supported the IBU model and 38% favoured the WSCCO model. In May 2025, NPDC publicly released a draft joint Plan for the potential Taranaki grouping. On 22 July 2025, following decisions from SDC and STDC not to proceed with the regional grouping, NPDC confirmed their decision to proceed with a single-council WSCCO for drinking water and wastewater and an IBU for stormwater.

Detail	Commentary
	<ul style="list-style-type: none"> <li data-bbox="551 276 1144 300">• The final Plans were submitted on 28 August 2025.
Feedback provided to council prior to submission on Draft Plan	On 17 July 2025, NPDC provided the Department with elements of their draft plan for a technical review. The Department responded on 22 July 2025 stating that from the technical assessment of the draft, water services appeared to be well managed with a good understanding of issues and risks, feedback mainly focused on asset management.
Engagement with council during review and assessment process	N/A
Other Background Comments	N/A

Assessment Summary

Section	Commentary
Confirmation of submission completeness checklist	Yes – all required components completed.
General Comment on Plan	The Plans demonstrate financial sustainability, with sufficient revenue to cover costs, and sufficient investment to meet relevant regulatory requirements.
Financial Sustainability Comment	The Plans explain how the delivery of water services will be financially sustainable and that revenue is sufficient to cover the long-term investment that meets the LOS, regulatory requirements and provides for growth. No specific actions are noted beyond the steps already provided for in the Plan and the implementation plan. Risks included are appropriate and include relevant mitigations.
Revenue Sufficiency	The average projected charges for drinking and wastewater services rise from \$1,293 to \$2,663, a 106% increase over the 10 years. The average projected charges for stormwater services rise from \$161 to \$576 over the 10 years, an increase of 257.8%. Rate increases are substantial in the first part of the Plans however affordability remains within threshold through the duration of the Plans. The Plans demonstrate revenue sufficiency with revenue able to cover costs and allow future investment. Revenue exceeds expenses in all years of the WSCCO gradually rising from 2025/26 onwards. There is a positive operating cash forecast every year of the 10-year Plan and the WSCCO has sufficient operating surplus from 2027/28 onwards, reaching 19.7% by 2033/34.
Investment Sufficiency	The Plans demonstrate investment is sufficient to meet requirements of LOS, renewals and enable growth. NPDC intends to increase renewals expenditure to reduce backlog over time and there is no mention of a smoothing renewals plan. The asset investment ratio over the 10-year period is positive and unchanged from the infrastructure strategy, LTP and AMPs. The asset consumption ratio is consistent across the 10-year period indicating that the average age of assets remains constant.
Financing Sufficiency	The Plans confirm sufficient funding and financing can be secured to deliver water services. Projected whole of Council borrowing is well within its 280% net debt to revenue borrowing limit due to NPDC's Perpetual Investment Fund. The WSCCO is within its borrowing limits, with projected borrowings of \$169m over 10 years and sufficient headroom throughout the Plan. The FFO to debt percentage forecast throughout the plan is sufficiently above the 9% covenant level set by LGFA.
Overall assessment recommendation	The overall recommendation from the assessment phase is to accept the Plans from NPDC.

Issues for discussion with Panel

Issue	Description	Recommended treatment
Charging and billing arrangements	Limited discussion is included in the Plan on the details of proposed charging and billing mechanisms for drinking water and wastewater services. The Plan makes clear these discussions are ongoing and will be made as part of the 2027-34 LTP process.	We recommend the Department monitor NPDC's charging and billing arrangements for drinking water and wastewater during implementation.

Water Services Delivery Plan Summary Analysis – New Plymouth District Council - WSCCO

IN CONFIDENCE

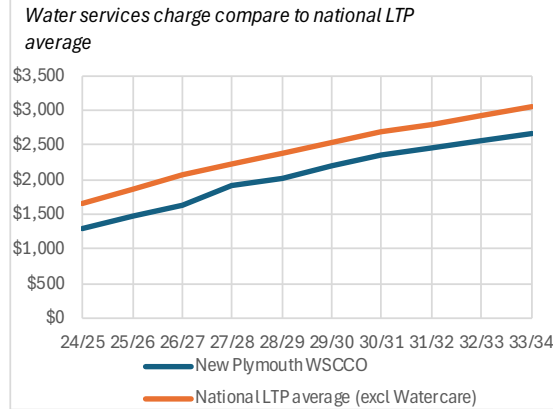
*note this infographic only contains information for drinking water and wastewater which are being transferred into the WSCCO

Council summary information

Summary information	Level
Current population	89,000
Drinking water connections	32,253
Waste water connections	30,311
Stormwater connections	N/A
High growth council	Yes
10 year population growth	8.3%



Affordability and growth



Item	Year 3	Year 10	10YA
Total charge as % of median income	1.60%	2.20%	1.87%
Annual price increase	11.00%	4.00%	9.20%
DC collected per new connection (\$)	N/A	N/A	22,081

Item	Year 3	Year 10	10YA
Water related net debt to operating revenue %	303%	206%	280%
FFO to debt	11.50%	25.70%	15.95%

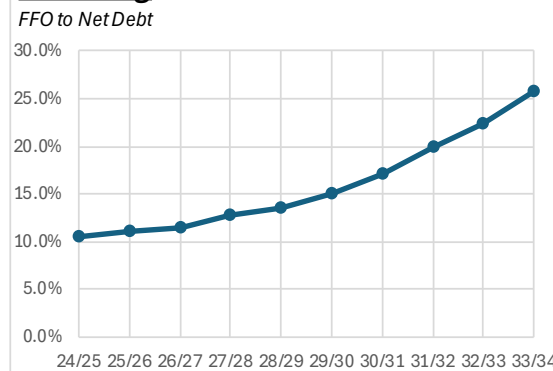
Assets, network and compliance

Asset measures	Year 1	Year 10	10YA
Total assets per connection (\$)	23,028	31,166	27,525
Total debt per connection (\$)	5,502	7,993	7,226
Operating costs per connection (\$)	774	977	950
Age of network (years)	DW	WW	SW
Average age outlined in plan	35	45	N/A

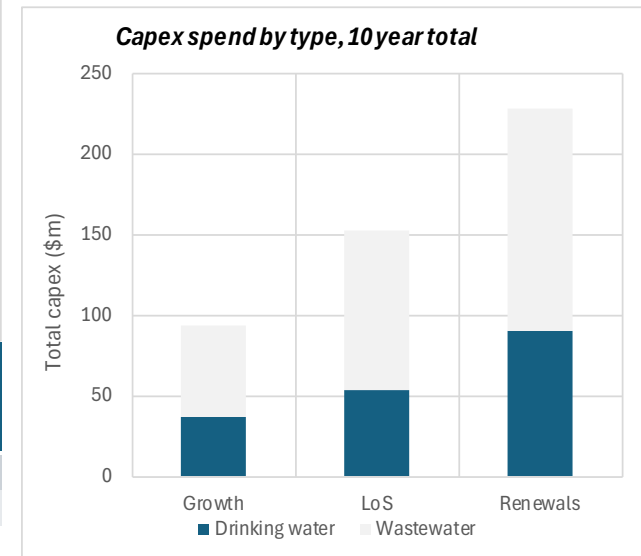
Network performance	Level
Level of service performance measures achieved	Partial
Water loss rate	16%
Average consumption (L per person per day)	285

Compliance addressed in the plan	Level
Drinking water compliance	Yes
Resource consent compliance	Yes

Financing



Capital expenditure	Category of capital expenditure			Total over 10 years
	Growth	Level of service	Renewals	
Drinking water	37,048	53,002	90,105	180,155
Wastewater	56,511	98,987	138,338	293,836
Total 10 years	93,559	151,989	228,443	473,991



PART 1 – ASSESSMENT REPORT FOR DRINKING WATER AND WASTEWATER DELIVERY

Assessment Report: Part A – Statement of financial sustainability, delivery model, implementation plan and assurance

Section in Part A	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Delivery model and implementation				
Financially sustainable water services provision	The Plan includes a statement that the NPDC WSCCO will deliver water supply and wastewater services, and will meet financial sustainability requirements by 30 June 2028. Full financial separation will be achieved by July 2027.	The Plan explains how the delivery of water services will be financially sustainable and that revenue is sufficient to cover the long-term investment that meets the LOS, regulatory requirements and provides for growth.	Meets requirements	N/A
The proposed model to deliver water services	<p>The Plan proposes a WSCCO with one council shareholder.</p> <p>The WSCCO will become a legal entity by 31 December 2025 with a transfer date of the relevant assets by NPDC from 30 June 2026.</p> <p>The WSCCO will own water supply infrastructure and wastewater assets and may provide stormwater services under contract to NPDC who will maintain ownership of stormwater assets.</p> <p>The WSCCO will be governed by an independent board of directors who will provide governance oversight in relation to the implementation of a detailed establishment plan and adherence to shareholding council obligations to ensure financial sustainability.</p>	<p>The proposed model for the delivery of water services is clearly defined with NPDC transitioning from its current arrangements into the WSCCO from 30 June 2026.</p> <p>Governance is appropriately addressed in the Plan, and a shareholder agreement has been referred to as well as SLAs.</p> <p>The organisational structure of the proposed WSCCO meets the requirements of the Local Government (Water Services) Act 2025.</p>	Meets requirements	N/A

Section in Part A	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Implementing the proposed service delivery model	<p>NPDC has committed to establishing and giving effect to the WSCCO once the Plan is accepted.</p> <p>Implementation of the WSCCO will occur over the next two years. Key implementation steps include:</p> <p>Legal Incorporation (through to 31 Dec 2025)</p> <ul style="list-style-type: none"> • Appointment of the Chief Executive. • Recruitment of the WSCCO Board. • Development and adoption of the Constitution and Interim Statement of Expectations. • Execution of an initial transfer agreement outlining WSCCO responsibilities until the Contract Delivery Model is implemented. • Establishment of legal and financial infrastructure, including company registration, banking arrangements, and insurance. <p>Contract Delivery Model (through to 30 Jun 2026)</p> <ul style="list-style-type: none"> • Finalisation of the full Statement of Expectations and appointment of the enduring Chief Executive. • Development of the WSCCO’s Significance and Engagement Policy. • Determination of Council services (e.g. IT, HR, Customer Services, project delivery) to be utilised by the WSCCO, supported by appropriate SLAs. • Establishment of financial management processes and confirmation of an interim water billing approach—likely retained by Council and managed via SLA. • Continued refinement of stormwater service delivery arrangements to ensure continuity. • Novation of relevant service delivery contracts to support seamless water services operations. • Design of a high-level organisational structure, including the WSCCO Executive Team and required capabilities to meet accountability, planning, and regulatory obligations. 	<p>The implementation plan includes all the information required in section 13(2) of the Preliminary Arrangements Act.</p> <p>Milestones and dates are provided with sufficient detail.</p>	Meets requirements	N/A

Section in Part A	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
	<ul style="list-style-type: none"> • Union engagement and a full expression of interest process to support a well-managed staff reassignment. <p>Full Establishment (1 July 2027)</p> <ul style="list-style-type: none"> • Completion of asset inventories and condition assessments, and finalisation of AMPs to inform the Water Services Strategy. • Preparation for the transfer of operational elements, including insurance and outstanding contracts. • Ongoing assessment of ‘grey area’ or mixed-use assets for inclusion in the transfer (noting this work is already underway). • Under the leadership of the enduring Chief Executive and WSCCO Board: <ul style="list-style-type: none"> ○ Decisions on long-term shared services agreements with NPDC; ○ Determination of the future approach for water billing services; and ○ Implementation of water and wastewater charges and tariff structures, to include the removal of 5% general rate. • Development of the third and final transfer agreement, focused on the transfer of strategic assets • Development, potential consultation on, and adoption of the WSCCO’s first Water Services Strategy. • Development and adoption of a Statement of Intent, including key performance indicators aligned with the agreed Statement of Expectations. 			

Section in Part A	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Consultation and engagement undertaken	<p>NPDC undertook public consultation between 30 April to 30 May 2025 on the following options:</p> <ul style="list-style-type: none"> Option 1 (Preferred): an asset-owning Joint Taranaki WSCCO with STDC and SDC for water and wastewater services, with stormwater asset ownership and delivery remaining as an IBU with the respective Council; Option 2: A NPDC-only WSCCO, with stormwater asset ownership and delivery would remain with the Council; and Option 3: Retention of all three waters service delivery within NPDC (IBU). <p>A total of 287 submissions were received. Of these, 57% supported Option 3 (IBU), while smaller proportions supported Options 1 and 2.</p> <p>Following decisions by STDC and SDC to deliver services, NPDC resolved on 22 July 2025 that the future water services delivery model would be:</p> <ul style="list-style-type: none"> An asset owning NPDC WSCCO for drinking water and wastewater services and delivery; and Stormwater asset ownership and delivery would remain with NPDC. 	Consultation was in accordance with sections 61 to 64 of the Preliminary Arrangements Act.	Meets requirements	N/A
Assurance and adoption of the plan				
Council resolution to adopt the Plan	NPDC resolved to adopt the Plan on 12 August 2025.	N/A	Meets requirements	N/A
Certification of the Chief Executive of New Plymouth District Council	The Chief Executive certified the Plan on 22 August 2025.	N/A	Meets requirements	N/A

Assessment Report: Part B – Network Performance

Section in Part B	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Investment required in water services				
<p>Serviced population and serviced areas</p>	<p>NPDC currently services 83% of the district’s population for water and 78% of the district’s population for wastewater. This level of coverage for water is expected to remain roughly the same over the next 10 years.</p> <p>The current population is 89,000 and projected to reach about 98,800 in the next decade, and 110,400 over the next 30 years.</p> <p>Proposed growth areas have been identified.</p> <p>LOS and performance measures are mainly met. In 2024/25, water supply complaints slightly exceeded the maximum target.</p>	<p>Comprehensive information has been supplied on serviced areas, connections and growth areas. LOS and performance measures are mainly met.</p>	<p>Meets requirements</p>	<p>N/A</p>

Section in Part B	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
<p>Assessment of the current condition and lifespan of the water services network</p>	<p>Average asset age has been provided:</p> <ul style="list-style-type: none"> • drinking water 35 years; and • wastewater 45 years. <p>Condition information is provided, including the percentage of assets in poor/very poor condition. Drinking water/wastewater condition data available for above ground assets is 75% and 67%, and for below ground assets is 90% and 86% respectively.</p> <p>Of those assets with condition assessments, 13% of above ground water assets and 38% of wastewater assets are in poor or very poor condition. For below ground assets, 25% of drinking water and 16% of wastewater assets are in poor or very poor condition.</p> <p>Critical assets are described.</p>	<p>Condition and criticality information is suitable to be used to plan maintenance, renewals and capital and operating programme over the short term. On-going verification of asset data and collection of condition information for all asset groups is planned to prioritise renewals in the medium to long term.</p>	<p>Meets requirements</p>	<p>N/A</p>

Section in Part B	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Asset management approach	<p>The key teams responsible for delivering council water and wastewater activities are outlined in a specific organisational structure for the new WSCCO. Additional support functions, such as finance, HR, and IT, will contribute services to these core teams. Project management and assets and data services will initially be provided by NPDC to the WSCCO under a SLA that will be reviewed after establishment. The final structure of the NPDC WSCCO will be determined during the establishment phase, with specific agreements to be confirmed at that time.</p> <p>NPDC follows ISO 55001/55002 and ISO 9001 standards for asset and quality management, regularly updating its strategies and plans every three years to match the LTP cycle. The WSCCO plans to use this same framework, adding specific external reporting as required.</p>	<p>Commentary provided on how service delivery and asset management will support the proposed model.</p>	<p>Meets requirements</p>	<p>N/A</p>
Statement of regulatory compliance (Drinking Water Standards)	<p>All drinking water schemes are compliant with Drinking Water Standards.</p> <p>Currently only the New Plymouth water supply is fluoridated. There is the potential for the Director-General of Health to require the fluoridation of the other supplies in the serviced area, namely Inglewood, Ōkato and Ōākura in the future.</p>	<p>Compliance has been met. We note that fluoridation of other supplies has not been budgeted for in the LTP or Infrastructure Strategy.</p>	<p>Meets requirements</p>	<p>N/A</p>

Section in Part B	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
<p>Statement of regulatory compliance (resource consents)</p>	<p>NPDC generally complies with regulatory requirements, with two main exceptions: installation of fish screens at Lake Mangamahoe water intakes (expected completion in 2026), and the voluntary firefighting code. To address firefighting needs, NPDC has developed a draft target service level with Fire and Emergency New Zealand and allocated funding for necessary network upgrades in years 11–30 of its capex plan.</p> <p>NPDC holds 48 environmental resource consents for drinking water and wastewater management; 47 from Taranaki Regional Council and one from Waikato Regional Council for Bioboost® fertilizer application. 26 consents will expire in the next 10 years: 12 for water (three to be surrendered) and 14 for wastewater (seven to be surrendered). Most consents are minor or low risk, except for the Bioboost® land application consent, which is unique, carries a reconsenting risk, and could impact the viability of Bioboost® if not renewed.</p>	<p>Mainly compliant with plans to address non-conformances in sufficient detail. Capital projects in programme to address non-compliances and renew consents.</p>	<p>Meets requirements</p>	<p>N/A</p>

<p>Capital expenditure required to deliver water services and ensure that water services comply with regulatory requirements</p>	<p>Annual investment ranges from \$39m to \$65m over the 10-year period.</p> <p>The main spending drivers for the water activity are compliance, growth, and renewals. Compliance spending includes addressing shortfalls during peak water demand in the New Plymouth supply. The New Plymouth Water Supply Scheme depends on two dams forming Lake Mangamahoe, (owned and operated by Manawa Energy). Manawa Energy is responsible for regulatory compliance, but NPDC must pay 50% of any associated costs. These shared costs have been included in the LTP budget. The water supply activity is largely compliant with regulations, with only minor upgrades currently in progress.</p> <p>The major drivers for wastewater expenditure include maintaining compliance (by reducing overflows), accommodating growth, and asset renewals. Wastewater activity is currently fully compliant with regulatory requirements. Significant investment is needed for the development of the Urenui and Onaero Wastewater Scheme, as well as upgrades to the Waitara and Inglewood networks to address overflow locations. Comprehensive planning and modelling for the network have been completed in recent years. Projects are underway to resolve identified network issues. The Master Plan for the wastewater treatment plant, last updated in 2010, requires revision.</p> <p>Budget provisions have been made in the capex programme for hydraulic buffer storage and a new control and laboratory building.</p> <p>The Plan provides an approach for addressing the renewals backlog.</p>	<p>The Plan includes sufficient investment to maintain compliance, meet LOS and enable growth. Renewals are appropriate with backlog being addressed over time.</p>	<p>Meets requirements</p>	<p>N/A</p>
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Section in Part B	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Historical delivery against planned investment	In 2024/25, NPDC delivered more than 100% of planned investments. Proposed capital programme and level of renewals does not differ significantly from previous plans.	Proposed level of renewals and overall capital investment does not significantly differ from actual investment in previous years.	Meets requirements	N/A

Assessment Report: Part C – Revenue and financing arrangements

Section in Part C	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Revenue and charging arrangements				
<p>Charging and billing arrangements</p>	<p>The current water supply sources of revenue, include:</p> <ul style="list-style-type: none"> • General rates (5% of the rates requirement); • Water targeted rates (\$475.65/yr per SUIP excluding high users; half charge for unconnected serviceable properties); • On demand water supply (base fixed charge with variable volumetric charging; applies to all high use residential and non-residential users); • Restricted flow (fixed charge per unit of water; generally rural customers); • Development contributions; and • Fees and charges. <p>The proposed approach involves a move to volumetric billing in 2027/28 after a mock run in 2025/26.</p> <p>The current wastewater sources of revenue, include:</p> <ul style="list-style-type: none"> • General rates (5% of the rates requirement); • Annual residential sewer charge (targeted rate of \$646.09/year per SUIP; half charge for unconnected properties); • Non-residential annual sewer charge (targeted rate per water closet or urinal); • Expansion of sewerage scheme charges (targeted rate for impacted properties); • Trade waste charges; • Development contributions; and • Fees and charges. 	<p>Limited discussion is included in the Plan on the details of a proposed water service charging and billing mechanisms. The Plan makes clear these discussions are ongoing and will be made as part of the 2027-37 LTP process. We recommend that the Department monitor NPDC’s charging and billing arrangements during implementation.</p>	<p>Meets requirements</p>	<p>Yes</p>

Section in Part C	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
	<p>The proposed approach for wastewater is to remove the general charge by 2027/28 in line with legislation and should volumetric charging of wastewater become permitted, this will be the preferred approach.</p>			
<p>Water services revenue requirements and sources</p>	<p>Revenue sources for the WSCCO are set out in the Plan. Revenue is received from eight sources, differing between water supply and wastewater as noted above.</p>	<p>Water services revenue requirements and sources can be found within the report.</p>	<p>Meets requirements</p>	<p>N/A</p>
<p>Existing and projected commercial and industrial users' charges</p>	<p>Non-residential charges are noted in the Plan along with trade waste charges as mentioned above.</p>	<p>Specific commercial and industrial charges are not separated in the Plan. Instead, it is covered under charging and billing arrangements.</p>	<p>Meets requirements</p>	<p>N/A</p>
<p>The affordability of projected water services charges for communities</p>	<p>The graph that shows the cost of three waters services is expected to start at 1.6% of median household income and increase to 2.7% (allowing for 3% inflation on median household income) over 10 years.</p> <p>Two waters (ie drinking water and wastewater) start at 1.4% of median household income in 2024/25 rising to 2.2% in 2033/34.</p>	<p>We note that the WSCCO affordability graph reflects the residential user community only, excluding commercial customers.</p> <p>The affordability of projected two water services charges for residential users starts at 1.4% of median household income and rises to 2.2% over the 10 years. This is within the Department's guidance of 2.5% of median household income.</p>	<p>Meets requirements</p>	<p>N/A</p>

Section in Part C	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Funding and financing arrangements				
Water services financing requirements and sources	<p>NPDC net debt in relation to three waters services is expected to increase from \$151m to \$208m over the 10 years of the LTP 2024-34.</p> <p>The planned borrowings over the 10 years are within external limits (except for debt affordability benchmark which marginally exceeds the NPDC limit in the last three years of the LTP 2024-34, NPDC will review annually).</p> <p>The tenor, refinancing, interest rate risk, and debt repayment strategy are all managed in accordance with the Treasury management policy guidelines.</p> <p>The Plan notes that financing will be sourced through the LGFA.</p>	The Plan provides sufficient coverage for water services financing requirements and sources.	Meets requirements	N/A
Internal borrowing arrangements	<p>NPDC manages entity borrowing, at annual balance date the debt balance is calculated per Council service, with interest and repayment costs. There is no change to the internal borrowing approach up to and beyond 30 June 2028. NPDC's approach of calculating Council service debt achieves the ringfencing requirement for annual funding.</p>	The Plan provides limited information on current internal borrowing arrangements. However, we note ringfencing is achieved.	Meets requirements	N/A
Determination of debt attributed to water services	<p>NPDC calculates debt for Council services (from the underlying projects) and maintains a list of required annual repayments per activity. The total borrowed value for water and wastewater services plus overdrawn reserves as of 30 June 2024 was \$151m and the net debt to operating revenue ratio was 393%.</p>	The information on the determination of debt attributed to water services is sufficient.	Meets requirements	N/A

Section in Part C	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Insurance arrangements	<p>NPDC is a contributing member of the Local Authorities Protection Programme scheme for three water underground assets, providing cover for losses of (generally underground) structures in the drinking water, and wastewater networks in natural disasters.</p> <p>Annual insurance risk assessments are undertaken based on third party financial valuations.</p> <p>NPDC insures \$1.69b of water assets through the Local Authorities Protection Programme. Membership includes protection for up to two qualifying events annually, with coverage capped at \$300m per event. Claims become eligible once damage exceeds \$1m, which includes a \$400,000 deductible. NPDC is responsible for payment of this deductible once the threshold is met.</p> <p>NPDC will maintain insurance for three waters assets until asset transfer occurs and will secure additional corporate insurance for the WSCCO.</p>	<p>Insurance arrangements have been outlined in the Plan.</p>	<p>Meets requirements</p>	<p>N/A</p>

Assessment Report: Part D – Financial sustainability assessment

Section in Part D	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Financially sustainable water services provision				
Confirmation of financially sustainable delivery of water services by 30 June 2028	<p>NPDC confirms that it is currently financially sustainable. Confirmation of financial sustainability going forward includes confirmation that:</p> <ul style="list-style-type: none"> NPDC has sufficient revenue, including servicing of debt, to deliver water services required in the 30-year capital programme; The 30-year capital programme includes sufficient investment to meet LOS, regulatory requirements and provide for growth; and NPDC has appropriate funding and financing arrangements to fund the 30-year capital programme with additional headroom for unknown investments. 	The Plan explains how the delivery of water services will be financially sustainable and that revenue is sufficient to cover the long-term investment that meets the LOS, regulatory requirements and provides for growth.	Meets requirements	N/A
Actions required to achieve financially sustainable delivery of water services	NPDC is currently achieving financial sustainability, acknowledging that increasing rates leads to concerns about affordability. The WSCCO is expected to continue operating within a financially sustainable framework. As demonstrated in the financial projections and graphs in the Plan, the WSCCO will remain below the net debt to revenue limit and LGFA borrowing covenants.	No specific actions are noted in this section of the Plan beyond the steps already provided for in the Plan and the implementation plan.	Meets requirements	N/A

Section in Part D	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Risks and constraints to achieving financially sustainable delivery of water services	Risks listed include: <ul style="list-style-type: none"> • capex programme not meeting projections; • inflation; • legislation; and • natural disasters. There are no foreseeable constraints on achieving financially sustainable delivery of water services as this is occurring already.	Risks included in the Plan are appropriate and include relevant mitigations.	Meets requirements	N/A
Assessment of revenue sufficiency				
Projected water services revenues cover the projected costs of delivering water services	The Plan provides a graph for the WSCCO showing the projected water services revenue against the projected costs of delivering water services. Revenue exceeds expenses in all years of the Plan.	Revenue exceeds expenses in all years of the Plan for the WSCCO, and gradually rises from 2025/26 onwards.	Meets requirements	N/A
Average projected charges for water services over 2024/25 to 2033/34	Median household income for 2023/24 is \$89,000, inflated at 3% annually. The chart provided shows water service charges rising from 1.4% of median household income (\$1,293) in 2024/25 to 2.2% (\$2,663) in 2033/34. Average charges increase by 14% in 2025/26 and rise to an 18% increase in 2027/28, with increases of less than 10% for the remainder of the Plan.	The average projected charges for water services rise from \$1,293 to \$2,663, a 106% increase over the 10 years. Rate increases are substantial in the first part of the Plan however affordability remains within the Department's threshold through the duration of the Plan.	Meets requirements	N/A

Section in Part D	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Projected operating surpluses/(deficits) for water services	An operating deficit is forecast for the first three years of the Plan. From 2027/28 onwards an operating surplus is forecast, rising from 1.1% in 2027/28 to 19.7% in 2033/34.	The WSCCO has sufficient operating surplus from 2027/28 onwards, reaching 19.7% by 2033/34.	Meets requirements	N/A
Projected operating cash surpluses for water services	Operating cash surpluses are forecast throughout the Plan from 46.9% in 2024/25 rising to 63.9% in 2033/34.	There is a positive operating cash forecast every year of the 10-year Plan.	Meets requirements	N/A
Assessment of investment sufficiency				
Projected water services investment is sufficient to meet levels of service, regulatory requirements and provide for growth	NPDC's AMPs to support the LTP meet all LOS, regulatory and district growth requirements. The WSCCO will have sufficient debt headroom to finance the required investments The investment sufficiency test has been met by NPDC's proposed WSCCO.	The Plan demonstrates investment is sufficient to meet requirements of LOS, renewals and enable growth.	Meets requirements	N/A
Renewals requirements for water services	Renewal spending is set to increase from \$15m to \$26m over the first five years to address the backlog of asset renewals. Proposed investment is slightly less than depreciation. This was queried with NPDC, and they responded that the ratio is negative due to the misalignment between depreciation, an accounting function, and the renewals forecast AMP.	The Council plans to increase renewals expenditure to reduce backlog over time. An explanation is provided for negative asset sustainability ratios. The Plan does not mention smoothing of renewals.	Meets requirements	N/A

Section in Part D	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Total water services investment required over 10 years	The asset investment ratio ranges from 36% to 138% over the 10-year period.	The asset investment ratio over the 10-year period is positive and unchanged from the infrastructure strategy, LTP and AMPs.	Meets requirements	N/A
Average remaining useful life of network assets	Asset consumption is consistent across the 10-year period at about 50%.	Asset consumption is consistent across the 10-year period indicating that the average age of assets remains constant.	Meets requirements	N/A
Assessment of financing sufficiency				
Confirmation that sufficient funding and financing can be secured to deliver water services	<p>The required levels of borrowings can be sourced. This assumes that:</p> <ul style="list-style-type: none"> a minimum borrowing threshold of 9% FFO to debt will be available from LGFA under no less favourable terms than council can currently source funding; NPDC will have the ability to borrow internally, subject to overall whole of Council borrowing limits not being breached; and the WSCCO will be able to source funding from LGFA where a minimum borrowing threshold of 9% FFO to debt is maintained. 	The Plan confirms sufficient funding and financing can be secured to deliver water services.	Meets requirements	N/A
Projected council borrowings against borrowing limits	A graph is provided for whole of Council borrowings. NPDC borrowings are within the whole of Council borrowing limit of 280% net debt to revenue. Borrowings are approximately 40% in 2024/25 and peak at about 100% in 2028/29 then reduce to around 50% in 2033/34.	Projected whole of Council borrowing is well within its 280% net debt to revenue borrowing limit due to NPDC's Perpetual Investment Fund.	Meets requirements	N/A

Section in Part D	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Projected water services borrowings against borrowing limits	Water services borrowings are assessed against a minimum FFO to debt percentage of 9%. The FFO to debt percentage is above 9% for the whole reaching 25.7% by 2033/34.	The WSCCO is within its borrowing limits.	Meets requirements	N/A
Projected borrowings for water services	Projected borrowings for the WSCCO are \$164.8m in 2023/24 increasing to \$208.6m in 2033/34.	Projected borrowings are stated with sufficient headroom throughout the Plan.	Meets requirements	N/A
Borrowing headroom/(shortfall) for water services	Borrowing headroom is available throughout the Plan. \$28.2m headroom is forecast in 2024/25 increasing to \$388.1m by 2033/34. Borrowing headroom is assessed against a minimum FFO to debt ratio of 9%.	Sufficient headroom has been forecast throughout the Plan.	Meets requirements	N/A
Free funds from operations	The FFO to debt is 10.5% in 2024/25, rising to 25.7% in 2033/34.	The FFO to debt percentage forecast throughout the plan is sufficiently above the 9% covenant level set by LGFA.	Meets requirements	N/A
Assessment of financing sufficiency	The Plan demonstrates financing sufficiency.	The Plan confirms sufficient funding and financing can be secured to deliver water services.	Meets requirements	N/A

Assessment Report: Part E – Projected financial statements for water services

Section in Part E	Summary of content in Plan	Assessment Review Comment	Focus for panel
Projected funding impact statement	A projected Funding Impact Statement has provided for the WSCCO.	Financial statements for the WSCCO are provided at the combined activity level. The WSCCO financial statements also reconcile to the financial information provided in the body of the plan.	N/A
Projected statement of comprehensive revenue and expense	A projected statement of comprehensive revenue and expense has been provided for the WSCCO.		
Projected statement of cashflows	The projected statement of cashflows has been provided at WSCCO level.		
Projected statement of financial position	The projected statement of financial position is provided at WSCCO level.		

Assessment Report: Part E – Financial projections and measures

[Projected statement of comprehensive revenue and expense](#)

Water Services Delivery Plan page 52

[Projected statement of financial position](#)

Water Services Delivery Plan page 54

[Financial measures: revenue sufficiency](#)

Water Services Delivery Plan pages 40 - 43

[Financial measures: investment sufficiency](#)

Water Services Delivery Plan pages 44 - 47

[Financial measures: financing sufficiency](#)

Water Services Delivery Plan pages 48 - 49

PART 2 – ASSESSMENT REPORT FOR COUNCIL STORMWATER DELIVERY

Assessment Report: Part A – Statement of financial sustainability, delivery model, implementation plan and assurance

Section in Part A	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Delivery model and implementation				
Financially sustainable water services provision	The Plan includes a statement that the NPDC in-house business unit will deliver stormwater services and will meet financial sustainability requirements by 30 June 2028. Full financial separation will be achieved by July 2026.	The Plan explains how the delivery of stormwater services will be financially sustainable and that revenue is sufficient to cover the long-term investment that meets the LOS, regulatory requirements and provides for growth.	Meets requirements	N/A

Section in Part A	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
The proposed model to deliver water services	<p>The proposal is for NPDC to continue delivering water services in-house under an enhanced business unit model.</p> <ul style="list-style-type: none"> • NPDC will retain stormwater service delivery and asset ownership in-house. • Financially, this model allows NPDC to leverage its full revenue base, minimise extra costs for financial separation, and ensure sufficient debt capacity for infrastructure investment. • Stormwater services will continue to be delivered independently, with current shared services arrangements (e.g., control systems team, common contracts, standards) retained. • NPDC may contract stormwater services to the WSCCO via SLA for operational efficiency, with staff seconded if this option is adopted. • Stormwater revenues are ringfenced and managed separately from other NPDC finances, supported by targeted rates, development contributions, and direct fees. • Stormwater and flood protection services are classified and managed independently within NPDC, with separate WSCCO accounting and funding streams. <p>NPDC will maintain oversight of stormwater delivery, investment, and regulatory compliance.</p>	<p>The proposed model for an in-house business unit to deliver the water services is clear with a transition from the current arrangements and support expected to be available from 1 July 2026.</p> <p>The organisation structure is unchanged as it assumes existing shared services delivery.</p>	Meets requirements	N/A

Section in Part A	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Implementing the proposed service delivery model	<ul style="list-style-type: none"> • NPDC plans to continue providing stormwater services through its current in-house delivery model. • Minimal changes are required through the implementation plan due to existing financial separation and the removal of drinking water and wastewater activities. • The existing LTP sets stormwater services on track to achieve financial sustainability by 30 June 2028; no further implementation action is necessary to meet this goal. • NPDC retains the option to shift to a contract delivery model with the NPDC WSCCO, pending evaluation during WSCCO establishment planning. <p>If approved, the stormwater delivery contract would be finalised by 30 June 2026 and implemented from 1 July 2026.</p>	<p>The implementation plan is high level but includes all the information required in section 13(2) of the Preliminary Arrangements Act.</p> <p>Milestones and dates are provided with sufficient detail.</p>	Meets requirements	N/A

Section in Part A	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Consultation and engagement undertaken	<p>Community consultation occurred from 30 April to 30 May 2025. Three delivery model options were presented:</p> <ol style="list-style-type: none"> 1. Regional/Taranaki WSCCO; 2. NPDC only WSCCO; and 3. Enhanced status quo (IBU). <p>For both WSCCO options, stormwater services would stay in-house.</p> <p>A total of 287 submissions were received. Of these, 57% supported Option 3 (IBU), while smaller proportions supported Options 1 and 2.</p> <p>Following decisions by South Taranaki DC and Stratford District Council to deliver services, NPDC resolved on 22 July 2025 that NPDC future water services delivery model is:</p> <ul style="list-style-type: none"> • An asset owning WSCCO for drinking water and wastewater services & delivery; and • Stormwater asset ownership and delivery would remain with the NPDC. 	Consultation was in accordance with sections 61 to 64 of the Preliminary Arrangements Act.	Meets requirements	N/A
Assurance and adoption of the plan				
Council resolution to adopt the Plan	NPDC resolved to adopt the Plan on 12 August 2025.	N/A	Meets requirements	N/A
Certification of the Chief Executive of New Plymouth District Council	The Chief Executive certified the plan on 28 August 2025.	N/A	Meets requirements	N/A

Assessment Report: Part B – Network Performance

Section in Part B	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Investment required in water services				
Serviced population and serviced areas	<p>NPDC serviced areas include:</p> <ul style="list-style-type: none"> 13 urban stormwater catchments in the communities of New Plymouth, Bell Block, Waitara, Inglewood, Urenui, Onaero, Lepperton, Egmont Village, Ōākura and Ōkato Industrial area of Bell Block and other smaller industrial areas within larger urban catchments. <p>Unserviced areas include:</p> <ul style="list-style-type: none"> Rural areas apart from stormwater assets related to roading network and national park. <p>The current population is 89,000 and projected to reach approximately 98,800 in the next decade, and 110,400 over the next 30 years. Proposed growth areas have been identified.</p> <p>LOS and performance measures were fully met in 2024/25.</p>	Comprehensive information provided on serviced areas, connections and growth areas. LOS and performance are fully met.	Meets requirements	N/A
Assessment of the current condition and lifespan of the water services network	<p>The average asset age is 38 years.</p> <p>Condition information percentages have been provided: 38% of above ground assets are with condition grading. 96% of below ground assets are with condition grading.</p> <p>Overall, approximately 10% of below ground assets are in poor/very poor condition. No above ground assets have been recorded in poor/very poor condition.</p> <p>Critical assets have been described.</p>	<p>Condition and criticality information is suitable for planning maintenance, renewals, and capital and operating programme over the short term.</p> <p>The Plan notes that improvement actions related to the asset register, criticality, condition assessment and renewals will be addressed as part of transition to the new operating model.</p>	Meets requirements	N/A

Section in Part B	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Asset management approach	<p>The three waters activity for NPDC is delivered by several key teams supported by additional teams such as Finance, HR, and IT. Citycare Ltd is contracted to maintain the pipe network, while operational expertise is retained in-house. Pipe network maintenance is managed through established schedules and is well understood. Detailed maintenance schedules for mechanical equipment are still being developed and require further work.</p> <p>NPDC follows ISO 55001/55002 and ISO 9001 standards for asset and quality management, regularly updating its strategies and plans every three years to match the LTP cycle. The IBU plans to use this same framework, adding specific external reporting as required.</p>	Commentary provided on how service delivery and asset management will support the proposed model.	Meets requirements	N/A

Section in Part B	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
<p>Statement of regulatory compliance</p>	<p>NPDC complies with all regulatory requirements except for two issues:</p> <ol style="list-style-type: none"> 1. Four abatement notices have been issued regarding fish passage at district culverts; remedial work is finished and awaiting Taranaki Regional Council approval. 2. The Highlands Park Dam is considered "dangerous" under the Building (Dam Safety) Regulations 2022; investigations and budget planning are in progress to address this by 2034. <p>NPDC currently holds 67 stormwater-related environmental resource consents from the Taranaki Regional Council and anticipates ongoing compliance with the RMA through existing, protected, or new consents as needed.</p> <p>No active consent applications are operating under section 124 of the RMA, but 14 renewal applications are being processed for consents expiring in 2026. Over the next 10 years, 46 consents will expire, with 17 expiring in 2026. Most expiring consents are minor to low risk, except for three industrial stormwater discharge consents (5163, 1275, 0609), which may face significant changes in consent conditions, monitoring, and treatment due to iwi expectations and potential changes to the Regional Freshwater Plan. \$300,000 per year is budgeted for this work from 2028/29 onwards.</p>	<p>Mainly compliant with plans to address non-conformances in sufficient detail. Budget provided in plan to address consents expiring over the next 10 years.</p>	<p>Meets requirements</p>	<p>N/A</p>

Section in Part B	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
<p>Capital expenditure required to deliver water services and ensure that water services comply with regulatory requirements</p>	<p>The Highlands Park Dam is classified as “dangerous” and does not comply with the Building (Dam Safety) Regulations 2022. Other stormwater activities generally comply with regulations, which mean that large regulatory-driven investments are not currently needed. NPDC has adopted a Stormwater Vision and Roadmap and is developing network models and catchment management plans to improve understanding of the system.</p> <p>Achieving the desired service levels and environmental standards will require significant, long-term investment, with improvements expected to span generations and ongoing work needed beyond 30 years.</p> <p>Annual proposed investment ranges from \$13m to \$33m.</p>	<p>The Plan includes sufficient investment to maintain compliance, meet LOS and enable growth. Renewals are appropriate with backlog being addressed over time.</p>	<p>Meets requirements</p>	<p>N/A</p>

Section in Part B	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
<p>Historical delivery against planned investment</p>	<p>In 2024/25, NPDC delivered 73% of planned stormwater investment. Proposed capital programme and level of renewals does not differ significantly from previous plans.</p> <p>In 2024/25, renewals delivery fell to 40% due to staff losses and organisational restructuring. NPDC has started work on hydraulic stormwater models to guide renewal decisions.</p> <p>NPDC is advancing three waters planning, including district-wide Network Models and Catchment Management Plans.</p> <p>A panel of consultants and contractors has been appointed to boost design and delivery capacity for routine projects. Ongoing improvements to the P3M Framework aim to ensure stronger project governance and consistent delivery.</p> <p>The capital programme is structured to smooth out workload fluctuations, with flexibility provided by panel contracts and contract project managers during demand surges.</p>	<p>Proposed level of renewals and overall capital investment is higher than historic delivery. The Plan provides an approach to improve delivery via methodologies and increased resources.</p>	<p>Meets requirements</p>	<p>N/A</p>

Assessment Report: Part C – Revenue and financing arrangements

Section in Part C	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Revenue and charging arrangements				
Charging and billing arrangements	<p>The current approach collections revenue from four sources:</p> <ol style="list-style-type: none"> 1. General rates (50% of rates requirement); 2. Targeted rates (properties in urban areas; 50% of rates requirement); 3. Development contributions; and 4. One-off fees and charges. <p>There are no proposed changes to stormwater charging.</p>	The Plan has sufficient detail on the current stormwater charging mechanisms provided	Meets requirements	N/A
Water services revenue requirements and sources	Revenue sources for stormwater are set out in the section explaining charging and billing arrangements. The four sources of revenue for stormwater are described above.	There is sufficient detail of stormwater revenue requirements and sources provided.	Meets requirements	N/A
Existing and projected commercial and industrial users' charges	No specific commercial or industrial charges are listed for stormwater.	No specific commercial or industrial charges provided.	Meets requirements	N/A

Section in Part C	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
The affordability of projected water services charges for communities	Stormwater affordability is displayed on a graph on page 21 of the Plan along with the affordability of the two waters charges provided by the WSCCO. Detailed affordability projections are on page 26 of the Plan. Charges are projected as 0.18% of median household income (\$161) in 2024/25 rising to 0.50% (\$576) 2033/34.	Stormwater affordability provided. There is no Departmental guidance for stormwater affordability as a standalone service.	Meets requirements	N/A
Funding and financing arrangements				
Water services financing requirements and sources	The stormwater IBU will be financed at the whole of Council level based on the assumption NPDC will have the ability to borrow internally.	Sufficient detail for funding requirements and sources provided.	Meets requirements	N/A
Internal borrowing arrangements	NPDC manages entity borrowing. At its annual balance date the debt balance is calculated per Council service, with interest and repayment costs. There is no change to the internal borrowing approach up to and beyond 30 June 2028.	Internal borrowing arrangements are confirmed in the Plan.	Meets requirements	N/A
Determination of debt attributed to water services	The total value of stormwater services borrowings plus overdrawn reserves as of the 30 June 2024 was \$20m and the net debt to operating revenue ratio was 448%.	Opening debt for stormwater stated clearly in the Plan.	Meets requirements	N/A
Insurance arrangements	Detailed insurance arrangements are provided. Stormwater infrastructure will remain insured under NPDC's existing insurance policies unless a decision is made to transfer the assets to the WSCCO. Insurance is provided through the Local Authorities Protection Programme.	Detailed insurance arrangements have been provided.	Meets requirements	N/A

Assessment Report: Part D – Financial sustainability assessment

Section in Part D	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Financially sustainable water services provision				
Confirmation of financially sustainable delivery of water services by 30 June 2028	<p>NPDC can confirm that it is currently financially sustainable. Confirmation of financial sustainability includes confirmation that:</p> <ul style="list-style-type: none"> NPDC has sufficient revenue, including servicing of debt, to deliver water services required in the 30-year capital programme; The 30-year capital programme includes sufficient investment to meet LOS, regulatory requirements and provide for growth; and NPDC has appropriate funding and financing arrangements to fund the 30-year capital programme with additional headroom for unknown investments. 	The Plan explains how the delivery of stormwater services will be financially sustainable and that revenue is sufficient to cover the long-term investment that meets the LOS, regulatory requirements and provides for growth.	Meets requirements	N/A
Actions required to achieve financially sustainable delivery of water services	NPDC is currently achieving financial sustainability.	Minimal actions to achieve financially sustainable delivery identified other than that NPDC is currently financially sustainable.	Meets requirements	N/A

Section in Part D	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Risks and constraints to achieving financially sustainable delivery of water services	<p>Risks are identified. The risks include:</p> <ul style="list-style-type: none"> • Capex programme is materially different from projection; • Real inflation is higher than projected; • Legislation in relation to infrastructure standards that are yet to be confirmed; and • Natural disaster could put fiscal pressure on NPDC. <p>The Plan states there are no foreseeable constraints on achieving financially sustainable delivery of water services as this is occurring already.</p>	Risks have been identified and mitigations for the risks are clearly stated.	Meets requirements	N/A
Assessment of revenue sufficiency				
Projected water services revenues cover the projected costs of delivering water services	Projected revenues cover expenses from 2026/27 onwards. A deficit is forecast in 2024/25 and 2025/26.	The projected revenues cover expenses from 2026/27 onwards.	Meets requirements	N/A
Average projected charges for water services over 2024/25 to 2033/34	Average charges for stormwater services are \$161 in 2024/25 rising to \$576 in 2033/34.	Average projected charges for stormwater services rise from \$161 to \$576 over the 10 years, an increase of 257.8%.	Meets requirements	N/A
Projected operating surpluses/(deficits) for water services	Operating deficits are forecast from 2024/25, 2025/26, and 2026/27. From 2027/28 operating surpluses are forecast rising from 0.6% (\$0.08m) in 2027/28 to 19.9% (\$5.22m) in 2033/34.	Operating surpluses demonstrate financially sustainable delivery from 2027/28 onwards.	Meets requirements	N/A

Section in Part D	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Projected operating cash surpluses for water services	Operating cash surpluses are forecast throughout. The operating cash ratio is 45.9% in 2024/25 rising to 75.9% in 2033/34.	The Plan has operating cash surpluses every year that increase over the plan period.	Meets requirements	N/A
Assessment of investment sufficiency				
Projected water services investment is sufficient to meet levels of service, regulatory requirements and provide for growth	<p>The Plan notes that the stormwater planning process is still developing and requires long-term investments aimed at addressing flooding and improving environmental outcomes. These investments are discretionary, and progress will take generations. The asset investment ratio remains positive over the next 10 years and consistent with infrastructure strategy, LTP and AMPs.</p> <p>Overall, investment increases over the 10-year period. The capital programme has been deliberately structured to minimise peaks and troughs in workload, with smoothing applied across preceding and subsequent years where possible.</p>	Level of investment is sufficient to meet requirements.	Meets requirements	N/A
Renewals requirements for water services	There is a recognised backlog in renewals, prompting an increase in spending from \$1.2m to approximately \$8m over the first five years.	<p>Plans to increase renewals expenditure to reduce backlog over time are detailed. Discussion on potential reasons for negative asset sustainability ratios.</p> <p>We note that the reason for a negative asset sustainability ratio from 2030/31 is unclear, as budget methods suggest it should be positive from 2026. Further analysis is needed by NPDC, but extra investment could be made affordable if NPDC were to raise their self-imposed interest to revenue limits. This does not limit the Panel's ability to accept the Plan.</p>	Meets requirements	N/A

Section in Part D	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Total water services investment required over 10 years	The asset investment ratio ranges from 19% to 290% over the 10-year period.	The asset investment ratio over the 10-year period is positive and unchanged from the infrastructure strategy, LTP and AMPs.	Meets requirements	N/A
Average remaining useful life of network assets	Asset consumption is consistent across the 10-year period at about 57%.	The asset consumption ratio is consistent across the 10-year period indicating that the average life of assets remains constant.	Meets requirements	N/A
Assessment of financing sufficiency				
Confirmation that sufficient funding and financing can be secured to deliver water services	The required levels of borrowing can be sourced. This is based on the assumption NPDC will have the ability to borrow internally, subject to overall whole of Council borrowing limits not being breached.	Sufficient financing can be sourced at a whole of Council level. NPDC has low bet debt to revenue at a whole of Council level due to their Perpetual Investment Fund.	Meets requirements	N/A
Projected council borrowings against borrowing limits	Projected NPDC borrowings are within the whole of Council borrowing limit of 280%. The whole of Council borrowing position is shown on a graph at approximately 40% net debt to revenue in 2024/25 rising to about 100% in 2028/29 then declining to around 50% in 2033/34.	NPDC is within its 280% borrowing limits for the forecast period with significant headroom throughout the Plan.	Meets requirements	N/A
Projected water services borrowings against borrowing limits	Projected stormwater borrowings are assessed against a debt to revenue limit of 500%. Borrowings are forecast within the limit over the plan with 303% in 2023/24 rising to and peaking at 450% in 2033/34.	Stormwater services are below the 500% borrowing limits throughout the Plan.	Meets requirements	N/A
Projected borrowings for water services	Projected borrowings for stormwater are \$22.4m in 2024/25 rising to \$117.9m in 2033/34.	Projected borrowings for stormwater are \$117.9m over the 10 years.	Meets requirements	N/A

Section in Part D	Summary of content in Plan	Assessment Review Comment	Assessment	Focus for panel
Borrowing headroom/(shortfall) for water services	Borrowing headroom is assessed against a debt to revenue limit of 500%. Borrowing headroom is \$14.6m in 2023/24, peaking at \$38.6m in 2029/30 before reducing to \$13.2m in 2033/34.	Borrowing limits for stormwater services have been self-imposed. There is headroom against the self-imposed borrowing limits throughout the Plan.	Meets requirements	N/A
Free funds from operations	FFO to debt remains stable through the Plan at 11.8% in 2024/25 and 12.2% in 2033/34.	The FFO to debt ratio is not a requirement for an IBU. However, the stormwater FFO to debt ratio is over 11% throughout the Plan and demonstrates that the stormwater IBU could operate independently if necessary.	N/A	N/A
Assessment of financing sufficiency	The stormwater IBU demonstrates financing sufficiency.	The stormwater IBU demonstrates financing sufficiency.	Meets requirements	N/A

Assessment Report: Part E – Projected financial statements for water services

Section in Part E	Summary of content in Plan	Assessment Review Comment	Focus for panel
Projected funding impact statement	The projected funding impacted statement for stormwater is provided.	Meets requirements	N/A
Projected statement of comprehensive revenue and expense	The projected statement of comprehensive revenue and expense for stormwater is provided.	Meets requirements	N/A
Projected statement of cashflows	The projected statement of cashflows for stormwater is provided.	Meets requirements	N/A
Projected statement of financial position	The projected statement of financial position for stormwater is provided.	Meets requirements	N/A

Assessment Report: Part E – Financial projections and measures

Projected statement of comprehensive revenue and expense

Water Services Delivery Plan pages 37-38

Projected statement of financial position

Water Services Delivery Plan page 40

Financial measures: revenue sufficiency

Water Services Delivery Plan pages 25 - 28

Financial measures: investment sufficiency

Water Services Delivery Plan pages 29 - 32

Financial measures: financing sufficiency

Water Services Delivery Plan pages 33 - 35

Assessment Report: Water Service Delivery Plan – Additional information

Additional information	Summary of content in Plan	Assessment Review Comment	Focus for Panel
Additional disclosures to support Plan	N/A	N/A	N/A
Significant capital projects	N/A	N/A	N/A
Key issues, constraints, risks and assumptions	The Plan includes key risks for stormwater delivery.	Meets requirements.	N/A