Water Services Delivery Plan

Invercargill City Council

27 August 2025

Invercargill
CITY COUNCIL

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Statement that water services delivery is financially sustainable

Statement that water services delivery is financially sustainable

Financially sustainable water services provision

Invercargill City Council's (ICC) preferred delivery model for water, wastewater and stormwater is by way of an **In-House Business Unit**. ICC confirms that an In-House Business Unit meets the **Financially Sustainable delivery assessment** as outlined in Part D of this plan.

ICC intends to complete transitional arrangements by way of **ring-fencing water revenues and expenditure** and introducing the new **staffing and governance framework** for water services by **30 June 2027** with a staged implementation from **1 July 2026**.

ICC can confirm that the In-House Business Unit meets the financial sustainability requirements, specifically:

- **Projected water services revenue** is sufficient to cover the projected costs of delivering water services, including required infrastructure investment, servicing of debt and compliance with increasing regulatory standards.
- **The proposed level of investment**, as outlined in the **ICC Long-term Plan**, is sufficient to meet required levels of service, regulatory obligations, and future growth. This investment can be fully funded by projected revenues and Council borrowings.
- **Projected council borrowings** remain within Legislative/LGFA borrowing limits and comply with associated **LGFA covenants**.

Proposed model to deliver financially sustainable water services

The proposed model to deliver water services

ICC intends to continue delivering water services in house though the establishment of a new In-House Business Unit. This will separate water services functions into a new department to provide the separation required to bring an independent utility approach to Waters Services, more clearly achieve financial ring fencing and implement a new governance committee structure to reflect the move away from Status Quo.

A set of strategic objectives have been defined to help inform and guide the setup and operation of the Water Services In-House Business Unit. These are set out in the Implementation Plan section of this plan. These objectives have been developed against the following context.

Invercargill city is a relatively small, flat and compact city (with the exception of the Bluff area). Invercargill was a city that was original developed for a population of 100,000 and has peaked at slightly over 50,000 population. Whilst much of the original capacity has been utilised by modern demands and infill of housing most areas of the network still retain some spare capacity. It is also a city that experienced a prolonged period of decline and has only commenced a period of steady, low growth since the early 2000s. Invercargill is primarily a service centre for the surrounding region and is therefore highly reliant on industry. This has created some challenges with industry looking to develop in areas not originally serviced by the networks.

The city's water services network is well structured and historically sized to provide for the city's requirements. Invercargill has only one source of water supply and there are reasonably short distances to and from treatment facilities. The majority of the system is serviced by gravity making Invercargill a network that is not under the same pressures as pumped networks and high growth areas.

The city is located in a moderate earthquake zone and has a large portion of the city that is vulnerable to flooding with some risk areas also associated with sea level rise.

By establishing the In-House Business Unit, ICC will continue to provide high-quality water services to the community, while ensuring sufficient capacity to deliver required infrastructure investment and meet regulatory requirements.

Through enhancement of existing accounting processes, a separate financial entity will be established that ensures that water services revenues and expenses will be ring fenced and remain separate from other Council financials. ICC will ensure appropriate oversight of water delivery priorities, investment programmes, and compliance with current and future regulatory obligations.

Where known increased costs associated with legislative compliance have been incorporated into ICC's financial planning. ICC notes additional costs not included in current budgets are expected relating to meeting regulatory and reporting requirements once these are known.

Retaining water services in-house was selected as the preferred delivery model for the following reasons:

- Significant cost increases to move to a regional model per Otago Southland collaboration work completed in 2024.
- ICC has sufficient debt headroom to provide for forecasted capital works (per current LTP).
- Council scale retained including ability to respond to emergency events.
- Public consultation outcomes showed strong support for the option (75% of responses).

ICC will allocate additional funding into Annual and Long-term Plan budgets to ensure in house delivery meets regulatory requirements. Cost components include, but are not limited to:

- Appointment of a new General Manager - Water Services Position in the organisation structure;
- Establishment of a dedicated Council Committee to provide focus and advice on Water Services with appointment of an independent member with Technical Water Services expertise;
- A Water Services staff training and retention programme.
- Transition Project team to define and deliver the required process, system and organisation change requirements.

ICC remains open to opportunities for district and wider regional collaboration and / or the establishment of shared services, where these provide demonstrable efficiencies.

Implementation plan

Implementing the proposed service delivery model

ICC is proposing to continue delivering water services independently through an In-House Business Unit.

ICCs current water service delivery arrangements have been independently assessed as meeting the financial sustainability requirements set out in legislation.

Once this plan is accepted, ICC is committed to implement the proposed water services delivery model. This will involve the following key milestones which will continue to be detailed and refined over time.

It is anticipated that the following activities will be completed by 31 December 2025:

- Appoint General Manager Water Services.
- Develop the Water Services establishment team (including but not limited to financial, regulatory and people advisory).

It is anticipated that the following activities will be completed by 30 June 2026:

- Develop Organisational Transition Plan.
- Develop and transition to Internal Water Service Business Unit Structure (including staff transition).
- Establish Water Services Financial system within ICC Financial Group to treat the WSE in the same manner as our existing Council Controlled Organisations (CCO's).

It is anticipated that the following activities will be completed by 30 June 2027:

- Develop and Implement Water Services governance framework.
- Water Services financial ring-fencing system and process changes implemented.
- Contracts for Support Services with Council and other entities in place.
- Implement new Stormwater Rate approach to transition from current part general rate funding.
- Development of Water Services Strategy (3 year refresh cycle) independent of the ICC Long-term Plan.

The Local Government (Water Services Preliminary Arrangements) Act requires each territorial authority to prepare a water services delivery plan that:

- Identifies the current state of the authority's water services; and
- Demonstrates publicly its commitment to deliver water services in a way that:
  - Ensures that the territorial authority will meet all relevant regulatory quality standards for its water services; and
  - Is financially sustainable for the territorial authority; and
  - Ensures that the territorial authority will meet all drinking water quality standards; and
  - Supports the territorial authority's housing growth and urban development, as specified in the territorial authority's Long-term Plan.

A set of strategic objectives have been defined to help inform and guide the setup and operation of a Water Services In-House Business Unit that meets the legislative requirements and expectations of the communities that are served. These are as follows:

1. **Operate as an Independent, Ringfenced, Commercially focused Utility**
   ICC will operate its water services as a financially ringfenced, professionally governed business unit with the flexibility to outsource where appropriate. This includes establishing formal agreements for internal support services, strengthening governance, and ensuring organisational structures support capability and performance.

2. **Develop Workforce and Industry Capability**
   ICC will invest in building workforce capability and industry leadership by developing a technical training programme aligned with industry standards, creating a leadership pipeline, implementing a workforce development plan, and improving staff retention in the water services sector.

3. **Comply with Public Health and Environmental Regulations**
   ICC will maintain full compliance with drinking water, wastewater, and stormwater standards, including all relevant resource consent conditions and national environmental regulations.

4. **Ensure Financial Sustainability, Drive Efficiency**
   ICC will ensure water services are financially sustainable and responsive to customers with costs recovered from users in a fair and transparent manner. This includes meeting Commerce Commission requirements, leveraging procurement and shared service efficiencies.

5. **Support Council's Growth and Development Objectives**
   ICC will align water service delivery with the city's growth aspirations. Financial contribution will be used where possible to effectively to fund growth-related investments. Development contributions could also be used in the future should the risk of city population and industry decline no longer be a risk.

6. **Deliver Reliable and Resilient Water Services**
   ICC will build resilience into its water network by improving risk understanding, addressing vulnerabilities from sea level rise, flood event, and ensuring redundancy of critical assets where possible.

7. **Partner with Mana Whenua and Engage Effectively with the Community**
   ICC will work in partnership with Mana Whenua and maintain transparent and responsive relationships with the community by actively seeking customer feedback, monitoring satisfaction, and demonstrating a commitment to being a responsible and accountable service provider. Council has existing Mana Whenua representation as part of its Governance structure.

Consultation and engagement

Consultation and engagement undertaken

ICC used the alternative consultation and decision-making requirements under Local Government (Water Services Preliminary Arrangements) Act 2024. This mandates councils to consult on at least two options including, remaining with the existing approach for delivering water services and establishing or joining a water services council controlled organisation. ICC's Infrastructure and Projects Committee selected three options for consultation:

- **Option 1:** Council Operated Enhanced Service
- **Option 2:** Invercargill Council Controlled Organisation (CCO)
- **Option 3:** Southland-Wide Council Controlled Organisation with phased pricing

Option 1 was identified as the Council's preferred option (or proposal).

Consultation Timeline: Public consultation ran from 13 March to 13 April 2025 with hearings on 29 April and 30 April 2025. A consultation document was made publicly available that addressed the legislative requirements, including an explanation of the proposal and reasons, an analysis of the options and how proceeding with the proposal (and not proceeding with it) was likely to affect ICC's rates, debt, levels of service and any charges for water services. A submission form was attached seeking feedback on the water services delivery options.

Engagement Activities: Engagement included events at various locations, such as Invercargill Central Ltd, Bluff Café, and Murihiku Marae, along with youth-focused initiatives and interactive installations like a water wall for community feedback.

Digital and Media Outreach: Online engagement featured Q&A sessions, explainer videos, and targeted social media posts across multiple platforms. Additionally, the submission form was distributed through local newspapers, radio, and digital screens.

Consultation Outcomes:

- Submissions: A total of 188 submissions were received:
  - 75% (141 submissions) supported Option 1: Council Operated Enhanced Service.
  - 14% (26 submissions) supported Option 2: ICC CCO.
  - 11% (21 submissions) supported Option 3: Southland-Wide CCO.
- Postcard Submissions: Of the 28 postcard submissions:
  - 68% (19) were in favour of Option 1.
  - 11% (3) supported Option 2.
  - 21% (6) supported Option 3.

Additional Feedback: Some submitters noted that Option 1 was perceived as causing the least disruption, while a few saw the independent governance of a CCO as beneficial for future iwi partnership. Two respondents preferred the Southland-wide option, citing regional benefit. Cost and infrastructure focus were recurring themes, with one mention of the need for tank water and concerns about chlorination.

Assurance and adoption of the Plan

Council resolution to adopt the Plan

ICC adopted the Water Services Delivery Plan (WSDP) under the Local Government (Water Services Preliminary Arrangements) Act 2024 by resolution at its Council meeting on 26 August 2025. The Report to Council is publicly available on Council's website.

Certification of the Chief Executive of Invercargill City Council

CE Commentary

Material risks or implementation constraints that could impact the council's ability to deliver the Plan or achieve financial sustainability by 30 June 2028 are set out in the Additional Information Section of the Plan.

Risks and Assumptions of note include:

- Asset condition data incomplete - asset condition may be worse than planned and budgeted for
- Government and Regional economic growth objectives may result in demand that is greater than planned for in our Long Term Plan and Water Service Delivery Plan requiring additional network investment
- Wastewater standards have not been finalised and new standards may be introduced which were not planned or budgeted for
- The Local Government (Water Services) Bill has yet to pass into law. Changes to the Bill and any other wider legislative changes may impact water services and wider Council operations and require the WSDP to be revised.
- ICC may not be able to attract, retain or develop the people needed to develop, operate and maintain the water services network
- The Southland Local Authority re-organisation initiative may require future changes to ICC water services, reassessment of the financial sustainability of the amalgamated entity and require the WSDP to be revised.

The WSDP Implementation is achievable by Council. ICC engaged Morrison Low to support the preparation of the WSDP. This has provided confidence in the technical soundness of the information and forecasts presented in the plan.

I certify that this Water Services Delivery Plan:

- complies with the Local Government (Water Services Preliminary Arrangements) Act 2024, and
- the information contained in the Plan is true and accurate as at 26 August 2025 unless otherwise indicated.

Name: **Michael Day**

Designation: **Chief Executive**

Council: **Invercargill City Council**

Date: **26 August 2025**

Signed:.....

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

Investment required in water services

Serviced population

Projected serviced population	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Serviced population	48,561	49,047	49,537	50,032	50,032	51,038	51,549	52,065	52,585	53,110
Total residential connections	21,094	21,305	21,518	21,733	21,950	22,170	22,392	22,616	22,842	23,070
Total non-residential connections	1,553	1,569	1,585	1,601	1,617	1,633	1,649	1,665	1,682	1,699

- Serviced connections for water supply is projected to increase from 21,094 in FY2024/25 to 23,070 by FY2033/34, reflecting a steady 1% annual growth in connections.
- An increase of ~4,549 people over the decade equates to a rise of 2,122 total connections (residential and non-residential combined), indicating continued low-density development patterns.

Waste Water Services

Projected serviced population	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Serviced population	52,806	53,867	53,867	54,406	54,951	55,500	56,054	56,615	57,181	57,753
Total residential connections	22,404	22,628	22,854	23,083	23,314	23,547	23,782	24,020	24,260	24,503
Total non-residential connections	1,567	1,583	1,599	1,615	1,631	1,647	1,663	1,680	1,697	1,714

- Wastewater services are projected to serve the largest proportion of the city's population compared to other services.
- Connection growth (circa 2,246 new connections) aligns with increasing demand from both residential and commercial sectors.

Stormwater Services

Projected serviced population	FY2024/25	FY2025/26	FY2026/27	FY2027/28	FY2028/29	FY2029/30	FY2030/31	FY2031/32	FY2032/33	FY2033/34
Serviced population	53,904	54,443	54,987	55,535	56,092	56,653	57,220	57,791	58,370	58,954
Total residential connections	21,411	21,625	21,841	22,059	22,280	22,503	22,728	22,955	23,185	23,417
Total non-residential connections	1,523	1,538	1,553	1,569	1,585	1,601	1,617	1,633	1,649	1,665

- Stormwater services are expected to serve a slightly higher population than water services, largely due to inclusion of Ōtātara which only receives drainage services.
- Growth in stormwater connections (circa 2,148 additional connections) indicates increasing impervious surface areas, reinforcing the need for careful planning around run off volumes and network capacity planning.

General Observations

ICC water services networks have largely met the needs of the size of population over the last 30 years. As incremental growth and spatial changes occur, future expectations need to be deliverable which supports the wider community aspirations. In addition, there are potential increases to industry which, while the location and specific requirements are not known, mean that a small increase in network growth is expected.

Where land use change occurs, the core infrastructure must be aligned to support those changes in a timely and effective manner. There will be both Central Government and community requirements for this core infrastructure, and as the legislation changes so must the response (e.g. Sewer discharge consents, Environment Southland Regional Land and Water Plans (Stormwater discharges) Drinking Water Standards etc.).

As one of the older cities in Aotearoa ICC's infrastructure is ageing and is approaching the potential peak for pipe renewals of infrastructure. Much of the original pipework was installed towards 100 years ago with two other key development peaks in the late 1950s/early 1960s and in the 1970's. Replacement age of that first development is forecast to be reached during the current ten years. This will have affordability challenges and Council must focus on criticality and value based decision making.

Although projected growth is modest, the cumulative effect will put increasing pressure on ageing infrastructure, requiring risk-based and capacity informed renewal planning. Projected growth appears distributed across all three networks, suggesting the need for coordinated renewal and upgrade programmes-especially areas where multiple services are co-located.

Within the ICC boundary the following areas receive the following services:

- **Water** - Treated water supply from the Branxholme Water Treatment Plant is provided to the urban areas of Invercargill and Bluff. No reticulated water is provided to Kennington and Ōtātara areas.
- **Wastewater** - The Invercargill City has 3 wastewater treatment plants Clifton services the urban area of Invercargill, Ōtātara (part), Kennington and Moore Road area. The Bluff plant services the Bluff Township and the Ōmāui oxidation pond servicing the Ōmāui township.
- **Stormwater** - The urban area of Invercargill, are serviced by the piped stormwater system network that discharges to either the Waikiwi Stream, Waihōpai River, Otepuni Stream, Kingswell Creek and Clifton channel.

  The Bluff Township is serviced by a piped stormwater system network that discharges to either Bluff Harbour or Foveaux Strait.

  Ōtātara stormwater system consists of both a pipe and open drainage system that discharges to either the New River Estuary or the Ōreti River. A number of rural drainage networks are not connected to the piped network. These areas are primarily serviced via drainage ditches.

Serviced areas (by reticulated network)	Water supply (Scheme - number of connections)	Wastewater (Scheme - number of connections)	Stormwater
Residential areas (If more than one identify separately)	Branxholme WTP - 22.647 connections	Clifton - 22,582 connections Bluff - 1,333 connections Ōmāui - 56 connections	Waikiwi Stream - 450 connections Waihōpai River - 5,103 connections Otepuni Stream - 6,772 connections Kingswell Creek - 2,630 connections Clifton Channel - 516 connections Ōreti River - 20 Connections Makarewa drainage area - 184 connections New River Estuary - 6,030 connections Bluff Harbour - 1,345 connections
Non-residential areas (If more than one identify separately)	Branxholme WTP - 1,553 connections	Clifton - 1,380 connections Bluff - 187 connections	Included in above totals
Mixed-Use rural drinking water schemes (where these schemes are not part of the council's water services network)	Nil	Nil	Nil
Areas that do not receive water services (If more than one identify separately) **Areas greater than 20 properties are considered located in closed cluster*	Ōtātara, (Unserved population: 3,120) Kennington (Unserved Population: 579) Ōmāui (Unserved Population: 45)	Makarewa (Unserved Population: 1,134)	Kennington (Unserved Population: 579) Ōmāui (Unserved Population: 45)
Proposed growth areas ▪ Planned (as identified in district plan) ▪ Infrastructure enabled (as identified and funded in LTP)	ICC's current LTP anticipates a 1% growth in residential and non-residential connections. This is provided for through existing network capacity and renewals planning. Invercargill has not operated under a growth assumption in the immediate past as the network was constructed to support a higher level of population. However, new industries are expected, and if they eventuate, they have the potential to create significant new demands on the network. ICC is planning for this uncertainty by allowing for growth where the additional cost would be met via financial contributions, reprioritisation of the capital programme and if necessary, an increase in the budget provided for the capital programme. The most likely demands would be significant additional water demand from a single user industry (i.e. large volumes) or larger subdivision/(volumes in the network where capability is currently at optimum and or being well away from pumping stations and reservoirs). When industry is taking higher water flows, there would likely be demand for increased capacity on the wastewater network between the new industry, pumping stations and / or piped network through to the Clifton WWTP. In some cases, this may need additional pipe capacity beyond renewal expectations and much earlier than otherwise planned for. The capability of the Clifton WWTP for some specific or heavy load waste could be a factor but without specific knowledge of the type of development, this cannot be planned for. Note that it would be likely that these types of industry would partially treat waste water on site before discharge to the network. ICC's Tradewaste Bylaw provides a clear direction for charging and recovery, in this instance. Stormwater is expected to be managed on a site by site basis and consequently developers may need larger sized site to be able to retain stormwater for a period.		

ICC's target Long-term Plan and Annual Plan level of service and actual levels of service for the 24/25 FY are shown in the tables below for each activity

Water Services

Level of Service Description	KPI	Measure	2024/2025 Target	Q1	Q2	Q3	Annual	Progress Status
Drinking water quality meets standards to support human health	1.1	The extent to which the local authority's drinking water supply complies with the following parts of the drinking water quality assurance rules: (a) 4.4 T1 Treatment Rules; (b) 4.5 D1.1 Distribution System Rule; (c) 4.7.1 T2 Treatment Monitoring Rules; (d) 4.7.2 T2 Filtration Rules; (e) 4.7.3 T2 UV Rules; (f) 4.7.4 T2 Chlorine Rules; (g) 4.8 D2.1 Distribution System Rule; (h) 4.10.1 T3 Bacterial Rules; (i) 4.10.2 T3 Protozoal Rules; and (j) 4.11.5 D3.29 Microbiological Monitoring Rule	100%	100%	100%	100%	100.0%	On target or achieved
Council monitors and effectively manages the water network to support environmental health and efficient use of resources	2.1	The percentage of real water loss from the Council's networked reticulation system. (Calculated according to the methodology outlined in Water NZ Water Loss Guidelines publication)	Less than 30%	0	0	0	0	Annual measure - to be reported in Quarter Four
Council monitors and effectively manages the water network to support environmental and human health and efficient use of resources	2.2	The average consumption of drinking water per day per resident within the Invercargill City Council territorial district	Less than 300 litres/day	188 liters / day	206.5 litres/ day	209.9 litres/ day	209.9 litres/ day	On target or achieved
Council is responsive to the community in order to provide a safe, reliable supply of water, ensuring reticulated properties receive a continuous supply and providing sufficient water flow and pressure for fire fighting	3.1	The median response time for urgent call-outs, (from the time the Council receives notification to the time that service personnel reach the site)	4 hours	24M	23M	23M	23 minutes	On target or achieved

Council is responsive to the community in order to provide a safe, reliable supply of water, ensuring reticulated properties receive a continuous supply and providing sufficient water flow and pressure for fire fighting	3.2	The median time to resolve urgent call-outs (from the time the Council receives notification to the time that service personnel confirm resolution of the fault or interruption)	24 hours	1H 56M	1H41M	1h 37M	1 hour 37 minutes	On target or achieved
Council is responsive to the community in order to provide a safe, reliable supply of water, ensuring reticulated properties receive a continuous supply and providing sufficient water flow and pressure for fire fighting	3.3	Attendance for non-urgent call-outs: from the time that council receives notification to the time that service personnel reach the site	5 working days	2D 19H 54M	2D 17H 07M	2D 04H 30M	2 days, 4 hours and 30 minutes	On target or achieved
Council is responsive to the community in order to provide a safe, reliable supply of water, ensuring reticulated properties receive a continuous supply and providing sufficient water flow and pressure for fire fighting	3.4	Resolution of non-urgent call-outs: from the time that the council receives notification to the time that service personnel confirm resolution of the fault or interruption	10 working days	3D 02H 02M	2D 22H 26M	2D 19H 44M	2 days, 19 hours and 44 minutes	On target or achieved
Council is responsive to the community in order to provide a safe, reliable supply of water, ensuring reticulated properties receive a continuous supply and providing sufficient water flow and pressure for fire fighting	3.5	The total number of complaints received by Council per 1,000 connections about any of the following: - Drinking water clarity - Drinking water taste - Drinking water odour - Drinking water pressure or flow - Continuity of supply - Council's response to any of these issues	<10 in total	0.22	0.31	1.68	2.21	On target or achieved

Wastewater Services

Level of Service Description	KPI	Measure	2024/2025 Target	Q1	Q2	Q3	Annual	Progress Status
Council monitors and effectively manages the sewerage network to support community wellbeing and environmental health	6.1	Number of dry weather sewerage overflows per 1,000 properties - DIA Performance Measure 1 (system and adequacy)	Max 4	0.13	0.21	0.21	0.54	On target or achieved
Council monitors and effectively manages the stormwater network to support environmental health and efficient use of resources	6.2	Compliance with Council's resource consents for discharge from its sewerage system measured by the number of: (DIA Performance measure 2 (discharge compliance)) - Abatement notices - Infringement notices - Enforcement orders - Convictions Received by the Council in relation to those resource consents.	Max 0	0.00	0.00	0.00	0.00	On target or achieved
Council is responsive to the community in order to manage the stormwater network to support environmental health and efficient use of resources	7.1	a) The median response time from notification to arrival on-site to attend sewerage overflows resulting from a blockage or other fault in the sewerage system	<1 hour	34M	30M	26M	26 minutes	On target or achieved
Council is responsive to the community in order to manage the stormwater network to support environmental health and efficient use of resources	7.2	b) The median response time from notification to resolution of sewerage overflows resulting from a blockage or other fault in the sewerage system	<6 hours	2H 18M	1H 46M	1H 39M	1 hour 39 minutes	On target or achieved
Council is responsive to the community in order to manage the stormwater network to support environmental health and efficient use of resources	7.3	DIA Performance Measure 4 (customer satisfaction) The number of complaints received about: 1. sewage odour 2. system faults 3. system blockages 4. Council's responsiveness (expressed per 1,000 properties connected to the Council's sewer system)	Max 4	0.83	0.71	1.04	2.58	On target or achieved

Stormwater Services

Level of Service Description	KPI	Measure	2024/2025 Target	Q1	Q2	Q3	Annual	Progress Status
Council monitors and effectively manages the stormwater network to support community wellbeing and environmental health	4.1	DIA Performance measure 1 (system adequacy) (a) The number of flooding events that occur in the Invercargill City district	0	0	0	0	0	On target or achieved
Council monitors and effectively manages the stormwater network to support environmental health and efficient use of resources	4.2	DIA Performance measure 1 (system adequacy) (b) For each flooding event, the number of habitable floors affected (expressed per 1,000 properties connected to the Council's stormwater system)	0	0	0	0	0	On target or achieved
Council monitors and effectively manages the stormwater network to support environmental health and efficient use of resources	4.3	DIA Performance measure 2 (discharge compliance) Compliance with the Council's resource consents for discharge from its stormwater system, measured by the number of: - Abatement notices - Infringement notices - Enforcement orders - Convictions Received by Council in relation to those resource consents	0	0	0	0	0	On target or achieved
Council is responsive to the community in order to effectively manage the stormwater network to support environmental health and efficient use of resources	5.1	DIA Performance measure 3 (response times) The median response time to attend a flooding event, measured from the time that Council receives notification to the time that service personnel reach the site	<1 hour	0	0	0		On target or achieved
Council is responsive to the community in order to manage the stormwater network to support environmental health and efficient use of resources	5.2	DIA Performance Measure 4 (customer satisfaction) The number of complaints received about the performance of the stormwater system (expressed per 1,000 properties connected to the Council's stormwater system)	<4	0.96	0.57	0.44	1.97	On target or achieved

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

Water

Above ground assets including electromechanical plant have collectively been visually assessed (e.g. a pump station has been assessed as a whole unit rather than separate assessments of its component parts) and assigned a rating of 1 -5; 1 being 'excellent' and 5 being 'needs replacement'. This approach is currently used for preparation of future renewal planning and determining asset end of life. More detailed assessment at the asset level will be part of ICC's improving asset management maturity.

Surveys on samples of asbestos cement pipe have shown a wide variation in remaining life and thus condition with no apparent pattern. This is likely to be the case for all pipe network assets. In the absence of any other method, condition assessment for the pipe network assets have been assigned according to the assessed remaining life according to IPWEA Condition Assessment & Asset Performance Guidelines Practice note 7 v2 2014 Water Supply & Sewerage Table 9-2.

The average age of the ICC water pipe network is 56 years. Sixty percent of the network has received a grade of above average indicating that the network is in good condition. This has been influenced though by considering the rehabilitated cast iron pipe as being returned to 'as new' condition and so its remaining life has been calculated from its rehabilitation date, not its installed date. Whereas the average age of the network has been determined from the actual install date, not the rehabilitation date.

Wastewater

The average age of the ICC wastewater pipe network is 62 years. ICC commenced programmed CCTV (Closed Circuit Television) inspection of its wastewater network in 2021 focusing on aging and problem areas of the network. 22% percent of the pipe network has been CCTV inspected and condition rated in accordance with the New Zealand Gravity Pipe Inspection Manual.

Council has not CCTV inspected enough of the network to determine the overall network condition rating. Development of an ongoing CCTV inspected programme for network condition rating purposes is planned as part of ICC's improving asset management maturity.

Network condition assessments are currently based on a desktop exercise using experienced engineering knowledge of the networks performance and maintenance history. That assessment recorded a value of 25% of the network being less than average condition.

The relatively low number of blockages and high availability of the network indicate that for its age the network is performing satisfactorily. However, a flow monitoring programme indicates a high infiltration and potential for overflow in parts of the system. Currently the work done by the CCTV inspection programme indicates 48% of the network being less than average condition which does not reflect the assessment above. Continuation of this programme will provide longer term validation of results.

Stormwater

The average age of the ICC stormwater pipe network is 59 years. 9.5% of the network has been surveyed by CCTV and condition rated in accordance with the New Zealand Gravity Pipe Inspection Manual.

Council has not CCTV inspected enough of the network to determine the overall network condition rating. Development of an ongoing CCTV inspected programme for network condition rating purposes is planned as part of ICC's improving asset management maturity.

Network condition assessments are currently based on a desktop exercise using experienced engineering knowledge of the networks performance and maintenance history. That assessment recorded a value of 26% of the network being less than average condition. Stormwater complaints are low being 4.25 / 1000 properties in the 23/24 year (1.8 / 1000 properties 22/23).

Currently the work done by the CCTV inspection programme indicates 59% of the network being less than average condition which does not reflect the assessment above. Continuation of this programme will provide longer term validation of results.

Parameters	Drinking Supply	Wastewater
Average age of Network Assets	56 years	62 years
Critical Assets	▪ Intake from Ōreti River ▪ Branxholme WTP ▪ Supply pipelines - Branxholme to the city and City to Bluff pipeline ▪ Reservoirs, Waikiwi, City, Bluff, Shannon St, Bluff Hill Top and Walker St, ▪ Water Pump Station - Waikiwi, City, Clifton, Bluff, Shannon ▪ Control systems - SCADA	▪ Clifton Wastewater Treatment Plant ▪ Bluff Wastewater Treatment Plant ▪ Ōmāui Wastewater oxidation pond ▪ Major pump stations - Mersey, Preston, Lindisfarne, Bluff Main and Kekeno ▪ Major rising main - Mersey St, Lindisfarne, Preston St, Kekeno, Bluff Main ▪ Control systems - SCADA
Above ground assets ▪ Treatment plant/s ▪ Percentage or number of above ground assets with a condition rating ▪ Percentage of above ground assets in poor or very poor condition	 ▪ 1 (Branxholme) ▪ 90% ▪ 11%	 ▪ 3 (Clifton, Bluff and Ōmāui) ▪ 100% ▪ 0%
Below ground assets ▪ Total Km of reticulation ▪ Percentage of network with condition grading ▪ Percentage of network in poor or very poor condition	 ▪ 422km ▪ 0% ▪ 0%	 ▪ 378 km ▪ 21% ▪ 11%

Asset management approach

ICC is committed to ongoing development of the asset management maturity level for Water Services within Council. ICC will look to strengthen the knowledge and skills of its staff. It plans to have a have a strategic and proactive approach to asset management, ensuring the long-term sustainability, reliability, and efficiency of the city's water services. This approach will look to align with industry best practice, use nationally accepted practices, standards and guidelines and use recognised standards such as the International Infrastructure Management Manual (IIMM). The development of robust and appropriate skills will support informed decision-making for network maintenance, renewal, and investment. ICC has been lucky to retain significant experience on its network for the last 20 plus years. This has led to an over-reliance on knowledge of key staff. It will be important for ICC to improve its asset data and analysis and grow overall asset management maturity as key staff exit the business.

ICC Long-term Plan and Supporting Strategies & Plans

ICC Long-term Plan 2024-2034 [view here]

The key Strategy and Policy documents included within the 2024/2034 Long-term Plan are

- Infrastructure Strategy
- Financial Strategy
- Finance and Revenue Policy
- Rating Policy
- Rating of Māori Freehold Land Policy
- Development Contributions Policy
- Significance and Engagement Policy.

ICC Asset Management Policy [view here]

- The ICC policy has set the maturity level for Water Services at Core with the current target level for 2020 being intermediate. This Asset Management Policy is currently being updated.

Three Waters Asset Management Plan [view here] (addendum format)

ICC Asset Management Systems

ICC uses a number of systems to manage its assets, financial information and customer information including:

- Infor Public Sector (IPS) - Asset register and job management only
- TechOne Enterprise - Manages financial information
- ArcGIS - Manages spatial records (GIS)
- Mike Urban - Water and wastewater model (run by external consultants as and when required)
- Stormwater Design is undertaken using a model run within excel, based on catchments but not linked to the whole of network.
- Objective - Document and drawing tracking system
- Pathway - Customer Services Request

Identification of Capital Projects

1. **Asset Inventory and Condition Assessment**

- ICC operates a mechanical and electrical network, which includes treatment plants, reservoirs, and pump stations. These assets are monitored and controlled by a team of qualified staff using the (Supervisory Control and Data Acquisition) SCADA system, which provides real-time data on equipment performance and triggers alarms when processes exceed pre-set limits.
- Daily preventative inspections of pump stations are carried out by ICC staff to ensure operational efficiency. Annual inspections are completed in partnership with ICC's electrical/ mechanical maintenance contractor.
- Condition Rating of critical assets will form part of the continuous improvement process.
- ICC is actively working towards enhancing its condition grading data to strengthen decision-making for asset renewals and maintenance.
- Condition ratings are identified by faults identified by ICC staff, contractors, and the general public.
- Preventative measures such as CCTV inspections are employed to assess pipe conditions and inform repair and long-term capital replacement strategies. ICC carries out CCTV inspections annually as a preventive measure to understand the condition of the foul sewer assets and guide future investment decisions.
- The condition rating on pressure mains is based on the recorded failures. Going forward, ICC is investing in non-destructive testing methods to better understand the condition of pressure mains.

2. **Risk-Based Maintenance and Renewal Planning**

- ICC is expanding its condition assessment programs using asset lifecycle data, CCTV inspection, data gathered from physical examination and maintenance records to identify renewal priorities.
- The network renewal approach is structured and increasingly data-driven:
  - The Strategic Asset Planning team scopes renewal projects based on:
    - Asset life expectancy and it's criticality
    - Asset condition (inspection records)
    - Risk assessment using network maintenance records (maintained by the Operations team)
    - Coordination with road renewal projects to optimize cost efficiency and minimize disruptions to the public.
    - Climate-related risks and resilience

  - The Engineering Services team manages design delivery, either in-house or through external design consultants.
  - Construction is executed by contractors
- Annual comprehensive inspections of all water service sites are carried out with the assistance of ICC's maintenance contractor, ensuring proactive asset management.
- A key focus of the wastewater strategy is the reduction of stormwater infiltration into the sewer network. Excess stormwater entry can lead to overflows, posing risks to public health and the environment.

3. Hydraulic Modelling and Performance Analysis

ICC is looking to further invest in coming years in the continuation, development, and calibration of three waters hydraulic models. These models will enhance understanding of system performance, contribute to analysis and capacity considerations and provide robust and reliable data for asset management decision-making.

- **Water:** The existing water model was initially a trunk main network model and has been expanded to include the majority of pipes within Invercargill. More detailed work and revisit of calibration is required along with performance within Bluff. The current model while providing some level of information needs to be enhanced to give greater confidence and reliability. Further investment is considered a key strategic investment to optimise renewal planning and support city economic development.
- **Wastewater:** The current model was created on just trunk mains within Invercargill and did not include Bluff or any detail of Ōtātara other than as direct flow input. While this gave basic flow information and had reasonable calibration, the operational need was not meeting expectations. This had been extended to all pipes and while improved has caused some level of instability in the model and needs to be reconfigured and recalibrated to give the reliable results necessary as future demands are required to be analysed. Further investment is necessary to ensure a level of confidence in the model is appropriate for asset renewals decision making.
- **Stormwater:** ICC currently does not have a comprehensive stormwater hydraulic model in place. However, it recognises the critical need for an integrated modelling platform to inform decision-making. ICC has planned to invest in the development of a robust, comprehensive, and integrated 1D-2D Stormwater hydraulic model during the 2025/2026 financial year. This model will support a more accurate representation of both underground (1D) and overland (2D) flow pathways. These pathways are key elements of information essential in subdivision decision approvals. They are also key in customer interactions managing periods of heavy rain, and being able to understand future capacity to inform development. They also provide significant benefits when predicative risk modelling is undertaken.

4. Lifecycle and Performance Management

- ICC is increasingly adopting preventative and predictive maintenance strategies based on condition data and risk assessments.
- ICC leverages IPS and GIS systems for work order management, asset tracking, and data integration, ensuring efficient and data-driven decision-making.
- ICC records customer complaints and service requests through the Pathway platform, ensuring that reported issues (either formally recorded or anecdotal) are logged, monitored, and addressed.

5. **Long-Term Capital Planning and Investment**

- ICC is looking to implement long-term funding strategies based on asset condition trends, lifecycle costs, and service level targets to ensure sustainable investment in water infrastructure.
- ICC is prioritizing investments in critical asset renewal and upgrades to address aging infrastructure and mitigate risks associated with stormwater infiltration.
- Strategic renewal planning is being strengthened to address ageing sections of the reticulation network and high-priority and critical asset replacements/duplication.
- ICC is working towards optimising capital investment plans by aligning them with asset performance trends and future service requirements.

6. **Regulatory Compliance and Public Health Protection**

- ICC remains committed to continuing to meet drinking water regulations.
- ICC ensures compliance with wastewater discharge permits including responsible management and environmental regulations e.g. reducing overflow risks and maintaining water quality standard.
- Complying with changing national standards for water services including RMA and other legislation.

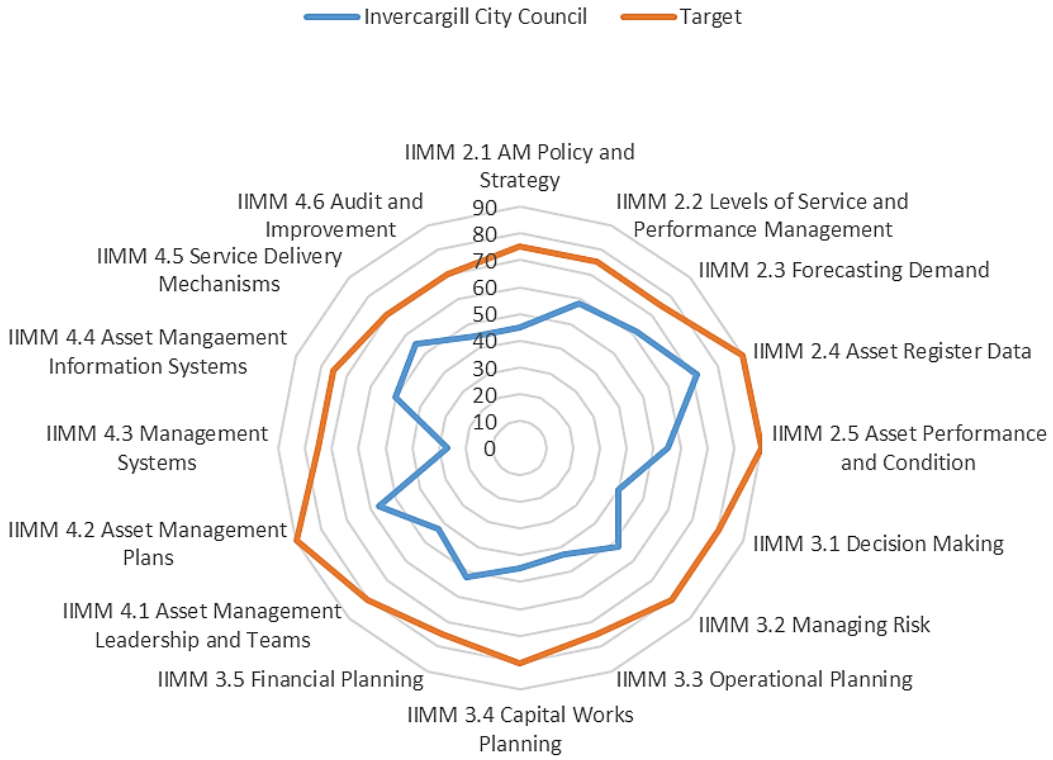
7. **Performance Monitoring and Continuous Improvement**

- ICC has established key performance indicators (KPIs) to ensure cost-effective and high-quality service delivery.
- ICC is continuously enhancing its condition assessment programs for critical assets, supporting proactive infrastructure management.
- The integration of SCADA systems continues to provide real-time monitoring, improving operational efficiency and service reliability.

Asset Management Maturity Assessment

In accordance with ICC's Asset Management Policy, the target asset management maturity level for each of the three water services activities (water supply, wastewater, and stormwater) is set at the core with a target of Intermediate level, as defined by the IIMM 2015 Maturity Framework (Section 4.2). This reflects ICC's commitment to structured, risk-based, and lifecycle-oriented asset management practices, consistent with best practice for medium-complexity networks.

A 2017 self-assessment against the IIMM maturity criteria evaluated key elements of asset management—such as service planning, lifecycle management, risk, financial planning, and continuous improvement. The results demonstrated consistent scoring across all three water services, with average maturity levels aligning with the Intermediate category. These results are illustrated in the graph below.



Additionally, an independent review of the draft 2020 Asset Management Plans (AMPs) provided external validation of these findings. The reviewer noted that:

- Water Supply practices were "generally at the Intermediate level with minor gaps";
- Wastewater maturity "lies between Core and Intermediate";
- Stormwater management was "generally at the Intermediate level."

These findings support ICC's continued progression towards Intermediate maturity, with a focus on addressing identified gaps and embedding continuous improvement practices across all three water services.

Statement of regulatory compliance

Compliance

Currently ICC's water, waste water and stormwater services are compliant with all regulatory requirements and DIA KPI's with the following two exceptions:

- For ICC's stormwater consent, ICC is compliant with all conditions except for condition 2a which states that the Council may not allow any discharge of any pollutants to the receiving environment. This includes accidents, deliberate release of hazardous substances by other persons, or wash-down of such substances. Unfortunately, these events are beyond the Council's control. Currently ICC does not provide significant treatment to stormwater before discharging into Invercargill's receiving waters. During renewals of the stormwater network, ICC engineers provide for the possibility of future treatment devices to be added where applicable. An annual budget has been created to allow for stormwater treatment throughout the City with areas of high risk for contamination being selected first. ICC will continue to work on a 'worst first' basis when it comes to stormwater treatment around the City and will:
  - Identify contamination sources and require on-site correction of drainage defects.
  - Educate public on behaviour change to reduce contamination.
  - Target repair / renewal of drainage systems to reduce cross contamination.
- An enforcement order and subsequent conviction in 2019/20 related to a constructed sewer overflow connected to the stormwater system. Such constructed sewer connections to the stormwater network have been disconnected and sealed off.
- ICC within the current structure has a Trade Waste Officer who is responsible for delivering compliance with the Trade Waste Bylaw.

Expired consents operating under S124

- ICC does not have any expired consents operating under S124.

Active Resource Consent Applications

There is one active resource consent application at report date; a resource consent application has been lodged with Environment Southland to provide for the discharge of treated wastewater from the Bluff Wastewater Treatment Plan to the marine environment.

The current resource consents and their expiry dates are as follows:

- Coastal Permit - Consent No.99062 expiry 31 December 2025
- Restricted Coastal Permit - Consent No.98236 expiry 31 December 2025.

A resource consent application has been lodged seeking a new Resource Consent that will provide for continuation of the current consent conditions for a period of two years. A short-term consent was applied for to give ICC time to consider new wastewater standards and what design changes may be required to meet the new wastewater standards. Since lodgement, the application has been placed on hold pending release of the final wastewater national standards. Once the new wastewater standards are defined and operational, the need for a further resource consent will be determined.

Consents requiring renewal or replacement in the next 10 years.

- Stormwater - 2 consents (AUTH-20136275-V2 & AUTH-20168843)
- Water Supply - None
- Wastewater - 8 consents (AUTH-200749, AUTH-200750, AUTH-200752, AUTH-20136298-01, AUTH-202189, AUTH-302764-01, AUTH-302764-02, AUTH-94556-V1, AUTH-98236)

New Consent to be sought

- Council has been investigating a new water source at Awarua and has identified a viable source. Further testing of volumes are still to be confirmed before commitment to development. Additional storage capability (Skye Street), treatment options (dependent on the quality) and connecting back to the urban network (pipes) are all elements of the planned additional water supply options. Options will be developed for consideration as each of these phases are worked through. If Council decides to progress this work, applications for resource consents to take and use water will be need to be lodged.

A full list of the consents held by ICC is provided on pages 83 to 86 of the WSDP.

Further guidance on regulatory compliance measures is provided at the end of this section.

Parameters	Drinking Supply Schemes	Wastewater Schemes	Stormwater Schemes/Catchments
Drinking water supply		N/a	N/a
▪ Bacterial compliance (E.coli)	Yes		
▪ Protozoa compliance	Yes		
▪ Chemical compliance	Yes		
▪ Boiling water notices in place	Zero notices in place for last 3 years]		
▪ Fluoridation	Yes		
▪ Average consumption of drinking water	443 [l/person/day]***		
▪ Water restrictions in place (last 3 years)	Yes - hosing restriction Mar22 & Feb 23		
▪ Firefighting sufficient	Yes - FW3		
Resource Management			
▪ Significant consents (note if consent is expired and operating on S124)	Water supply take [1] Water discharge [1]	Wastewater discharge water/land/air [8] Network [3]	Stormwater discharge [1] Global Freshwater Consent Network [5]
▪ Expire in the next 10 years	[0]	[8]	[2]
▪ Non-compliance:			
– Significant risk non-compliance	[0]	[0]	[1]
– Moderate risk non-compliance	[0]	[0]	[1]
– Low risk non-compliance	[0]	[0]	[1]
▪ Active resource consent applications	[0]	[2 / AUTH-98236 Bluff Wastewater Discharge AUTH-99062 Bluff WW Outfall Consent to occupy coastline]	[0]
▪ Compliance actions (last 24 months):			
– Warning	[0]	[0]	[0]
– Abatement notice	[0]	[0]	[0]
– Infringement notice	[0]	[0]	[0]
– Enforcement order	[0]	[0]	[0]
– Convictions	[0]	[0]	[0]

**** Average consumption of drinking water base on total output from Branxholme/total of resident connected. ICC does not have universal metering at this time.*

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

- ICC is currently fully compliant with water supply standards.
- ICC has current and compliant consents in place for all waste water discharges. ICC has taken a partnership approach with Iwi to future waste water consent applications. For the Bluff plant there is currently some conflict between Iwi requirements and requirements of the proposed waste water standards. ICC will need to work through this process with Iwi once the standards are finalised.
- Whilst it is likely compliance with the waste water standards will exceed the current budget for the Bluff consent, Council has sufficient debt headroom to accommodate this, if required.
- Initial indications are that there is sufficient budget to achieve the proposed waste water standards for the Clifton consent,
- We are focusing on replacing critical assets based on age and condition.
- We are working assets others harder, maintaining them for longer to manage the investment needed while the network is not under significant strain- Invercargill is a flat city.
- Our assets are becoming increasingly expensive to replace as a result of rising prices and new regulatory requirements. How we save for and repay debt needed to pay for these renewals is a key part of our financial strategy.
- We are focusing on how we deliver an additional water supply for the city This would provide both an emergency water source and the potential to provide additional capacity to service the large vacant Industrial zoned area to the South of the City. We need to undertake more testing to check the reliability of the supply in the aquifer we have found. Then there will be significant investment of an estimated $60.0 million required to access, treat and supply the water to the city.

Projected investment in water services (000's)	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Drinking water										
Capital expenditure - to meet additional demand	0	0	0	0	0	0	0	0	0	0
Capital expenditure - to improve levels of services	6,618	1,947	0	19,436	30,137	9,933	0	0	5,378	0
Capital expenditure - to replace existing assets	2,097	3,997	4,927	9,663	9,001	10,166	28,407	10,628	6,602	12,627
Total projected investment for drinking water	**8,715**	**5,944**	**4,927**	**29,099**	**39,138**	**20,099**	**28,407**	**10,628**	**11,980**	**12,627**
Wastewater										
Capital expenditure - to meet additional demand	0	0	0	0	0	0	0	0	0	0
Capital expenditure - to improve levels of services	719	7,853	23,417	882	0	14,566	28,852	25,915	41,464	3,473
Capital expenditure - to replace existing assets	2,917	2,889	3,966	8,308	6,085	5,982	14,791	16,330	13,545	28,533
Total projected investment for wastewater	**3,636**	**10,743**	**27,383**	**9,190**	**6,085**	**20,547**	**43,643**	**42,245**	**55,009**	**32,006**
Stormwater										
Capital expenditure - to meet additional demand	0	0	0	0	0	0	0	0	0	0
Capital expenditure - to improve levels of services	0	0	0	0	0	0	0	0	0	0
Capital expenditure - to replace existing assets	5,003	4,306	4,815	10,320	8,639	9,225	11,134	12,029	9,448	17,523
Total projected investment for stormwater	**5,003**	**4,306**	**4,815**	**10,320**	**8,639**	**9,225**	**11,134**	**12,029**	**9,448**	**17,523**
Total projected investment in water services	**17,354**	**20,993**	**37,125**	**48,609**	**53,862**	**49,871**	**83,183**	**64,903**	**76,436**	**62,156**

There have been some adjustments to the capital programme since the Long-term Plan 2024-2034. No new projects have been added. There is a focus on better planned capital delivery of existing LTP projects. Changes include:

- Realignment of planned capital spend on the additional water project across earlier years to better reflect the programme plan.
- Bringing forward the Mersey Street wastewater main duplication pipe project by one year.
- Spread of planned capital spend on the Clifton wastewater discharge upgrades project across more years.
- Reallocation of water metering capital programme over eight years (2027-2034) instead of one year (2034). This will allow a continuous project to be established earlier than planned and allow usage charging to be introduced earlier.
- Increase in renewal programmes from inflation assumption changes since the LTP (revised BERL CAPEX forecasts have indicated higher inflation than used in the LTP for the earlier year).
- Re-distribution of pipe renewal capital programme from 2025-2027 into the following seven years. This is to allow more time to continue to imbed our improved delivery processes and options.

Historical delivery against planned investment

	Renewals investment for water services				Total investment in water services			
Delivery against planned investment	**FY24/25**	**FY21/22 FY23/24**	**FY18/19 FY20/21**	**Total**	**FY24/25**	**FY21/22 FY23/24**	**FY18/19 FY20/21**	**Total**
Total planned investment (set in the relevant LTP)	14,795	54,086	42,085	110,966	23,000	55,743	43,943	122,686
Total actual investment	10,510	41,279	23,293	75,082	16,773	57,202	24,019	97,994
Delivery against planned investment (%)	**71%**	**76%**	**55%**	**68%**	**73%**	**103%**	**55%**	**80%**

ICC has been focusing on improving the delivery of capital over the past four years. ICC has commenced Business Casing for strategic projects to ensure thorough consideration of options and impacts so the governing committee / Council can make informed decisions. A Project Management Office was also established in 2020/2021 to manage the delivery of Strategic capital projects and this has allowed the current water services team to focus on renewal programmes. Water Services project delivery continues to improved significantly against time, budget and quality under this model. ICC will look to ensure it retains skills for various scaled projects either through its internal project teams, its Project Management Office and or through the use of experienced outside businesses.

ICC also operates an in-house Engineering Services Team that is responsible for design and delivery of the annual reticulation renewal program. This team is continuing to develop in maturity and increase delivery capacity. Whilst the team has not yet delivered 100% of programme there has been approximately 40% uplift in project delivery from the 2023/24 financial year to the 2024/25 financial year. The team are also well progressed in getting a year ahead of design. This sets the team in good stead to move closer to 100% delivery targets in the coming years.

This increase may be impacted by a large volume of renewal work coming to the market at the same time from other Council's in the lower South Island. An under supply of contract capacity will have impacts on timing or on cost.

All significant work has been added to the National Infrastructure Pipeline. ICC will be very keen to work with other WSE's and the broader industry on the approach to delivering pipeline works.

It will be crucial to establish suitable governance and approval processes to ensure that barriers are not created which would slow projects. The use of advanced procurement techniques can be developed to ensure that larger projects are successful and timely. It is noted that we would assume that in the early years of the Plan, the deliverability assumption for the financing of renewals is 80% for the first year, and increasing to 90% by the third year and remain at this level each year after. This will provide a stronger signal to the industry that is able to gear up and then potentially recover any under-development. It is expected that the increased delivery can be financed within the Council's debt headroom.

The ICC Infrastructure Strategy also recognises that many of the local authorities will have larger programmes and a regional approach to delivery, and some consolidation of deliverability principles may be required to ensure that these do not have negative impacts on the industry and cost of works. The Financial Strategy looks at the deliverability issue with respect to funding and also highlights similar challenges. It will be important to develop a capital programme that is able to be delivered both by Council staff and by the contracting market, while remaining within the constraints of the Financial Strategy. It is noted that this deliverability approach means that the renewals programme may take longer to deliver than would otherwise have been the case.

Additional guidance for Statement of Regulatory Compliance

Regulatory compliance includes meeting drinking water standards, resource consents for water takes and discharges, wastewater discharge consents (land, air, odour amongst others), stormwater discharge consents and network consents (do not include land use consents or temporary structure consents). Current or future regulatory requirements includes:

- When a system is nearing non-compliance or experiences frequent non-compliance with conditions (for example, nearing level of service, capacity constraints) and consent unlikely to be renewed in current form without investment in water services assets, and systems.
  - ICC does not hold any Resource Consents which are 'nearing non-compliance or experiences frequent non-compliance with conditions'. As noted previously, ICC has two Stormwater Resource Consents which are compliant with all conditions except for condition 2a which states that the Council may not allow any discharge of any pollutants to the receiving environment. This includes accidents, deliberate release of hazardous substances by other persons, or wash-down of such substances. Unfortunately, these events are beyond the Council's control.
- Existing consents may have been in place for many years, and it is expected when they are renewed that regulatory requirements are likely to be changed significantly to align with newer consent conditions.
  - Bluff wastewater treatment plant - expires 2025 (consent application lodged with regional Council)
  - Clifton wastewater treatment plant - expires 2029
- Existing consent conditions are unlikely to meet community or iwi expectations therefore will need to be amended to accommodate.
  - Bluff wastewater treatment plant
  - Clifton wastewater treatment plant

Confirm if:

- You are delaying wastewater consent replacements and waiting for new regulatory wastewater standards;
  - Bluff wastewater treatment plant -Restricted Coastal Permit - Consent No98236 expiry 31 December 2025. As noted previously, a resource consent application has been lodged seeking a new Resource Consent that will provide for continuation of the current consent conditions for a period of two years to enable ICC time to consider the new regulatory wastewater standards. ICC completed an extensive process in 2024 to determine best practicable option for this consent. This process was overtaken by the changing regulatory framework and ICC determined not to proceed with a long-term investment in this space until greater certainty was provided by the new wastewater standards. Once the new wastewater standards are defined and operational, next steps will be determined
- There are any issues with water take/source consents or implementation of water safety plans and associated improvement works (for example, need new water source); and/or:
  - We are focusing on how we deliver an additional water supply for the city. We need to undertake more testing to check the reliability of the supply in the aquifer we have found. Then there will be significant investment of an estimated $60.0 million required to access, treat and supply the water to the city.
  - We are working with Central Government and our Iwi partners around how we plan for the changes that are likely to be required to the way we discharge wastewater. The funding we have put aside for wastewater discharge, includes $103.7 million for Clifton and $7.7 million for Bluff, is some of the largest in our programme and further investment may be required.
- The investment plan includes fluoridation installation or associated upgrades, (under the Health Act 1956).
  - The existing Branxholme Water Supply is fluoridated. Fluoridation of an additional water supply is also planned for.

Revenue and charging arrangements

Revenue and charging arrangements

Charging and billing arrangements

Currently ICC has volumetric charging for 1,265 properties used for large commercial / industrial activities as well as a number of clubs and societies via water metering. ICC does not maintain individual scheme charges for wastewater, stormwater, or residential water activities within its district. All properties connected to a council-supplied water, wastewater or stormwater service are charged targeted rates which are determined at a district wide level.

The detailed approach to charges is outlined in the following sections. ICC intends to establish a separate finance system for water services to maintain ring fencing of water services revenue. This will ensure full accounting separation. There are no immediate proposed changes to the future approach to charging and billing other than a transition away from general rates for stormwater services.

ICC has provided for the move to universal water metering as part of the Long-term Plan commencing with Zonal metering from 2026. Once fully installed, ICC will consider updating its pricing and charging strategy to include volumetric charging.

ICC will undertake a review of its overhead allocation approach and consider appropriate charging mechanisms for corporate support services provided to water services activities moving forward. This is provided for in the Implementation Plan. This will include the development of a transparent, robust and defensible methodology to ensure water services revenue is not applied to other council activities.

Water services revenue requirements and sources

When considering the revenue requirements and funding mechanisms used, ICC is mindful of the impact that both fees and rates can have on individuals in the community.

Charges are set to recover the costs that individuals impose on the community and the benefit they receive from the activity. Rates are also set to reflect the ongoing costs of Council activities. The existing rating notice will be used to collect water services revenue. This will be via a separate line on the rates notice. In terms of the ongoing provision of water services, this is reflected in the WSDP through:

- All projected operating costs (including depreciation and interest) as well as a set yearly loan principal repayment are funded from operating revenues in the year in which they are incurred
- Cash surpluses from operating revenue are applied towards the renewal of assets in most years. In some years, where renewals expenditure exceeds depreciation, debt may be used, and in years where renewal expenditure is less than depreciation, cash surpluses may be used to partially fund new capital or make additional loan repayments
- Borrowing is used to fund the majority of level of service improvement and any growth assets. This reflects that those assets will have a long life and so the cost of the asset should be shared over a longer period of time to achieve generational equality.

ICC also seeks third party funding through development agreements, grants, capital contributions, and subsidies where appropriate and available.

Detailed information regarding revenue requirements for each activity under the plan are presented in Part E of this WSDP. A high-level summary of expected revenue sources is listed for each activity below.

Drinking water

69% of total revenue is derived from targeted rates on residential and non-residential properties. The remainder of operating revenue is derived from "fee and charges" which mainly relate to volumetric water charges, with some revenue from connection fees.

There is no planned reliance on development contributions. While there are no planned water projects specifically relating to growth within the next 10 years, ICC does not charge development contributions currently but does review the policy regularly with the next policy review in 2026/2027.

Minor, immaterial interest revenue can be earned on surplus net debt balances.

Wastewater

84% of total revenue for wastewater is derived through targeted rates. The remaining revenue is derived through fees and charges, in particular charges for trade waste and connection fees.

Minor, immaterial interest revenue can be earned on surplus net debt balances.

Stormwater

75% of total revenue for stormwater services is received through a targeted rate based on capital value. The remaining 25% is funded from the general rate, with an immaterial amount of fees and charges receipts relating to connection fees.

ICC intends to transition from a partial general rate to a 100% targeted rate no later than in the 2027/2028 financial year. As ICC is not proposing to establish a water organisation, ICC is not required to transition away from a capital value rate. However, to meet ring fencing requirements, ICC will look to stop collecting stormwater rates through the general rate. The date for this transition has been set to align with the first year of its next Long-term Plan, to enable appropriate revisions to ICC's Revenue and Financing Policy. This change is expected to have only a minor impact on ratepayers due to the comparatively low revenue requirements and only partial reliance on general rate.

Minor, immaterial interest revenue can be earned on surplus net debt balances.

Existing and projected commercial and industrial users' charges

Projected charges for residential households over the 10-year period are presented in the Financial Sustainability Section D of this WSDP. The following is a description of the current charging approaches for water, wastewater and stormwater services.

Water

ICC sets targeted rates to fund the provision of reticulated water supply. These are set as fixed charges per Separately Used or Inhabited Part (SUIP) for residential properties and charges per rating unit with differentials based on capital value (CV) for other property (excluding utilities). Vacant properties that are able to connect to Council water supply (serviceable) are charged a differential of 0.5 which is a half charge.

The base rates are calculated to collect 84% of the total water rates from residential properties with 16% of the total water rates collected coming from non-residential land.

ICC has determined that a vacant serviceable rating unit is a property where the closest property boundary is less than 100m from a water access point and it is not impracticable to access the service. A serviceable rating unit upon which a building is erected is a property where the building is less than 100m from water supply and it is not impracticable to connect to the service.

ICC charges high usage non-residential properties (large commercial / industrial users as well as a number of clubs and societies) for metered water supply on a per cubic metre basis. This is charged per cubic metre of water consumed over 249m3 per annum. This is not a rate and the amount is set by ICC in its schedule of fees and charges reviewed on an annual basis.

Wastewater

ICC sets targeted rates to fund the provision of reticulated sewerage services. These are set as fixed charges per SUIP for residential properties and fixed charges per rating unit with differentials based on capital value (CV) for other properties (excluding utilities) as shown in the table below. Vacant properties that are able to connect to ICC's sewerage network (serviceable) are charged a differential of 0.5 which is a half charge.

The base rates are calculated to collect 75% of the total sewerage rates from residential properties with 25% of the total rates collected coming from non-residential land.

ICC has determined that a vacant serviceable rating unit is a property where the closest property boundary is less than 60 metres from a sewerage access point and it is not impracticable to access the service. A serviceable rating unit upon which a building is erected is a property where the building is less than 60 metres from sewerage network and it is not impracticable to connect to the service.

Stormwater

ICC sets a targeted rate for provision of the direct access to the Stormwater Drainage Service. This rate is set as a rate in the dollar on capital value of all properties identified as having access to a stormwater drainage network with property type differentials applied. The balance (25%) of this service is included in the general rates and distributed across the entire city.

ICC intends to transition from a partial general rate to a 100% targeted rate no later than in the 2027/2028 financial year. ICC is not required to transition away from a capital value rate. However, to meet ring-fencing requirements, ICC will look to stop collecting stormwater rates through the general rate. The date for this transition has been set to align with the first year of its next Long-term Plan, to enable appropriate revisions to ICC's Revenue and Financing Policy. This change is expected to have only a minor impact on ratepayers due to the comparatively low revenue requirements and only partial reliance on general rate.

The affordability of projected water services charges for communities

ICC is aware of affordability issues for its ratepayers and water consumers and seeks to maintain a balance between the prudent use of debt, managing issues of intergenerational equity, depreciation funding, and ratepayer affordability.

Financial projections included in the WSDP see average residential water charges increasing from 1.9% of median household income to 2.8% of median household income by 2034. This will see increasing affordability challenges for the community, however at 2.8%, affordability is still within industry benchmarks and is not significantly higher than DIA's suggested benchmark of 2.5%.

ICC is not projected to breach borrowing limits over the next 30 years, and may have some flexibility to further fund some of its capital works programme with debt to alleviate affordability issues if necessary. However, in doing so, ICC will need to continue to consider the long term need for that borrowing capacity, and the costs of debt servicing.

By retaining services in house, ICC will be better able to assist with rate rebate assessments, and provide access to rates postponement schemes if these are deemed necessary in the future.

Funding and financing arrangements

Water services financing requirements and sources

ICC's net debt 'in relation to Waters Services' is expected to increase from $20M to $283M over the 10 years of the LTP 2024-34. Further detail regarding the projected increase in debt is set out in the Financial Sustainability sections of this WSDP.

As occurs currently, working capital would be funded in accordance with ICC's liability management policy, with invoices for revenue and expenses accounted for on an accruals basis.

If, following the creation of a separate ledger for water services, ICC identifies that there is a need for specific working capital to be held for water services, this will be obtained from existing council reserves or alternatively, through liquidity facilities provided by ICC's lenders. Any such liquidity facilities would not impact ICC's net water services debt position or ability to meet financial sustainability requirements.

ICC does not currently have a specific limit for Water Services debt. In the absence of this, we have used a 500% debt to revenue ratio as a guide for the balance of this document. However, the following lending limits are currently applicable at a council-wide level:

- ICC's own limit of debt at a debt to revenue ratio 180% for the first four years, 200% for the following four years, and then 190% thereafter, of operating revenue.
- LGFA lending covenants of 280% debt to revenue.

ICC is forecast to breach its own debt to revenue limit in the 2033/34 financial year, however it is not expected to breach LGFA lending covenants. ICC will look to increase this internal lending limit prior to that date as part of the next Long-term Plan. At no time is ICC projected to breach LGFA debt to revenue lending restrictions.

Debt is currently acquired through a mixture of fixed term, fixed rate debenture stock and floating rate stock. Debt is repaid at the end of the debenture term, with repayment coming through either refinancing or cash reserves depending on the current financial position. ICC currently rates for the repayment on debt based on a 30 year repayment term, and cash surpluses generated from this funding are also used to repay debt where appropriate.

Projected financials included within the WSDP seek to maintain water services debt at an appropriate level to balance affordability and intergenerational equity considerations and remain within prudent lending limits over the period.

The tenor, refinancing, interest rate risk and debt repayment will be managed in accordance with ICC's Liability Management Policy (available on request).

Internal borrowing arrangements

ICC currently does not make use of internal borrowing arrangements directly but does use an internal net debt approach to trace debt movements. As occurs currently, working capital would be funded in accordance with ICC's liability management policy, with invoices for revenue and expenses accounted for on an accruals basis.

ICC manages its external treasury function at a total council level. External debt is held at a total Council level and is supported through separate Net debt accounts for each activity, detailing annual debt movement based on actual capital and operating cashflow for the activity.

This ensures that the total borrowing for each activity is traceable and that each activity's debt can be easily determined. Each activity is charged a share of the actual interest incurred, based on its proportion of debt balance compared to the total council debt, and is applied to each activity's debt balance.

ICC intends to transition toward the maintenance of an entirely separate financial entity for water services prior to 30 June 2028. This will improve transparency of lending further post transition date.

No decisions have been taken on the overall approach to treasury management past that date (and this would expect to be part of a review of ICC's Liability Management Policy as part of its next Long-term Plan). However, it is likely that ICC will continue to acquire debt at an organisational wide level.

Determination of debt attributed to water services

ICC manages its borrowing at an activity level and determines existing water services debt balances through recorded movements against each activity. ICC holds external debt, as well as reserve funds/investments for its activities.

Annual movement in debt is determined based on each activity's overall cash flow and scheduled debt repayments. Debt movements in ICC's funding impact statements (in its LTP and Annual Report) are shown as:

- Increase (decrease) in debt - reflects the scheduled debt repayments on external debt for each activity based on a table loan approach. This ensures overall funding for an activity includes provision to repay debt.
- Increase (decrease) in reserves - reflects the overall movement in net debt (including internal borrowings and reserves) after other capital and operating cashflows have been accounted for.

In the financial statements presented as part of this WSDP, all movements in net debt are presented as an "Increase (decrease) in debt" in Funding Impact Statements.

Debt presented in this plan represents net debt (after reserves and investments have been considered).

As at 30 June 2024, ICC's net debt position was:

$000s	Drinking water	Wastewater	Stormwater	Three waters
Net debt	22,079	(1,582)*	(465)*	20,032
Operating revenue	12,309	9,025	6,427	27,761
Debt to revenue ratio	**179%**	**0%**	**0%**	**72%**

** As at 30 June 2024, Wastewater and Stormwater currently have a surplus net debt position. This reflects cash reserves held by these activities generated from past cash surpluses and interest revenue on their balances.*

Insurance arrangements

ICC's existing insurance arrangements as the asset owning organisation are outlined in the following table. No change is proposed to the ownership of water services assets, and ICC confirms that it intends to continue to hold an appropriate level of insurance over water services assets.

Insurance element	ICC's current arrangements - material damage (above ground)	ICC's current arrangements - LAPP (below ground)
Policy renewal date	30/09/2024 - 30/09/2025	01/11/2024 - 31/10/2025
Broker	Insurance Brokers Alliance Limited	LAPP - Local Authority Protection Programme
Total level of cover for three waters infrastructure	Material Damage: Buildings, Plant & equipment $214M 30/09/2024 - 30/09/2025 Deductions can apply in certain situations i.e. Natural Disaster 10% Pre 1935 building and 2.5% post 1935 building	Probable Maximum Loss: Horizontal (underground) infrastructure $300M 01/11/2024 - 31/10/2025 $400M 01/11/2025 - 31/10/2026 each event
Total estimated replacement value of three waters infrastructure	Buildings, Plant & equipment $214M (30/09/2024 - 30/09/2025) Revalued June 2024	$1,565M (1 Nov 2024 - 31 Oct 2025) Revalued June 2024
Does the council rely on an assumption that the government's 60/40 arrangements will apply in the event of major damage?	No (only LAPP)	Yes. Other LAPP conditions are also applicable, i.e. claim event numbers.
Does the council apply the 60/40 assumption universally across all insured infrastructure, or are there specific exclusions/inclusions (for example horizontal infrastructure only)	No (only LAPP)	ICC is a contributing member to the LAPP Scheme and typically horizontal (underground) infrastructure is covered via LAPP Scheme.
Excess	Material Damage $5,000-$10,000 depending on situation	Minimum of $400,000 of damage must be reached before a claim can be made. ICC must pay 40% of the claim.
What events are covered by the policy	Most forms of damage including Natural disaster (conditions apply)	Roads and bridges are not covered by the Fund as local authorities have access to subsidies from the NZ Transport Agency.

Insurance element	ICC's current arrangements - material damage (above ground)	ICC's current arrangements - LAPP (below ground)
Notable exclusions in the policy	Cyber Exclusion	The Fund covers local authority owned infrastructural assets. These may include: water reticulation, treatment and storage; sewage reticulation and treatment; storm water drainage; dams and canals; flood protection schemes including stop banks, and floodgates, seawalls and harbour risks such as buoys, beacons and otherwise uninsurable foreshore lighthouses. The Fund is designed as catastrophe protection only, covering serious disruptive loss or damage caused by sudden events or situations which may or may not involve the declaration of a Civil Defence Emergency. Perils include but are not necessarily limited to earthquake, storms, floods, cyclones, tornados, volcanic eruption, tsunami and other disasters of a catastrophic nature such as a major gas explosion.
When the last insurance risk assessment/loss modelling was undertaken	Insurance Brokers Alliance act as brokers for material damage and works together with ICC to manage the risk profiling for cover. Loss modelling has not been undertaken. Insurance is undertaken on a replacement cost basis.	Aon act as brokers for LAPP and manage the risk profiling for cover & loss modelling regularly with the last risk assessment completed in 2024 as part of the collective. The LAPP Scheme brokers undertake risk assessments as part of the wider LAPPP Group and place cover as required.
What level of risk is the council insured for (e.g. A 1 in 1000-year event)?	Risk is reviewed each year on renewal to determine if the level of risk is appropriate. ICC is currently insured for replacement costs basis - as per the policy.	Risk level is held for catastrophe protection only as no one can be certain when or where a disaster will occur. The LAPP Scheme brokers undertake risk assessments as part of the wider LAPPP Group and place cover as required.
What is the scale of any underlying insurance gap (if assessed)?	Not specifically Assessed	Not specifically Assessed
What is the council's approach to self-insurance?	The Council is considering higher eductible levels and increased self-insurance.	Not considered
What existing delegations exist in relation to the management of Council's insurance of three waters assets?	Insurance is managed by the Group Manager - Finance and Assurance	Insurance is managed by the Group Manager - Finance and Assurance

Insurance element	ICC's current arrangements - material damage (above ground)	ICC's current arrangements - LAPP (below ground)
What reporting requirements exist in relation to the management of Council's insurance of three waters assets?	Reporting is provided to ICCs Risk & Assurance Committee	Reporting is provided to ICCs Risk & Assurance Committee

- Along with Material Damage insurance, Invercargill City Council also holds insurance for motor vehicles, Business Interruption, Statutory Liability, Employer Liability, Public Liability and Professional Indemnity Insurance all through broker's Insurance Brokers Alliance.
- LAPP is a mutual pool created by local authorities to cater for the replacement of infrastructure following catastrophic damage by natural disaster. The fund which ICC is a member of, is administered by Civic Financial Services with Aon acting as the broker.
- How these will be applied to the ICC water services delivery will be reviewed in future insurance renewals.

Confirmation of financially sustainable delivery of water services

Financially sustainable water services provision

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

ICC confirms that it will be able to achieve financial sustainability by 30 June 2028. ICC is already generating significant operating cash revenue that is sufficient to cover financing costs and all operating costs.

While depreciation is not currently fully funded for all Water Services yet (for the 2025/2026-year Water 100%, Sewerage 80% and Stormwater 80%), ICC's plans indicate a path towards achieving full funding of depreciation by 2028, with this funding to be applied towards the renewal of its existing infrastructure and the management of debt.

Planned investment in renewals and level of service will ensure that regulatory compliance obligations are met and result in an overall improvement in the average age of its assets. In the 10 years presented in this plan, planned Water Services renewals investment equates to 19% of the total asset base by value.

ICC currently has sufficient borrowing headroom to allow for future investment in water services, while still allowing for borrowing to be managed in a way that maintains affordability for water users.

Actions required to achieve financially sustainable delivery of water services

Full funding of depreciation is not needed to maintain financial sustainability but is considered to be desirable. While depreciation is not currently fully funded for all water services yet (for the 2025/2026-year Water 100%, Sewerage 80% and Stormwater 80%), ICC's plans indicate a path towards achieving full funding of depreciation by 2028, through increases to rates and fees revenue at appropriate levels. This funding is to be applied towards the renewal of its existing infrastructure and the management of debt.

Risks and constraints to achieving financially sustainable delivery of water services

Key risks to achieving financial sustainability relate to:

- Delivery risk for the capital works programme. ICC has developed a steady and growing renewals programme in an attempt to ensure a consistent pipeline and maintain market capacity. ICC has 2 larger treatment plant projects in the next 5 years and market capacity and project cost will be a risk if a significant number of projects come to the market at the same time.
- Risk of capital replacement value inflation outpacing projections. This will be managed through regular programme review, regular revaluation assessments and existing borrowing headroom.
- Consequential risk of capital replacement value inflation on depreciation forecasts. Full funding of depreciation is not needed to maintain financial sustainability but is considered to be desirable. Regular revaluation assessments will be carried out when appropriate to smooth out large jumps in asset replacement values. Existing borrowing headroom within council will allow some ability to absorb increased costs of renewals, allowing for progressive increases to revenue in the event that depreciation costs exceed forecasts.

Assessment of revenue sufficiency

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

The chart to the right shows the breakdown of expenditure in ICC for its combined water services activities. It includes projected revenue requirements and operating surpluses.

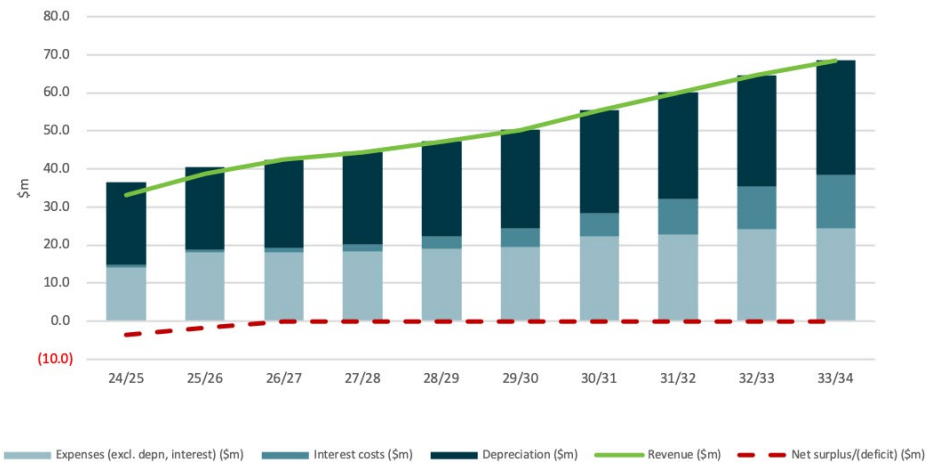
The chart, and the sections that follow highlight that:

- Revenue is sufficient to cover all expenditure (including depreciation) for water services.
- Revenue is sufficient to cover debt servicing requirements.
- Revenue is sufficient to generate operating cash surpluses during the modelled period.

Revenue projections presented in this section have been developed as part of comprehensive financial forecasting which includes operating and capital cash flows and financing arrangements. That modelling has indicated that forecast revenues are sufficient to allow for the funding and financing of the required capital investment programme. ICC also maintains an appropriate level of debt throughout the period which recognises the balance between affordability and investment in long life assets.

Refer to part E, section "Projected statement of comprehensive revenue and expense for a breakdown.

Projected water services revenue and expenses



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

The table below shows average projected household charges for drinking water, wastewater and stormwater services through the in-house delivery model proposed by ICC. The charges are estimated average residential charges only, and do not include estimated revenue from commercial or non-residential customers in the district (and include GST).

This is considered appropriate because:

- Commercial and industrial users pay proportionately more per connection than residential users, including revenue from these customers in the assessment of an average charge would overstate the average charge.
- Affordability measures presented are based on an estimate of household income.

To determine household charges as a percentage of household income, we have made the following assumptions regarding household median income:

- Household median income for Invercargill has been taken from Statistics New Zealand data for the 2023 year.
- Historic growth in median household income in Invercargill has been determined between 2013 and 2023 using Statistics New Zealand data, this shows median household income has increased 49% over the period.
- Historic change in the Local Government Cost Index (LGCI) for water infrastructure has been assessed during the same period. This has shown an increase of 39.9% during the period.
- This shows that household income in Invercargill has grown 23% faster than water infrastructure costs (per the LGCI) over the previous 10 years. We have assumed this trend will continue.
- Financial modelling uses the LGCI inflators for water infrastructure. Household median income growth has been pegged to occur 23% faster than this.

Average charge per connection including GST	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Average drinking water bill (including GST)	762	890	945	958	1,054	1,170	1,319	1,383	1,397	1,414
Average wastewater bill (including GST)	592	697	771	827	837	841	907	1,024	1,166	1,283
Average stormwater bill (including GST)	331	377	429	435	456	472	489	509	532	547
Average charge per connection including GST	**1,685**	**1,965**	**2,145**	**2,219**	**2,347**	**2,483**	**2,714**	**2,916**	**3,095**	**3,244**
Projected increase	17.7%	16.6%	9.2%	3.5%	5.8%	5.8%	9.3%	7.4%	6.1%	4.8%
Water services charges as % of household income	**1.9%**	**2.1%**	**2.2%**	**2.3%**	**2.3%**	**2.4%**	**2.5%**	**2.6%**	**2.7%**	**2.8%**

Charges are expected to reach 2.8% of median household income, from a current estimate of 1.9%. This will signal some increasing affordability issues within the district. However, affordability is not significantly higher than DIA's implied benchmark of 2.5% of median household income.

Projected operating surpluses/(deficits) for water services

The table below shows the projected operating surpluses for combined water services at ICC. It does not include any capital revenues, nor does it include revenue or expenditure from ICC's wider activities.

The WSDP is modelled based on a balanced budget approach, meaning depreciation costs are fully funded from revenues over the modelling period beyond the current financial year, and no surplus is proposed. This results in positive cash flows over the period, as highlighted in the next section. Funded depreciation is applied towards the renewal of assets and the management of debt over the period.

ICC made the decision in 2024 - 2026 years to not fully fund depreciation to keep rates down. This has been adjusted and smoothed in the later years of the LTP to ensure financial sustainability requirements are met.

Investment to improve levels of service or meet increased demand is debt funded, and this is considered appropriate given the long life of these assets.

Operating surplus ratio	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Operating surplus/(deficit) excluding capital revenues	(3,492)	(1,821)	118	0	0	0	0	0	0	0
Total operating revenue	33,093	38,797	42,659	44,384	47,198	50,230	55,302	60,066	64,551	68,453
Operating surplus ratio	**(10.6%)**	**(4.7%)**	**0.3%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**

Projected operating cash surpluses for water services

The table below shows the projected operating cash surpluses for ICC's water services. It excludes any revenue or expenditure relating to ICC's wider activities. Depreciation, interest costs, development contributions and other capital receipts have been excluded from the calculation.

Operating cash ratio	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Operating surplus/(deficit) + depreciation + interest costs - capital revenue	19,022	20,812	24,696	26,050	28,298	30,844	33,137	37,251	40,473	44,096
Total operating revenue	33,093	38,797	42,659	44,384	47,198	50,230	55,302	60,066	64,551	68,453
Operating cash ratio	**57.5%**	**53.6%**	**57.9%**	**58.7%**	**60.0%**	**61.4%**	**59.9%**	**62.0%**	**62.7%**	**64.4%**

The information shows positive cash surpluses being generated through to 2034, and when compared to the operating surplus data presented in the previous section (which shows a modelled break-even position), shows that a large proportion of Invercargill's costs relate to the depreciation of assets and financing costs.

Cash surpluses generated through the water services activities are applied firstly to the payment of financing costs on water services related debt (interest and planned loan repayments), secondly towards the replacement (renewal) of existing assets, and thirdly any remaining cash surpluses are applied to the net debt position. Long term modelling indicates that surpluses are sufficient to maintain appropriate borrowing levels and meet planned levels of investment in the renewal of assets.

Debt is drawn down through a mixture of debenture stock and is not managed through a table loan facility. Repayment of debt is managed through the re-issuing of debenture stock where appropriate, or through the application of cash surpluses where available. ICC's water services revenue requirement has been determined having regard to the need to maintain an appropriate level of debt. This recognises the need to balance investment in long life assets with short term affordability, and the principles of intergenerational equity.

Assessment of investment sufficiency

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

This section highlights that investment in ICC's water services infrastructure:

- Is planned to exceed depreciation of the network, both when considering renewals alone, and total capital investment in the network.
- Will result in an improvement (reduction) in the average age of Invercargill's three waters infrastructure.

The capital projections included in this section are fully reflected in the underlying financial statements, revenue sufficiency, and financing sufficiency data. This indicates that ICC can:

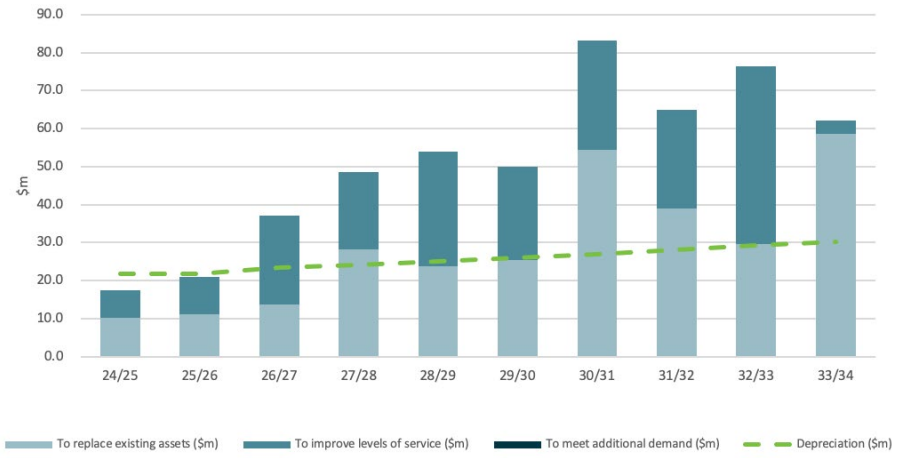
- Access sufficient borrowing to support the capital programme.
- Raise sufficient revenue to cover operational expenditure, depreciation, debt servicing costs, and support an appropriate level of borrowing within prudent lending criteria.

The chart below shows a breakdown of ICC's planned investment during the period. No investment is planned to specifically address increasing demand in the network. A significant project, relating to the development of an additional water source is expected to support increasing water demand, however this is primarily a resilience project.

Current estimates of network demand and supply capacity indicate that water services infrastructure currently has sufficient capacity to meet anticipated growth in demand over the next 10 years.

Invercargill City has infill capacity to manage growth in most areas.

Projected water services investment requirements



Renewals requirements for water services

The table below shows the asset sustainability ratio for water services at ICC. It shows that over time, the asset sustainability ratio typically is maintained above 0%, indicating investment in renewal of infrastructure is planned to occur at a higher level than forecast depreciation.

This is expected, given the current average age of ICC's water services infrastructure (refer to the next section). Investment in asset renewal has been determined by consideration of the age, condition and performance of assets within Invercargill's water services network. The renewals spike in the 2031 financial year relates to the replacement of the Clifton Wastewater treatment plant.

Lumpiness in the renewals programme is partially addressed through the timing of investment in level of service improvements, which means that the overall capital works programme has significantly less year-on-year variability. The capital programme presented below is consistent with ICC's Long-term Plan, Infrastructure Strategy and Asset Management Plans. Capital works investment has been smoothed at a whole of council level to ensure a stable baseload of work for contractors and improve deliverability.

Asset sustainability ratio	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Capital expenditure on renewals	10,017	11,192	13,709	28,291	23,725	25,372	54,331	38,988	29,594	58,684
Depreciation	21,743	21,745	23,344	24,181	25,080	26,037	27,014	28,027	29,214	30,230
Asset sustainability ratio	**(53.9%)**	**(48.5%)**	**(41.3%)**	**17.0%**	**(5.4%)**	**(2.6%)**	**101.1%**	**39.1%**	**1.3%**	**94.1%**

Total water services investment required over 10 years

The table below shows ICC's performance against the asset investment ratio for water services through to 2034. The information shows total capital expenditure exceeding depreciation consistently from the 2026/27 financial year, indicating that investment in the network will take place at a faster rate than its deterioration/depreciation.

Planned timing and value of network renewals is described in the preceding section. The remaining capital investment relates to level of service improvements across the network, and the timing of this work has been determined based on consideration a of a range of factors including:

- Affordability
- Deliverability
- Timing of consent expiration
- Community need.

Asset investment ratio	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Capital expenditure	17,354	20,993	37,125	48,609	53,862	49,871	83,183	64,903	76,436	62,156
Depreciation	21,743	21,745	23,344	24,181	25,080	26,037	27,014	28,027	29,214	30,230
Asset investment ratio	**(20.2%)**	**(3.5%)**	**59.0%**	**101.0%**	**114.8%**	**91.5%**	**207.9%**	**131.6%**	**161.6%**	**105.6%**

Average remaining useful life of network assets

The table below presents ICC's forecast performance against the asset consumption ratio over the period through to 2033/34 for water services infrastructure.

ICC's water services infrastructure is ageing, and it is recognised that a significant portion of this infrastructure requires renewal or replacement over the next 10 years. ICC's capital programme includes $294 million of planned investment in the renewal of its assets by 2033/34, as well as an additional $220 million of investment in improving levels of services across the network over the same time period.

The planned renewals investment represents replacement of 19% of ICC's total three waters asset base, based on current replacement cost estimates.

This sustained investment will result in a marked improvement in ICC's asset consumption ratio (and consequently average asset age) from 43.9% to 52.7%. There is no agreed benchmark or ideal ratio for the asset consumption ratio. This will be developed as part of ICC's Asset Management maturity. The consumption ratio in 2024/25 is indicative of an ageing network, and the impending need for significant investment in the renewal of assets. This renewals investment is clearly reflected in the proposed capital works programme.

Asset consumption ratio	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Book value of infrastructure assets	655,002	667,350	694,478	732,796	776,234	815,592	888,073	942,710	1,008,787	1,060,889
Total estimated replacement value of infrastructure assets	1,491,757	1,531,393	1,585,437	1,637,464	1,700,350	1,758,856	1,822,885	1,885,258	1,969,805	2,012,674
Asset consumption ratio	**43.9%**	**43.6%**	**43.8%**	**44.8%**	**45.7%**	**46.4%**	**48.7%**	**50.0%**	**51.2%**	**52.7%**

Assessment of financing sufficiency

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

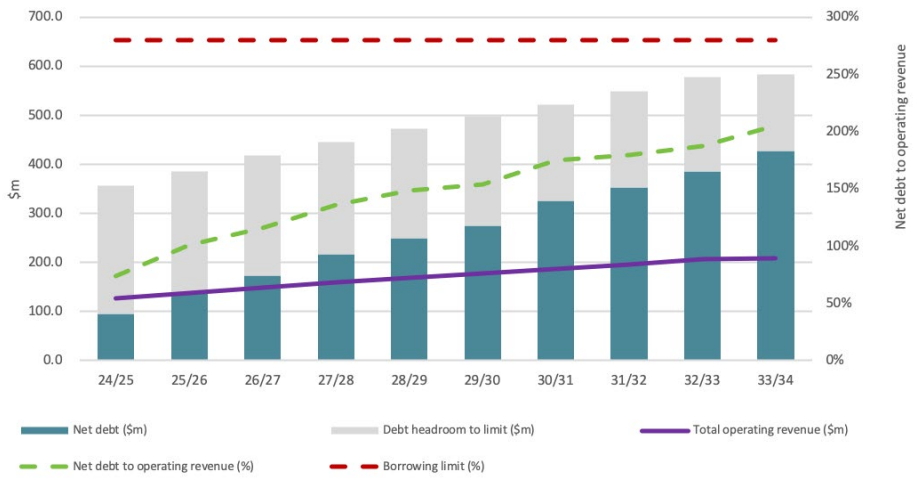
Review of ICC's future borrowing requirements and operating revenue projections indicates that under its preferred delivery model, ICC will:

- Remain within overall council debt to revenue covenants imposed by the Local Government Funding Agency (LGFA). LGFA has advised that its existing lending covenants would continue to be applied at a whole of council level.
- ICC are currently rated, and expect to maintain, AA+ Credit Rating and borrowing provisions through LGFA.
- Stay below the LGFA 500% water services debt to water services revenue ratio and 280% full Council debt to revenue ratio (a 500% limit has been determined to be appropriate for the purposes of this plan having consideration to the relative capital intensity of water services services and the opportunity to leverage ICC's total revenue to maintain affordability and reflect principles of intergenerational equity for the investment in long life infrastructure).
- Maintain water services free funds from operations to debt ratio above 9% (the relevant FFO for a water services CCO with 20,000 - 50,000 connections).
- Generate sufficient revenue to cover the full cost of servicing water services debt, such that the delivery of water services is not being cross-subsidised by other activities of ICC.

Projected council borrowings against borrowing limits

The chart below shows ICC's total debt and revenue compared to its whole of council borrowing limits. It shows that ICC is not anticipated to breach LGFA lending covenants over the modelling period. Water services debt and revenue have been included throughout the modelling period, as ICC has proposed an in-house delivery model for water services.

Projected council net debt to operating revenue

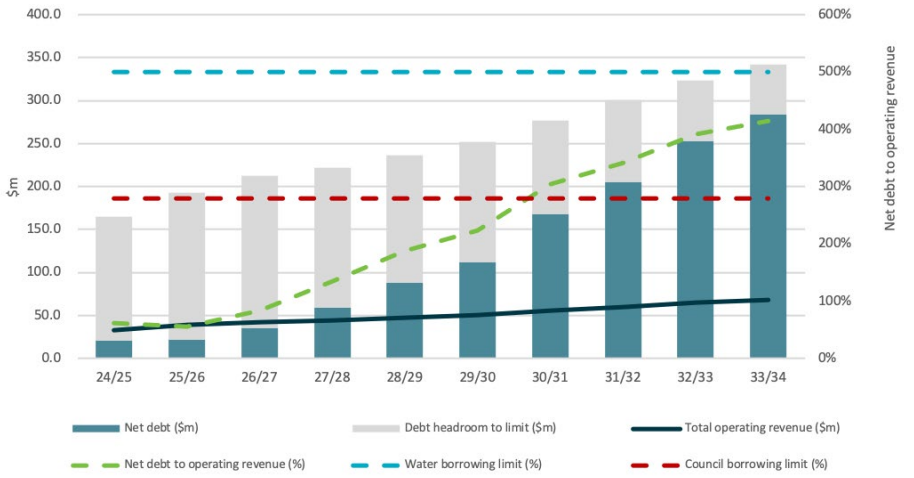


Projected water services borrowings against borrowing limits

The chart below shows ICC's water services debt to revenue compared to applicable borrowing limits. The borrowing limit for water services debt to revenue is indicated in this plan as being 500%, however there is no formal council resolution adopting a specific limit for water services activities. As discussed under the heading "Borrowing headroom/(shortfall) for water services", the relative capital intensity of water services activities indicates that utilising ICC's ability to leverage its total revenue is appropriate to manage affordability, intergenerational equity, on long term funding considerations for water services.

ICC's water services debt is not projected to exceed 500% of its water services revenue during the period shown in the chart, reaching 414% at 2033/2034. Long term modelling shows that no such breach is anticipated before 30 June 2054.

Projected water services net debt to operating revenue



Projected borrowings for water services

The table below considers the net debt to operating revenue ratio for ICC's combined water services. It does not include operating revenue or net debt for ICC's wider activities.

The information shows ICC's water services debt to revenue reaching 414% for 2034, from a comparatively low level of initial debt in the 2024/25 year. Increased debt is reflective of the significant water services capital programme that is proposed for the period, which includes a total of $515 million of capital investment in the ten year period, of which $294 million relates to the renewal of existing assets, which is primarily funded through depreciation charges.

All level of service improvement investment and some of the remaining renewals expenditure is funded through external borrowings over the period.

Longer term financial modelling does not indicate that ICC is likely to breach water services debt to revenue thresholds in the period through to 30 June 2054.

It is noted that there is a significant increase in debt over the modelling period. This reflects Council's historical financial strategy to minimise the use of debt, and the significant investment in major projects during the period, including the upgrade of the Clifton Wastewater Treatment Plant and discharge improvements ($104 million), improvements to the wastewater discharge in Bluff ($7 million) and the development of an additional water source ($60 million). This investment is not recurring and will result in long life assets. In addition the ten year period includes significant investment in the renewal of assets, resulting in a reduction in overall asset age (as highlighted under the Investment sufficiency section).

Net debt to operating revenue	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Total net debt (gross debt less cash)	19,135	20,204	33,866	58,294	87,076	110,910	167,079	203,955	251,178	283,104
Operating revenue	33,093	38,797	42,659	44,384	47,198	50,230	55,302	60,066	64,551	68,453
Net debt to operating revenue	**58%**	**52%**	**79%**	**131%**	**184%**	**221%**	**302%**	**340%**	**389%**	**414%**

Borrowing headroom/(shortfall) for water services

The table below shows projected net debt to operating revenue for combined water services at ICC. It does not include revenues from other ICC activities, nor does it include debt from those activities.

A net debt to revenue ratio of 500% is considered to be appropriate for the assessment of available borrowing headroom for combined water services through an in-house delivery model. This is broadly consistent with LGFA funding arrangement for water services CCOs, and also recognises that water services is a more capital intensive activity than many of the other activities undertaken by ICC. LGFA does not impose lending covenants at an activity level.

As a point of comparison, ICCs total capital expenditure across water, wastewater, and stormwater is projected to be $515 million over the 2024/25 to 2033/34 financial years. Over the same period, ICC's total capital expenditure equates to $842 million, with water services capital expenditure therefore equating to over 60% of ICC's total planned capital expenditure. Over the same time period, water services only accounts for 28% of ICC's total operating revenue.

Utilising ICC's ability to leverage all of its revenue to enable increased rates of borrowing for water services is consistent with overall policy settings for Local Water Done Well. It contemplates increased use of debt and optimisation of capital structures to ensure that expenditure on long life assets is funded from debt, thereby reducing the burden on existing ratepayers.

ICC does not consider that applying a higher debt to revenue ratio for water services constitutes cross subsidisation. All financial forecasts include the full repayment of borrowing costs associated with water services debt being funded from water services revenue.

Longer term financial modelling does not indicate that ICC is likely to breach water services debt to revenue thresholds in the period through to 30 June 2054.

Borrowings headroom/(shortfall) against limit	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Operating revenue	33,093	38,797	42,659	44,384	47,198	50,230	55,302	60,066	64,551	68,453
Debt to revenue limit	500%	500%	500%	500%	500%	500%	500%	500%	500%	500%
Maximum allowable net debt	**165,465**	**193,985**	**213,294**	**221,919**	**235,989**	**251,152**	**276,510**	**300,332**	**322,756**	**342,264**
Total net debt	19,135	20,204	33,866	58,294	87,076	110,910	167,079	203,955	251,178	283,104
Borrowing headroom/ (shortfall) against limit	**146,330**	**173,781**	**179,428**	**163,625**	**148,913**	**140,241**	**109,431**	**96,377**	**71,578**	**59,160**

Free funds from operations

ICC's free funds from operations (FFO) and FFO to debt ratio is presented in the table below for the combined water services activities. The information presented below does not include additional funds from operations generated by other council activities, nor does it include any debt associated with those activities.

Free funds from operations in the table below also excludes any receipts from development contributions.

ICC's combined water services FFO to debt ratio remains above 10% during the modelling period. This remains above the minimum FFO of 9% indicated in the guidance issued by LGFA for a water services CCO with between 20,000 - 50,000 connections.

FFO to debt is not a measure that is considered relevant to the ongoing financing arrangements for an in-house delivery model, and LGFA has advised that its existing lending covenants would continue to be applied at a whole of council level. ICC has therefore not determined what an appropriate FFO to debt ratio would be for an in-house delivery model, however it would be likely to differ from the equivalent ratio for a water services CCO given that ICC's overall credit risk differs from that of a water services CCO (for example, by virtue of its power to levy rates).

Longer term financial modelling indicates that ICC is unlikely to breach water services FFO to debt limits in the period through to 30 June 2054.

Free funds from operations (FFO) to debt ratio	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Total net debt	19,135	20,204	33,866	58,294	87,076	110,910	167,079	203,955	251,178	283,104
Funds from operations	18,156	19,798	23,344	24,181	25,080	26,037	27,014	28,027	29,214	30,230
FFO to debt ratio	**94.9%**	**98.0%**	**68.9%**	**41.5%**	**28.8%**	**23.5%**	**16.2%**	**13.7%**	**11.6%**	**10.7%**

Projected financial statements - for drinking water, wastewater, stormwater and combined water services

Projected funding impact statement

Funding impact statement - Combined Water Services

Funding impact statement ($000)	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Sources of operating funding										
General rates	1,663	1,907	1,979	0	0	0	0	0	0	0
Targeted rates	25,340	29,042	33,610	37,085	39,534	42,184	46,853	51,195	55,237	58,674
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0
Fees and charges	6,090	7,848	7,069	7,299	7,664	8,046	8,449	8,871	9,314	9,779
Total operating funding	**33,093**	**38,797**	**42,659**	**44,384**	**47,198**	**50,230**	**55,302**	**60,066**	**64,551**	**68,453**

Applications of operating funding										
Payments to staff and suppliers	14,071	17,985	15,524	15,832	16,336	16,763	19,482	20,073	21,279	21,498
Finance costs	771	888	1,234	1,870	3,218	4,807	6,123	9,223	11,259	13,866
Internal charges and overheads applied	0	0	2,438	2,501	2,564	2,623	2,683	2,742	2,800	2,859
Other operating funding applications	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding	**14,842**	**18,873**	**19,196**	**20,203**	**22,118**	**24,193**	**28,288**	**32,039**	**35,338**	**38,223**
Surplus/(deficit) of operating funding	**18,251**	**19,924**	**23,463**	**24,181**	**25,080**	**26,037**	**27,014**	**28,027**	**29,214**	**30,230**
Sources of capital funding										
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0
Increase/(decrease) in debt	(897)	1,069	13,663	24,428	28,782	23,834	56,169	36,876	47,223	31,926
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	**(897)**	**1,069**	**13,663**	**24,428**	**28,782**	**23,834**	**56,169**	**36,876**	**47,223**	**31,926**
Applications of capital funding										
Capital expenditure - to meet additional demand	0	0	0	0	0	0	0	0	0	0
Capital expenditure - to improve levels of services	7,337	9,800	23,417	20,318	30,137	24,499	28,852	25,915	46,842	3,473
Capital expenditure - to replace existing assets	10,017	11,192	13,709	28,291	23,725	25,372	54,331	38,988	29,594	58,684
Increase/(decrease) in reserves	0	0	0	0	0	0	0	0	0	0
Increase/(decrease) in investments	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding	**17,354**	**20,993**	**37,125**	**48,609**	**53,862**	**49,871**	**83,183**	**64,903**	**76,436**	**62,156**
Surplus/(deficit) of capital funding	**(18,251)**	**(19,924)**	**(23,463)**	**(24,181)**	**(25,080)**	**(26,037)**	**(27,014)**	**(28,027)**	**(29,214)**	**(30,230)**
Funding balance	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Funding impact statement - Drinking Water

Funding impact statement ($000)	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Sources of operating funding										
General rates	0	0	0	0	0	0	0	0	0	0
Targeted rates	9,871	11,313	12,645	12,770	14,449	16,561	19,306	20,476	20,686	20,950
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0
Fees and charges	4,038	4,998	4,743	4,980	5,229	5,490	5,765	6,053	6,355	6,673
Total operating funding	**13,909**	**16,311**	**17,388**	**17,750**	**19,678**	**22,051**	**25,071**	**26,529**	**27,041**	**27,623**
Applications of operating funding										
Payments to staff and suppliers	5,666	7,832	6,486	6,679	6,868	7,048	9,191	9,407	9,621	9,839
Finance costs	771	871	1,196	1,003	2,126	3,771	4,337	5,346	5,362	5,439
Internal charges and overheads applied	0	0	1,283	1,316	1,349	1,380	1,412	1,443	1,473	1,504
Other operating funding applications	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding	**6,437**	**8,703**	**8,964**	**8,998**	**10,343**	**12,199**	**14,940**	**16,195**	**16,456**	**16,782**
Surplus/(deficit) of operating funding	**7,472**	**7,608**	**8,424**	**8,752**	**9,336**	**9,852**	**10,131**	**10,334**	**10,585**	**10,841**
Sources of capital funding										
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0
Increase/(decrease) in debt	1,243	(1,664)	(3,496)	20,347	29,802	10,247	18,276	295	1,395	1,787
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	**1,243**	**(1,664)**	**(3,496)**	**20,347**	**29,802**	**10,247**	**18,276**	**295**	**1,395**	**1,787**

Applications of capital funding										
Capital expenditure - to meet additional demand	0	0	0	0	0	0	0	0	0	0
Capital expenditure - to improve levels of services	6,618	1,947	0	19,436	30,137	9,933	0	0	5,378	0
Capital expenditure - to replace existing assets	2,097	3,997	4,927	9,663	9,001	10,166	28,407	10,628	6,602	12,627
Increase/(decrease) in reserves	0	0	0	0	0	0	0	0	0	0
Increase/(decrease) in investments	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding	**8,715**	**5,944**	**4,927**	**29,099**	**39,138**	**20,099**	**28,407**	**10,628**	**11,980**	**12,627**
Surplus/(deficit) of capital funding	**(7,472)**	**(7,608)**	**(8,424)**	**(8,752)**	**(9,336)**	**(9,852)**	**(10,131)**	**(10,334)**	**(10,585)**	**(10,841)**
Funding balance	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Funding impact statement - Wastewater

Funding impact statement ($000)	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Sources of operating funding										
General rates	0	0	0	0	0	0	0	0	0	0
Targeted rates	10,478	12,009	14,220	15,420	15,670	15,795	17,287	19,929	23,185	25,924
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0
Fees and charges	2,037	2,847	2,317	2,309	2,425	2,546	2,673	2,807	2,948	3,095
Total operating funding	**12,515**	**14,856**	**16,537**	**17,729**	**18,095**	**18,341**	**19,960**	**22,736**	**26,133**	**29,019**

Applications of operating funding										
Payments to staff and suppliers	5,788	6,640	5,890	5,933	6,128	6,264	6,739	7,017	7,910	7,810
Finance costs	0	0	0	843	784	542	1,080	2,860	4,524	6,847
Internal charges and overheads applied	0	0	678	695	713	729	746	762	778	795
Other operating funding applications	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding	**5,788**	**6,640**	**6,568**	**7,471**	**7,624**	**7,535**	**8,564**	**10,639**	**13,212**	**15,452**
Surplus/(deficit) of operating funding	**6,727**	**8,216**	**9,970**	**10,258**	**10,471**	**10,806**	**11,396**	**12,097**	**12,920**	**13,567**
Sources of capital funding										
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0
Increase/(decrease) in debt	(3,091)	2,527	17,413	(1,068)	(4,385)	9,742	32,246	30,148	42,089	18,439
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	**(3,091)**	**2,527**	**17,413**	**(1,068)**	**(4,385)**	**9,742**	**32,246**	**30,148**	**42,089**	**18,439**
Applications of capital funding										
Capital expenditure - to meet additional demand	0	0	0	0	0	0	0	0	0	0
Capital expenditure - to improve levels of services	719	7,853	23,417	882	0	14,566	28,852	25,915	41,464	3,473
Capital expenditure - to replace existing assets	2,917	2,889	3,966	8,308	6,085	5,982	14,791	16,330	13,545	28,533
Increase/(decrease) in reserves	0	0	0	0	0	0	0	0	0	0
Increase/(decrease) in investments	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding	**3,636**	**10,743**	**27,383**	**9,190**	**6,085**	**20,547**	**43,643**	**42,245**	**55,009**	**32,006**
Surplus/(deficit) of capital funding	**(6,727)**	**(8,216)**	**(9,970)**	**(10,258)**	**(10,471)**	**(10,806)**	**(11,396)**	**(12,097)**	**(12,920)**	**(13,567)**
Funding balance	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Funding impact statement - Stormwater

Funding impact statement ($000)	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Sources of operating funding										
General rates	1,663	1,907	1,979							
Targeted rates	4,991	5,720	6,746	8,895	9,415	9,828	10,260	10,790	11,367	11,800
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0
Fees and charges	15	3	9	10	10	10	11	11	11	11
Total operating funding	**6,669**	**7,630**	**8,734**	**8,905**	**9,425**	**9,838**	**10,271**	**10,801**	**11,378**	**11,811**
Applications of operating funding										
Payments to staff and suppliers	2,617	3,513	3,149	3,220	3,340	3,451	3,552	3,649	3,747	3,849
Finance costs	0	17	38	24	308	494	706	1,018	1,373	1,580
Internal charges and overheads applied	0	0	478	490	502	514	526	537	548	560
Other operating funding applications	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding	**2,617**	**3,530**	**3,664**	**3,734**	**4,151**	**4,459**	**4,784**	**5,205**	**5,669**	**5,988**
Surplus/(deficit) of operating funding	**4,052**	**4,100**	**5,069**	**5,170**	**5,274**	**5,379**	**5,487**	**5,597**	**5,709**	**5,823**

Sources of capital funding										
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0
Increase/(decrease) in debt	951	206	(254)	5,149	3,365	3,845	5,647	6,432	3,739	11,700
Gross proceeds from sales of assets	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding	**951**	**206**	**(254)**	**5,149**	**3,365**	**3,845**	**5,647**	**6,432**	**3,739**	**11,700**
Applications of capital funding										
Capital expenditure - to meet additional demand	0	0	0	0	0	0	0	0	0	0
Capital expenditure - to improve levels of services	0	0	0	0	0	0	0	0	0	0
Capital expenditure - to replace existing assets	5,003	4,306	4,815	10,320	8,639	9,225	11,134	12,029	9,448	17,523
Increase/(decrease) in reserves	0	0	0	0	0	0	0	0	0	0
Increase/(decrease) in investments	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding	**5,003**	**4,306**	**4,815**	**10,320**	**8,639**	**9,225**	**11,134**	**12,029**	**9,448**	**17,523**
Surplus/(deficit) of capital funding	**(4,052)**	**(4,100)**	**(5,069)**	**(5,170)**	**(5,274)**	**(5,379)**	**(5,487)**	**(5,597)**	**(5,709)**	**(5,823)**
Funding balance	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Projected statement of comprehensive revenue and expense

Statement of comprehensive revenue and expense - Combined Water Services

Statement of comprehensive revenue and expense ($000)	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Revenue										
Operating revenue	33,093	38,797	42,659	44,384	47,198	50,230	55,302	60,066	64,551	68,453
Other revenue	0	0	0	0	0	0	0	0	0	0
Total revenue	**33,093**	**38,797**	**42,659**	**44,384**	**47,198**	**50,230**	**55,302**	**60,066**	**64,551**	**68,453**
Expenses										
Operating expenses	14,071	17,985	15,524	15,832	16,336	16,763	19,482	20,073	21,279	21,498
Finance costs	771	888	1,234	1,870	3,218	4,807	6,123	9,223	11,259	13,866
Overheads and support costs	0	0	2,438	2,501	2,564	2,623	2,683	2,742	2,800	2,859
Depreciation & amortisation	21,743	21,745	23,344	24,181	25,080	26,037	27,014	28,027	29,214	30,230
Total expenses	**36,585**	**40,618**	**42,540**	**44,384**	**47,198**	**50,230**	**55,302**	**60,066**	**64,551**	**68,453**
Net surplus / (deficit)	**(3,492)**	**(1,821)**	**118**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Revaluation of infrastructure assets	12,929	13,100	13,347	13,890	14,656	15,525	16,312	17,761	18,854	20,176
Total comprehensive income	**9,437**	**11,279**	**13,465**	**13,890**	**14,656**	**15,525**	**16,312**	**17,761**	**18,854**	**20,176**
Cash surplus / (deficit) from operations (excl depreciation)	**18,251**	**19,924**	**23,463**	**24,181**	**25,080**	**26,037**	**27,014**	**28,027**	**29,214**	**30,230**

Statement of comprehensive revenue and expense - Drinking Water

Statement of comprehensive revenue and expense ($000)	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Revenue										
Operating revenue	13,909	16,311	17,388	17,750	19,678	22,051	25,071	26,529	27,041	27,623
Other revenue	0	0	0	0	0	0	0	0	0	0
Total revenue	**13,909**	**16,311**	**17,388**	**17,750**	**19,678**	**22,051**	**25,071**	**26,529**	**27,041**	**27,623**
Expenses										
Operating expenses	5,666	7,832	6,486	6,679	6,868	7,048	9,191	9,407	9,621	9,839
Finance costs	771	871	1,196	1,003	2,126	3,771	4,337	5,346	5,362	5,439
Overheads and support costs	0	0	1,283	1,316	1,349	1,380	1,412	1,443	1,473	1,504
Depreciation & amortisation	7,879	7,882	8,424	8,752	9,336	9,852	10,131	10,334	10,585	10,841
Total expenses	**14,316**	**16,585**	**17,388**	**17,750**	**19,678**	**22,051**	**25,071**	**26,529**	**27,041**	**27,623**
Net surplus / (deficit)	**(407)**	**(274)**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Revaluation of infrastructure assets	4,909	5,023	5,085	5,117	5,626	6,335	6,666	7,165	7,314	7,489
Total comprehensive income	**4,502**	**4,749**	**5,085**	**5,117**	**5,626**	**6,335**	**6,666**	**7,165**	**7,314**	**7,489**
Cash surplus / (deficit) from operations (excl depreciation)	**7,472**	**7,608**	**8,424**	**8,752**	**9,336**	**9,852**	**10,131**	**10,334**	**10,585**	**10,841**

Statement of comprehensive revenue and expense - Wastewater

Statement of comprehensive revenue and expense ($000)	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Revenue										
Operating revenue	12,515	14,856	16,537	17,729	18,095	18,341	19,960	22,736	26,133	29,019
Other revenue	0	0	0	0	0	0	0	0	0	0
Total revenue	**12,515**	**14,856**	**16,537**	**17,729**	**18,095**	**18,341**	**19,960**	**22,736**	**26,133**	**29,019**
Expenses										
Operating expenses	5,788	6,640	5,890	5,933	6,128	6,264	6,739	7,017	7,910	7,810
Finance costs	0	0	0	843	784	542	1,080	2,860	4,524	6,847
Overheads and support costs	0	0	678	695	713	729	746	762	778	795
Depreciation & amortisation	9,040	9,039	9,851	10,258	10,471	10,806	11,396	12,097	12,920	13,567
Total expenses	**14,828**	**15,679**	**16,419**	**17,729**	**18,095**	**18,341**	**19,960**	**22,736**	**26,133**	**29,019**
Net surplus / (deficit)	**(2,313)**	**(823)**	**118**	**0**	**0**	**0**	**0**	**0**	**0**	0
Revaluation of infrastructure assets	3,782	3,750	3,859	4,286	4,351	4,350	4,632	5,370	6,080	7,043
Total comprehensive income	**1,469**	**2,927**	**3,977**	**4,286**	**4,351**	**4,350**	**4,632**	**5,370**	**6,080**	**7,043**
Cash surplus / (deficit) from operations (excl depreciation)	**6,727**	**8,216**	**9,970**	**10,258**	**10,471**	**10,806**	**11,396**	**12,097**	**12,920**	**13,567**

Statement of comprehensive revenue and expense - Stormwater

Statement of comprehensive revenue and expense ($000)	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Revenue										
Operating revenue	6,669	7,630	8,734	8,905	9,425	9,838	10,271	10,801	11,378	11,811
Other revenue	0	0	0	0	0	0	0	0	0	0
Total revenue	**6,669**	**7,630**	**8,734**	**8,905**	**9,425**	**9,838**	**10,271**	**10,801**	**11,378**	**11,811**
Expenses										
Operating expenses	2,617	3,513	3,149	3,220	3,340	3,451	3,552	3,649	3,747	3,849
Finance costs	0	17	38	24	308	494	706	1,018	1,373	1,580
Overheads and support costs	0	0	478	490	502	514	526	537	548	560
Depreciation & amortisation	4,824	4,824	5,069	5,170	5,274	5,379	5,487	5,597	5,709	5,823
Total expenses	**7,441**	**8,354**	**8,734**	**8,905**	**9,425**	**9,838**	**10,271**	**10,801**	**11,378**	**11,811**
Net surplus / (deficit)	**(772)**	**(724)**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Revaluation of infrastructure assets	4,239	4,327	4,403	4,486	4,679	4,840	5,013	5,227	5,460	5,644
Total comprehensive income	**3,467**	**3,603**	**4,403**	**4,486**	**4,679**	**4,840**	**5,013**	**5,227**	**5,460**	**5,644**
Cash surplus / (deficit) from operations (excl depreciation)	**4,052**	**4,100**	**5,069**	**5,170**	**5,274**	**5,379**	**5,487**	**5,597**	**5,709**	**5,823**

Projected statement of cashflows

Statement of cashflows - Combined Water Services

Statement of cashflows ($000)	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Cashflows from operating activities										
Cash surplus / (deficit) from operations	18,251	19,924	23,463	24,181	25,080	26,037	27,014	28,027	29,214	30,230
[other items]	0	0	0	0	0	0	0	0	0	0
Net cashflows from operating activities	**18,251**	**19,924**	**23,463**	**24,181**	**25,080**	**26,037**	**27,014**	**28,027**	**29,214**	**30,230**
Cashflows from financing activities										
[other items]	0	0	0	0	0	0	0	0	0	0
Capital expenditure	(17,354)	(20,993)	(37,125)	(48,609)	(53,862)	(49,871)	(83,183)	(64,903)	(76,436)	(62,156)
Net cashflows from investment activities	**(17,354)**	**(20,993)**	**(37,125)**	**(48,609)**	**(53,862)**	**(49,871)**	**(83,183)**	**(64,903)**	**(76,436)**	**(62,156)**
Cashflows from investment activities										
New borrowings	(897)	1,069	13,663	24,428	28,782	23,834	56,169	36,876	47,223	31,926
Repayment of borrowings	0	0	0	0	0	0	0	0	0	0
Net cashflows from financing activities	**(897)**	**1,069**	**13,663**	**24,428**	**28,782**	**23,834**	**56,169**	**36,876**	**47,223**	**31,926**
Net increase/(decrease) in cash and cash equivalents	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Cash and cash equivalents at beginning of year	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Cash and cash equivalents at end of year	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Statement of cashflows - Drinking Water

Statement of cashflows ($000)	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Cashflows from operating activities										
Cash surplus / (deficit) from operations	7,472	7,608	8,424	8,752	9,336	9,852	10,131	10,334	10,585	10,841
[other items]	0	0	0	0	0	0	0	0	0	0
Net cashflows from operating activities	**7,472**	**7,608**	**8,424**	**8,752**	**9,336**	**9,852**	**10,131**	**10,334**	**10,585**	**10,841**
Cashflows from investment activities										
[other items]	0	0	0	0	0	0	0	0	0	0
Capital expenditure	(8,715)	(5,944)	(4,927)	(29,099)	(39,138)	(20,099)	(28,407)	(10,628)	(11,980)	(12,627)
Net cashflows from investment activities	**(8,715)**	**(5,944)**	**(4,927)**	**(29,099)**	**(39,138)**	**(20,099)**	**(28,407)**	**(10,628)**	**(11,980)**	**(12,627)**
Cashflows from financing activities										
New borrowings	1,243	(1,664)	(3,496)	20,347	29,802	10,247	18,276	295	1,395	1,787
Repayment of borrowings	0	0	0	0	0	0	0	0	0	0
Net cashflows from financing activities	**1,243**	**(1,664)**	**(3,496)**	**20,347**	**29,802**	**10,247**	**18,276**	**295**	**1,395**	**1,787**
Net increase/(decrease) in cash and cash equivalents	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Cash and cash equivalents at beginning of year	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Cash and cash equivalents at end of year	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Statement of cashflows - Wastewater

Statement of cashflows ($000)	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Cashflows from operating activities										
Cash surplus / (deficit) from operations	6,727	8,216	9,970	10,258	10,471	10,806	11,396	12,097	12,920	13,567
[other items]	0	0	0	0	0	0	0	0	0	0
Net cashflows from operating activities	**6,727**	**8,216**	**9,970**	**10,258**	**10,471**	**10,806**	**11,396**	**12,097**	**12,920**	13,567
Cashflows from investment activities										
[other items]	0	0	0	0	0	0	0	0	0	0
Capital expenditure	(3,636)	(10,743)	(27,383)	(9,190)	(6,085)	(20,547)	(43,643)	(42,245)	(55,009)	(32,006)
Net cashflows from investment activities	**(3,636)**	**(10,743)**	**(27,383)**	**(9,190)**	**(6,085)**	**(20,547)**	**(43,643)**	**(42,245)**	**(55,009)**	**(32,006)**
Cashflows from financing activities										
New borrowings	(3,091)	2,527	17,413	(1,068)	(4,385)	9,742	32,246	30,148	42,089	18,439
Repayment of borrowings	0	0	0	0	0	0	0	0	0	0
Net cashflows from financing activities	**(3,091)**	**2,527**	**17,413**	**(1,068)**	**(4,385)**	**9,742**	**32,246**	**30,148**	**42,089**	**18,439**
Net increase/(decrease) in cash and cash equivalents	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Cash and cash equivalents at beginning of year	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Cash and cash equivalents at end of year	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Statement of cashflows - Stormwater

Statement of cashflows ($000)	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Cashflows from operating activities										
Cash surplus / (deficit) from operations	4,052	4,100	5,069	5,170	5,274	5,379	5,487	5,597	5,709	5,823
[other items]	0	0	0	0	0	0	0	0	0	0
Net cashflows from operating activities	**4,052**	**4,100**	**5,069**	**5,170**	**5,274**	**5,379**	**5,487**	**5,597**	**5,709**	**5,823**
Cashflows from investment activities										
[other items]	0	0	0	0	0	0	0	0	0	0
Capital expenditure	(5,003)	(4,306)	(4,815)	(10,320)	(8,639)	(9,225)	(11,134)	(12,029)	(9,448)	(17,523)
Net cashflows from investment activities	**(5,003)**	**(4,306)**	**(4,815)**	**(10,320)**	**(8,639)**	**(9,225)**	**(11,134)**	**(12,029)**	**(9,448)**	**(17,523)**
Cashflows from financing activities										
New borrowings	951	206	(254)	5,149	3,365	3,845	5,647	6,432	3,739	11,700
Repayment of borrowings	0	0	0	0	0	0	0	0	0	0
Net cashflows from financing activities	**951**	**206**	**(254)**	**5,149**	**3,365**	**3,845**	**5,647**	**6,432**	**3,739**	**11,700**
Net increase/(decrease) in cash and cash equivalents	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Cash and cash equivalents at beginning of year	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Cash and cash equivalents at end of year	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Projected statement of financial position

Statement of financial position - Combined Water Services

Statement of financial position ($000)	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Assets										
Cash and cash equivalents	0	0	0	0	0	0	0	0	0	0
Other current assets	0	0	0	0	0	0	0	0	0	0
Infrastructure assets	655,002	667,350	694,478	732,796	776,234	815,592	888,073	942,710	1,008,787	1,060,889
Other non-current assets	0	0	0	0	0	0	0	0	0	0
Total assets	**655,002**	**667,350**	**694,478**	**732,796**	**776,234**	**815,592**	**888,073**	**942,710**	**1,008,787**	**1,060,889**
Liabilities										
Borrowings - current portion	19,135	20,204	33,866	58,294	87,076	110,910	167,079	203,955	251,178	283,104
Other current liabilities	0	0	0	0	0	0	0	0	0	0
Borrowings - non-current portion	0	0	0	0	0	0	0	0	0	0
Other non-current liabilities	0	0	0	0	0	0	0	0	0	0
Total liabilities	**19,135**	**20,204**	**33,866**	**58,294**	**87,076**	**110,910**	**167,079**	**203,955**	**251,178**	**283,104**
Net assets	635,867	647,146	660,612	674,501	689,157	704,682	720,994	738,755	757,609	777,785
Equity										
Revaluation reserve	12,929	26,029	39,376	53,266	67,922	83,446	99,758	117,520	136,374	156,550
Other reserves	622,938	621,117	621,235	621,235	621,235	621,235	621,235	621,235	621,235	621,235
Total equity	**635,867**	**647,146**	**660,612**	**674,501**	**689,157**	**704,682**	**720,994**	**738,755**	**757,609**	**777,785**

Statement of financial position - Drinking water

Statement of financial position ($000)	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Assets										
Cash and cash equivalents	0	0	0	0	0	0	0	0	0	0
Other current assets	0	0	0	0	0	0	0	0	0	0
Infrastructure assets	251,174	254,259	255,848	281,312	316,740	333,321	358,264	365,724	374,433	383,709
Other non-current assets	0	0	0	0	0	0	0	0	0	0
Total assets	**251,174**	**254,259**	**255,848**	**281,312**	**316,740**	**333,321**	**358,264**	**365,724**	**374,433**	**383,709**
Liabilities										
Borrowings - current portion	23,322	21,658	18,162	38,508	68,311	78,557	96,833	97,128	98,523	100,310
Other current liabilities	0	0	0	0	0	0	0	0	0	0
Borrowings - non-current portion	0	0	0	0	0	0	0	0	0	0
Other non-current liabilities	0	0	0	0	0	0	0	0	0	0
Total liabilities	**23,322**	**21,658**	**18,162**	**38,508**	**68,311**	**78,557**	**96,833**	**97,128**	**98,523**	**100,310**
Net assets	227,852	232,601	237,686	242,803	248,429	254,764	261,431	268,596	275,910	283,399
Equity										
Revaluation reserve	4,909	9,932	15,017	20,134	25,760	32,095	38,762	45,927	53,241	60,730
Other reserves	222,943	222,669	222,669	222,669	222,669	222,669	222,669	222,669	222,669	222,669
Total equity	**227,852**	**232,601**	**237,686**	**242,803**	**248,429**	**254,764**	**261,431**	**268,596**	**275,910**	**283,399**

Statement of financial position - Wastewater

Statement of financial position ($000)	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Assets										
Cash and cash equivalents	0	0	0	0	0	0	0	0	0	0
Other current assets	0	0	0	0	0	0	0	0	0	0
Infrastructure assets	187,480	192,933	214,324	217,542	217,508	231,600	268,478	303,996	352,165	377,647
Other non-current assets	0	0	0	0	0	0	0	0	0	0
Total assets	**187,480**	**192,933**	**214,324**	**217,542**	**217,508**	**231,600**	**268,478**	**303,996**	**352,165**	**377,647**
Liabilities										
Borrowings - current portion	(4,673)	(2,146)	15,267	14,199	9,814	19,555	51,802	81,950	124,039	142,478
Other current liabilities	0	0	0	0	0	0	0	0	0	0
Borrowings - non-current portion	0	0	0	0	0	0	0	0	0	0
Other non-current liabilities	0	0	0	0	0	0	0	0	0	0
Total liabilities	**(4,673)**	**(2,146)**	**15,267**	**14,199**	**9,814**	**19,555**	**51,802**	**81,950**	**124,039**	**142,478**
Net assets	192,153	195,080	199,057	203,343	207,694	212,044	216,676	222,046	228,126	235,169
Equity										
Revaluation reserve	3,782	7,532	11,390	15,677	20,028	24,378	29,010	34,379	40,459	47,503
Other reserves	188,371	187,548	187,666	187,666	187,666	187,666	187,666	187,666	187,666	187,666
Total equity	**192,153**	**195,080**	**199,057**	**203,343**	**207,694**	**212,044**	**216,676**	**222,046**	**228,126**	**235,169**

Statement of financial position - Stormwater

Statement of financial position ($000)	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Assets										
Cash and cash equivalents*	0	0	0	0	0	0	0	0	0	0
Other current assets	0	0	0	0	0	0	0	0	0	0
Infrastructure assets	216,349	220,157	224,306	233,942	241,986	250,671	261,331	272,990	282,189	299,533
Other non-current assets	0	0	0	0	0	0	0	0	0	0
Total assets	**216,349**	**220,157**	**224,306**	**233,942**	**241,986**	**250,671**	**261,331**	**272,990**	**282,189**	**299,533**
Liabilities										
Borrowings - current portion	486	692	437	5,587	8,952	12,798	18,444	24,877	28,616	40,316
Other current liabilities	0	0	0	0	0	0	0	0	0	0
Borrowings - non-current portion	0	0	0	0	0	0	0	0	0	0
Other non-current liabilities	0	0	0	0	0	0	0	0	0	0
Total liabilities	**486**	**692**	**437**	**5,587**	**8,952**	**12,798**	**18,444**	**24,877**	**28,616**	**40,316**
Net assets	**215,863**	**219,466**	**223,869**	**228,355**	**233,034**	**237,873**	**242,887**	**248,113**	**253,573**	**259,217**
Equity										
Revaluation reserve	4,239	8,566	12,969	17,455	22,134	26,973	31,987	37,213	42,673	48,317
Other reserves	211,624	210,900	210,900	210,900	210,900	210,900	210,900	210,900	210,900	210,900
Total equity	**215,863**	**219,466**	**223,869**	**228,355**	**233,034**	**237,873**	**242,887**	**248,113**	**253,573**	**259,217**

** There is an expectation that there will be a balance within Cash and cash equivalents once the delivery structure is operational but for the purpose of modelling these have been offset with Borrowings.*

Water Services Delivery Plan: additional information

Additional disclosures to support Plan

Schedule of consents.....**83 - 86**

Key risks and material assumptions for water services delivery.....**79 - 82**

Significant capital projects

ICCs Significance and Engagement Policy provides the threshold and criteria for determining significance. The five criteria are;

- Importance to Council,
- Community Interest,
- Inconsistency with existing policy and strategy,
- Impact on Councils capability and capacity; and
- Cost to Council.

In addition, any decision relating to the sale, transfer or sale of shareholding of any significant strategic assets is assessed as a matter of high impact and will trigger the Special Consultation Process. Strategic Assets includes water services assets and are listed in Schedule 1 to the Significance and Engagement Policy.

ICC are focusing on replacing critical assets and will work others harder, maintaining them for longer to manage the investment needed. Our assets are becoming increasingly expensive to replace as a result of rising prices and new regulatory requirements. How we save for and repay debt needed to pay for these renewals is a key part of our financial strategy.

ICC are focusing on how we deliver an additional water supply for the city. We need to undertake more testing to check the reliability of the supply in the aquifer we have found. Then there will be significant investment of an estimated $60.0 million required to access, treat and supply the water to the city.

ICC are working with Central Government and our Iwi partners around how we plan for the changes that are likely to be required to the way we discharge wastewater. The funding we have put aside for wastewater discharge, includes $103.7 million for Clifton and $7.7 million for Bluff, is some of the largest in our programme and further investment may be required. Potential mitigations include capital project and debt reprioritisation (delay non 3 waters projects).

Significant capital projects - drinking water ($000)	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Projects to meet additional demand										
Total investment to meet additional demand	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Projects to improve levels of services										
Alternative Water Supply	1,041	0	0	1,968	12,417	9,933	0	0	0	0
Supply development - Awarua Treatment	0	0	0	5,635	5,753	0	0	0	0	0
Pipe network - Trunkmain to/from Awarua	0	0	0	8,452	8,630	0	0	0	0	0
Skye Street Reservoir and pump station	0	0	0	3,381	3,337	0	0	0	0	0
Branxholme supply main renewal	5,577	1,947	0	0	0	0	0	0	0	0
Water Tower Strengthening	0	0	0	0	0	0	0	0	5,378	0
Other projects	0	0	0	0	0	0	0	0	(0)	0
Total investment to improve levels of services	**6,618**	**1,947**	**0**	**19,436**	**30,137**	**9,933**	**0**	**0**	**5,378**	**0**
Projects to replace existing assets										
Water Pipe Network - Reticulation	1,583	3,289	3,060	8,232	7,580	8,152	6,227	6,377	4,751	4,851
Scheduled pump station renewals	88	85	96	64	0	303	8,159	106	73	3,907
Scheduled treatment facility renewals	0	84	468	55	103	111	3,655	136	139	50
Universal water metering	0	0	1,084	1,084	1,084	1,084	1,084	1,084	1,084	3,254
Capacity Waikiwi to Doon	0	0	0	0	0	0	8,753	2,382	0	0
Other projects	426	539	219	228	234	516	529	543	555	566
Total investment to replace existing assets	**2,097**	**3,997**	**4,927**	**9,663**	**9,001**	**10,166**	**28,407**	**10,628**	**6,602**	**12,627**
Total investment in drinking water assets	**8,715**	**5,944**	**4,927**	**29,099**	**39,138**	**20,099**	**28,407**	**10,628**	**11,980**	**12,627**

Significant capital projects - wastewater ($000)	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Projects to meet additional demand										
Total investment to meet additional demand	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Projects to improve levels of services										
Clifton Discharge upgrade	0	0	0	0	0	10,366	25,915	25,915	41,464	0
Bluff Discharge upgrade	365	157	7,007	0	0	0	0	0	0	0
Otatara FS Network improvement	0	210	1,347	827	0	0	0	0	0	0
Preston Street rising main duplication	0	0	0	55	0	1,323	0	0	0	0
Lindisfarne rising main duplication	0	0	0	0	0	2,877	2,937	0	0	0
Makarewa Treatment Plant	0	0	0	0	0	0	0	0	0	3,473
Mersey Street Waste Water Main Duplication	354	7,486	15,063	0	0	0	0	0	0	0
Other projects	0	0	(0)	0	0	(0)	0	0	0	(0)
Total investment to improve levels of services	**719**	**7,853**	**23,417**	**882**	**0**	**14,566**	**28,852**	**25,915**	**41,464**	**3,473**
Projects to replace existing assets										
Scheduled pipe renewals	2,810	2,558	2,817	7,497	5,731	5,504	13,703	14,032	12,653	12,920
Scheduled pump station renewals	54	115	600	273	255	125	444	854	412	464
Scheduled treatment facility renewals	0	216	500	487	99	352	422	1,218	480	1,175
Sewer Pump station Replacement (Health and Safety)	0	0	0	0	0	0	0	0	0	2,466
Sewer Pump station Replacement (Seismic resilience)	0	0	0	0	0	0	0	0	0	11,508
Other	53	0	50	50	0	1	221	226	0	0
Total investment to replace existing assets	**2,917**	**2,889**	**3,966**	**8,308**	**6,085**	**5,982**	**14,791**	**16,330**	**13,545**	**28,533**
Total investment in wastewater assets	**3,636**	**10,743**	**27,383**	**9,190**	**6,085**	**20,547**	**43,643**	**42,245**	**55,009**	**32,006**

Significant capital projects - stormwater ($000)	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
Projects to meet additional demand										
Total investment to meet additional demand	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Projects to improve levels of services										
Total investment to improve levels of services	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Projects to replace existing assets										
Stormwater pipe replacement	4,657	3,974	4,378	9,897	8,207	7,931	10,675	10,931	8,969	9,158
Stormwater treatment renewals	346	312	351	372	392	415	436	457	478	500
Stormwater pumpstation relocation for seismic resilience	0	0	0	0	0	0	0	0	0	7,813
Other	0	20	86	51	40	879	23	641	1	52
Total investment to replace existing assets	**5,003**	**4,306**	**4,815**	**10,320**	**8,639**	**9,225**	**11,134**	**12,029**	**9,448**	**17,523**
Total investment in stormwater assets	**5,003**	**4,306**	**4,815**	**10,320**	**8,639**	**9,225**	**11,134**	**12,029**	**9,448**	**17,523**

Disclosure of risks and material assumptions for water services delivery

Key risks and material assumptions for water services delivery that have been included in the Plan are provided below.

WSDP - Risk Table

Key Risks	Drinking supply	Wastewater	Stormwater
Future water service delivery	Council has a dependency on a single source (Ōreti River) Growth and demand is beyond the assumptions and there is not capability of delivering without significant development	Council has a dependency on a limited number of treatment facilities	Future developments cannot occurs and meet the legislative requirements for discharge quality
Network performance	Poor asset decision making due to condition data not being complete or accurate Delivery of maintenance and renewals are not effective and efficient nor align to budget projections Unexpected network failures occur within the supply network There is insufficient water to supply customers or fight fires	The network fails due to high proportion of network being aged and in poor condition (62 years avg. age; infiltration issues)	Significant flooding occurs due to undersized and aging network from legacy design standards (59 years avg. age) Siltation of estuary outfalls occurs with urban flooding risks increase beyond capability of flood schemes
Regulatory compliance	Tightening drinking water standards and regulatory obligations require investment and management beyond the capability or that which is planned Legislation changes , including regulatory frameworks are not aligned to this plans assumptions and budget projections	Overflows and prosecutions occur due to overflows and compliance risk under wet weather conditions Legislation changes , including regulatory frameworks are not aligned to this plans assumptions and budget projections Wastewater standard solutions do not assist with Resource Consenting processes and create addition cost and or delay	Environmental performance standards become defined but cannot be met within the planned budgets
Delivery of Capital Programme	Projects are not delivered with strong programme management in a timely and effective manner (such as Emergency/Alternative Supply) Uncertainty whether the infrastructure construction industry will be able to meet local government demand in the coming year	Uncertainty whether revised Wastewater standards will allow for upcoming Resource Consent Renewals for the Clifton and Bluff WWTP in line with treatment assumptions, timing and cost estimates within the LTP Uncertainty whether the infrastructure construction industry will be able to meet local government demand in the coming year	Design Standards identify issues which require significant and unplanned rework of catchments Staff capability in asset management and stormwater modelling is limited Uncertainty whether the infrastructure construction industry will be able to meet local government demand in the coming year

Organisational capacity	Council is unable to adequately resource and retain its activity with suitable and experience teams That Council having budgeted for a programme that is deliverable, it or the industry are unable to deliver the projects it has planned Systems and resources do not continue to develop to maturity levels such that advanced asset management is deliverable and sustainable with in-house resources Business systems fail such as Scada, payroll etc which cause economic and reputational losses	Council is unable to adequately retain resource its activity with suitable and experience teams That Council having budgeted for a programme that is deliverable, it or the industry are unable to deliver the projects it has planned Systems and resources continue to develop to maturity levels such that advanced asset management is deliverable and sustainable with in-house resources Business systems fail such as Scada, payroll etc which cause economic and reputational losses	Council is unable to adequately retain resource its activity with suitable and experience teams That Council having budgeted for a programme that is deliverable, it or the industry are unable to deliver the projects it has planned Systems and resources continue to develop to maturity levels such that advanced asset management is deliverable and sustainable with in-house resources Business systems fail such as Scada, payroll etc which cause economic and reputational losses
Operational	The Water Tower sustains significant structural damage due to an earthquake Water supplies are contaminated due to lack of backflow prevention Water leakage increased due to pipe failures faster than renewals occur Trunk and supply mains resilience to earthquake and flooding result in inability to meet demand to storage areas Water retaining areas within Bluff suffers damage from landslip or earthquake	Key Rising mains fail without redundant options which results in spillage occurring over longer period key pipes are block due to pipe collapse or tree roots Pumping station/s have a significant event such as fire or long term electricity loss which renders them unusable without redundancy options Key pipes fail due to condition or external actions resulting in property damage Staff are exposed to H&S risk due to working on roadways or in trenches where systems fail	Key pipes fail due to condition or external actions resulting in property damage Staff are exposed to H&S risk due to working on roadways or in trenches where systems fail
Long term issues e.g. providing for growth, climate change	There is significant population and economic growth or introduction of new industries that require water supply / discharge in an area or to a size that we cannot accommodate Changes in land use may not be able to be serviced due to no spatial plan for development	Sea level rise threatens Clifton WWTP and requires further unbudgeted protection works There is significant economic growth or introduction of new industries that require discharge in an area or to a size that we cannot accommodate	Climate which occurs is beyond design parameter and exacerbates flood frequency and intensity

Significant Assumptions	Drinking supply	Wastewater	Stormwater
▪ **Future water service delivery** ▪ **Network performance** ▪ **Regulatory compliance** ▪ **Delivery of Capital Programme** ▪ **Organisational capacity** ▪ **Long term issues e.g. providing for growth, climate change**	▪ Investment in Branxholme upgrade and $60M alternative supply will proceed as planned ▪ Water quality standards will evolve but remain achievable with scheduled investment ▪ Water quality standards will evolve but remain achievable with scheduled investment ▪ IT and AMIS system improvements will support improved decision making ▪ Sufficient staff and contractor capacity will be secured to deliver capital programme ▪ Asset data confidence and AM maturity will improve via investment in systems and skills	▪ Current discharge consents will be renewed or transitioned gradually to land-based systems ▪ Planned renewals will prevent material service degradation ▪ Assumes improved financial reporting and asset condition data under new systems ▪ Delivery of upgrades will be resourced with support from shared services or external contractors ▪ Asset data confidence and Asset ▪ Management maturity will improve via investment in systems and skills	▪ Compliance with future environmental standards is achievable within staged LTP investment ▪ Stormwater system improvements will focus on flood-prone and pre-1970 areas first ▪ Coordination with Environment Southland will inform catchment-scale resilience planning ▪ Asset data confidence and AM maturity will improve via investment in systems and skills

Resource Consent Schedule

Consent/ Authorisation reference ID number (AUTH/ IRIS/ RM/)	Authorisation Holder Name	Regional Council	Scheme Name (Location and Infrastructure details i.e. Kawakawa Public water supply - Groundwater take)	Permit Type	Activity Type Edited	Activity Sub Type	Water Category	Details	Expiry Date	Property Address	Comments, any relevant issues or other information
AUTH-200749	Invercargill City Council	Environment Southland	Invercargill City Council Wastewater Treatment Plant (Discharge)	Coastal Permit	Coastal Discharge Permit	Discharge to Water CMA	Wastewater	To discharge up to 90,000 cubic metres of treated wastewater to the New River Estuary via a discharge channel from the Clifton Wastewater treatment plant	2029-06-30	11 Lake Street Invercargill	To discharge up to 90,000 cubic metres of treated wastewater to the New River Estuary via a discharge channel from the Clifton Wastewater treatment plant
AUTH-200750	Invercargill City Council	Environment Southland	Invercargill City Council Wastewater Treatment Plant (Emergency Discharge)	Coastal Permit	Coastal Discharge Permit	Discharge to Water CMA	Wastewater	To sporadically discharge screened wastewater to the New River Estuary when compliance with Resource Consent 200749 cannot be achieved due to plant mechanical failure or extreme weather events	2029-06-30	11 Lake Street Invercargill	To sporadically discharge screened wastewater to the New River Estuary when compliance with Resource Consent 200749 cannot be achieved due to plant mechanical failure or extreme weather events
AUTH-200752	Invercargill City Council	Environment Southland	Invercargill City Council Wastewater Treatment Plant (Pond see page)	Discharge Permit	Land Discharge Consent	To Land	Wastewater	To discharge contaminants to land from the Clifton wastewater treatment plant, via seepage from waste treatment processes	2029-06-30	11 Lake Street Invercargill	To discharge contaminants to land from the Clifton wastewater treatment plant, via seepage from waste treatment processes
AUTH-20136275-V2	Invercargill City Council	Environment Southland	Invercargill City Council Wastewater Treatment Plant (Sludge Storage Leachate Discharge)	Discharge Permit	Land Discharge Consent	To Land	Stormwater	To discharge stormwater and leachate to land, in circumstances where it may enter water, at Station Road, Invercargill, from the processing of sludge from wastewater treatment plants	2029-06-30	41 Station Road Invercargill	To discharge stormwater and leachate to land, in circumstances where it may enter water, at Station Road, Invercargill, from the processing of sludge from wastewater treatment plants
AUTH-20136298-01	Invercargill City Council	Environment Southland	Invercargill City Council Wastewater Treatment Plant (Air Discharge)	Discharge Permit	Air Discharge Consent	To Air	Wastewater	To discharge contaminants including odour to air from wastewater treatment, including the emission of odour masking agents and emissions from biosolids processing	2029-06-30	11 Lake Street Invercargill	To discharge contaminants including odour to air from wastewater treatment, including the emission of odour masking agents and emissions from biosolids processing

AUTH-20168843	Invercargill City Council	Environment Southland	Invercargill City Council Stormwater Discharge to Freshwater	Discharge Permit	Water Discharge Permit	To Water	Stormwater	To discharge stormwater from roofs, roading, hardstanding areas and a reticulated system to surface water into the Waihopai River, Waikiwi Stream, Otepuni Creek, Kingswell Creek, Waikiwi Stream and Clifton Channel, Invercargill	2032-09-14	Global Consent for 146 outfalls each with different Address	To discharge stormwater from roofs, roading, hardstanding areas and a reticulated system to surface water into the Waihopai River, Waikiwi Stream, Otepuni Creek, Kingswell Creek, Waikiwi Stream and Clifton Channel, Invercargill. Non compliant Due to contamination arising from sewage spills the consent is annually described as Significant Non-Compliance)
AUTH-20202120-01	Invercargill City Council	Environment Southland	Invercargill City Council 2 waste water pipelines under the Mokotua Stream and Waimatua Creek	Coastal Permit	Coastal Permit -Structure	Structure/ Occupy CMA (not white-bait stand)	Wastewater	To place two new waste-water pipelines under the beds of the Mokotua Stream and The Waimatua Creek by horizontal directional drilling, and to occupy that space within the Coastal Marine Area	2-Jun-55	693 - 919 Bluff Highway and 1599 - 1738 Bluff Highway	To place two new wastewater pipelines under the bed of the Mokotua Stream and the Waimatua Creek by horizontal direct drilling and to occupy that space within the Coastal Marine Area
AUTH-204735 Transferred from L144-001 (Leven Investments)	Invercargill City Council	Environment Southland	Invercargill City Council Fox Street Stormwater Outfall at Bill Richardson Drive	Coastal Permit	Coastal Permit - Disturbance	Disturbance/ removal CMA	Other	To install stormwater pipes in the stopbank of the Waihopai River, just above the borstal bridge in Invercargill; to place an outlet structure in the coastal marine area; and to occupy the coastal marine area with the outlet structure	2043-01-31	41 Bill Richardson Drive Invercargill	To install stormwater pipes in the stopbank of the Waihopai River, just above the borstal bridge in Invercargill; to place an outlet structure in the coastal marine area; and to occupy the coastal marine area with the outlet structure.
AUTH-205672	Invercargill City Council	Environment Southland	Invercargill City Council Marine Parade Bluff Stormwater Outfall	Coastal Permit	Coastal Permit -Structure	Structure/ Occupy CMA (not white-bait stand)	Other	To install and occupy the coastal marine area a stormwater outlet, supported by concrete boxing and surrounded by rock boulders along Bluff Harbour foreshore, adjacent to Marine Parade, Bluff	2043-08-26	230 to 252 Marine Parade Bluff	To install and occupy the coastal marine area a stormwater outlet, supported by concrete boxing and surrounded by rock boulders along Bluff Harbour foreshore, adjacent to Marine Parade, Bluff.
AUTH-302475-01	Invercargill City Council	Environment Southland	Invercargill City Council Beatrice Street Invercargill Stormwater outfall	Coastal Permit	Coastal Permit -Structure	Structure/ Occupy CMA (not white-bait stand)	Other	To occupy the coastal marine area with a new headwall and outlet and associated works at Bill Richardson Drive, Invercargill	2049-01-14	177 and 179 Bill Richardson Drive Invercargill	To occupy the coastal marine area with a new headwall and outlet and associated works at Bill Richardson Drive, Invercargill
AUTH-202189	Invercargill City Council	Environment Southland	Invercargill City Council Omaui Sewage Discharge	Discharge Permit	Land Discharge Consent	To Land	Wastewater	To discharge oxidation pond treated effluent to land at Mokomoko Road, Omaui	2029-02-26	196 Mokomoko Road Omaui	To discharge oxidation pond treated effluent to land at Mokomoko Road, Omaui

AUTH-302764-01	Invercargill City Council	Environment Southland	Invercargill City Council Biosolids to Land	Discharge Permit	Land Discharge Consent	To Land	Wastewater	To discharge biosolids to land at Christies Road, Sandy Point, Invercargill, from the Clifton wastewater treatment plant	2034-12-18	300 - 590 Dunns Road Invercargill	To discharge biosolids to land at Christies Road, Sandy Point, Invercargill, from the Clifton wastewater treatment plant
AUTH-302764-02	Invercargill City Council	Environment Southland	Invercargill City Council Biosolids to Land Air Discharge	Discharge Permit	Air Discharge Consent	To Air	Wastewater	To discharge dust and odour to air when putting biosolids into windrows at Christies Road, Sandy Point, from the Clifton wastewater treatment plant	2034-12-18	300 - 590 Dunns Road Invercargill	To discharge dust and odour to air when putting biosolids into windrows at Christies Road, Sandy Point, Invercargill, from the Clifton wastewater treatment plant
AUTH-94556-V1	Invercargill City Council	Environment Southland	Invercargill City Council Branxholme Water Treatment Plant	Discharge Permit	Water Discharge Permit	To Water	Wastewater	To discharge up to 2,200 cubic metres per day of filter backwash water into the Oreti River and into the ground via the base of the settling pond	2038-05-09	92 Turkey Bush Road Makarewa Invercargill	To discharge filter backwash water to the Oreti River and to land at Branxholme
AUTH-99062	Invercargill City Council	Environment Southland	Invercargill City Council Bluff Sewage Discharge Structure (pipeline)	Coastal Permit	Coastal Permit -Structure	Structure/ Occupy CMA (not white-bait stand)	Other	To occupy the coastal marine area with a sewage outfall pipeline at Ocean Beach Bluff	2025-12-31	1 Ward Parade @ 53 McGorlick Street Bluff	To occupy the coastal marine area with a sewage outfall pipeline at Ocean Beach Bluff
AUTH-99139-V1	Invercargill City Council	Environment Southland	Invercargill City Council Branxholme Water Treatment Plant	Water Permit	Water Permit - Surface Water Take	Surface Water Take (Consump-tive)	Water	To take up to 47,200 cubic metres of water per day from the Oreti River at Branxholme for Invercargill town supply	2038-06-10	92 Turkey Bush Road Makarewa Invercargill	To take up to 47,200 cubic metres of water per day from the Oreti River at Branxholme for Invercargill town supply
AUTH-204383	Invercargill City Council	Environment Southland	Invercargill City Council Ascot Height Stormwater to Land in circumstances where it may enter water	Discharge Permit	Water Discharge Permit to land where it may enter water	To Land	Stormwater	To discharge stormwater to land, in circumstances where it may enter water	6-Jun-42		To discharge stormwater to land, in circumstances where it may enter water
AUTH-98236	Invercargill City Council	Environment Southland	Invercargill City Council Bluff Sewage Discharge	Coastal Permit	Coastal Discharge Permit	Discharge to Water CMA	Wastewater	To discharge treated sewage and wastewater into the coastal and marine area for the purpose of wastewater disposal in Foveaux Strait, Bluff (Restricted Coastal Activity)	2025-12-31	53 McGorlick Street Bluff	To discharge treated sewage and wastewater into the coastal and marine area for the purpose of wastewater disposal in Foveaux Strait, Bluff (Restricted Coastal Activity)
AUTH-20232835-01	Invercargill City Council	Environment Southland	Invercargill City Council Russell Street Stormwater Outfall at North Road	Coastal Permit	Coastal Permit -Structure	Structure/ Occupy CMA (not white-bait stand)	Stormwater	To occupy part of the Coastal marine Area with a new stormwater outfall and associated works	7-Mar-48	True left bank of Waihopai River after the North Road Bridge	To occupy part of the Coastal marine Area with a new stormwater outfall and associated works

Other Authorisations											
AUTH-20202040-01	AF & GJ Whyte	Environment Southland	To discharge cleanfill to land	Land Discharge Consent	To Land	Land Use		To a stable and inert by-product from the Branxholme Water Treatment Plant	30-Apr-40	109 Turkey Bush Road, Wallacetown	Permit to dispose of dried solids produced at the Branxholme Water Treatment Plant
4109	Invercargill City Council	AB Lime (Environment Southland)	To dump primary sewage screenings and dog carcasses to Southland Regional Landfill	Special waste permit				To send weekly loads of septic solid waste to The Southland Regional Landfill (Approximately 2 Tonne wet/ week)	15-Jul-26	11 Lake Street Invercargill	To dump primary sewage screenings and dog carcasses to Southland Regional Landfill