Ōpōtiki District Council

STRONG COMMUNITY STRONG FUTURE

Ōpōtiki District Council

2024/25 Summary Annual Report

Summary of the Ōpōtiki District Council 2024/25 Annual Report

From the Mayor and CE

For those diving deep into local government information and activities for the first time, an annual report is a good place to start.

Like an annual report for a company or any other organisation, it provides an overview of the company's finances and operations over the last year. But unlike

a company selling widgets to customers, this report provides an oversight of the huge number of vital services and infrastructure that shape our lives here in Ōpōtiki and how ratepayer money is being spent to keep these looked after and ready for the next generation.

Infrastructure maintenance and upgrades are a big part of this report. You will see progress on major projects like the Wastewater Treatment Plant Upgrade, work to provide Te Kaha with new bores to provide safe and sustainable drinking water, improvements to rural stormwater catchments and many other vital upgrades to our local infrastructure.

You'll also read about large-scale repairs and improvements to community facilities. A community isn't built on pipes in the ground – our facilities like parks and reserves, properties, boat ramps, and cemeteries have been built up over many generations to create community spaces and places for everyone to enjoy. These also need to be looked after and developed so they continue to serve the community for many more years.

The day-to-day work and capital projects outlined in this report have been carried out in a period of sector-wide change and challenge. Central government reforms in three waters, resource management, earthquake prone buildings and building consents, transport and roading, and even policing all impact us locally.

The wider cost of living challenges impact across all council activities. The inflationary pressures and cost of living crisis are impacting our communities deeply. And those same pressures are even sharper for local government. Over the past three years, the cost of building roads, bridges or sewerage systems has increased more than 30%.

This of course in reflected in rates rises across New Zealand and Ōpōtiki has been no exception. For the last couple of years, council has made do, tightening its belt and reducing services and therefore costs. But you'll see in these pages, the impact of growing costs and pressures, further rates rises and cuts are almost inevitable.

But in spite of these headwinds, there have been some big wins this year and we see more to come. The past year saw construction winding down on the Ōpōtiki Harbour (although a little dredging and tidying up still to come) and a highlight has been watching mussel boats using the upgraded wharf during 2025. This project continues to illustrate what can be achieved when central government, iwi, private industry, and local government come together to work towards a vision of economic growth and wellbeing for their communities.

We have also continued to build strong relationships with the community, community groups, local businesses and partner organisations, particularly Whakatōhea, Ngai Tai and Te Whānau a Apanui. We look forward to continuing building on these strong relationships with the new council sworn in in October 2025.

So, for those who are reading this report for the first time, please enjoy diving into the detail in these pages. It is a well-prepared and thorough insight and I'm sure many people will be surprised at the breadth of responsibility the council has and the services it has delivered for our communities in the past 12 months.

Mayor David Moore

CEO Stace Lewer

What you’ll find in this report

Our performance

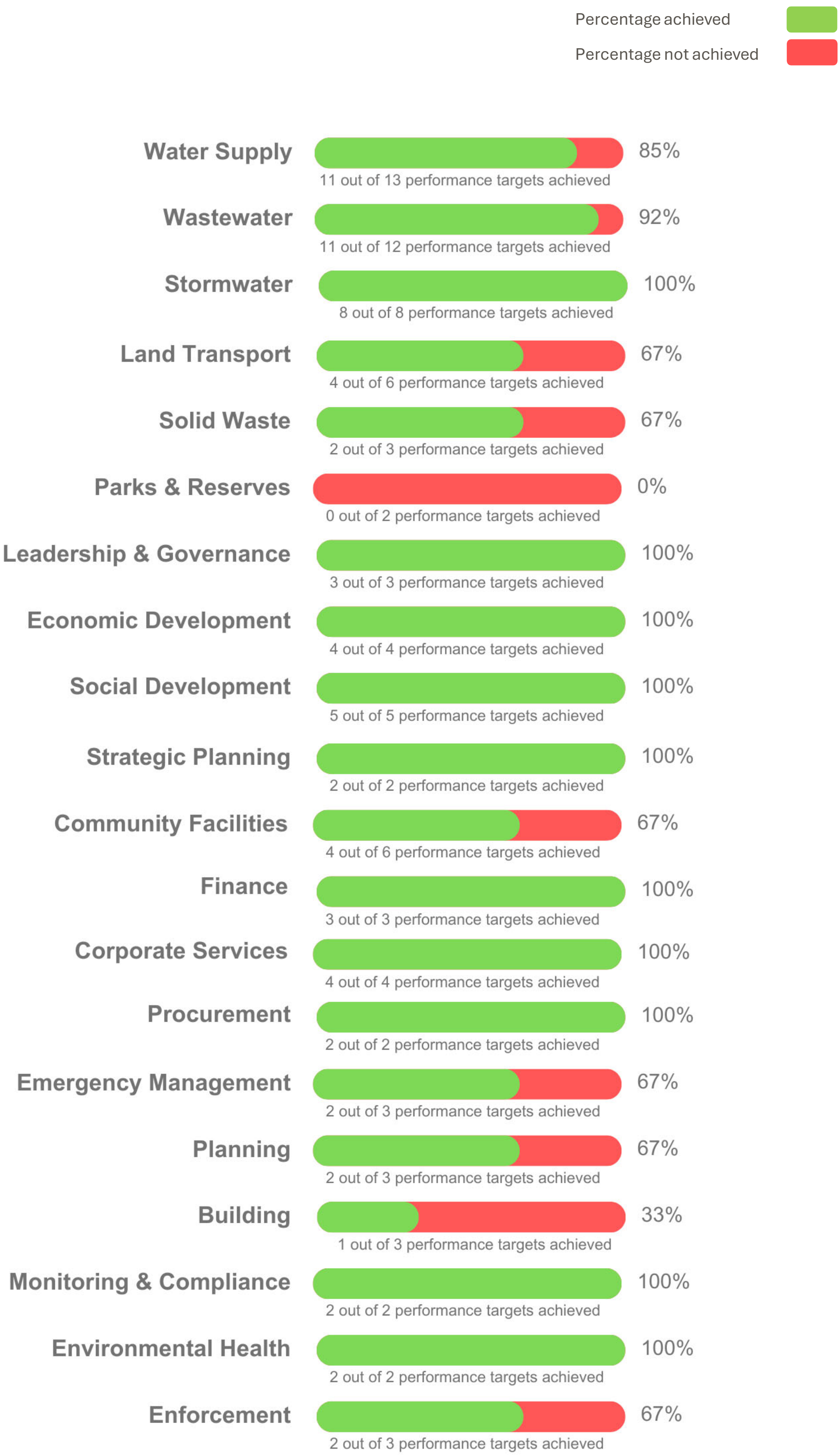
Our projects and work programmes were contained in 21 groups of activities.

In our Long Term Plan for the 2024/25 financial year we had 89 non-financial performance measures to report on. The measures provide us with targets to meet, covering things such as responsiveness, safety, timeliness, meeting statutory requirements, and compliance.

This graph shows the percentage of targets achieved and not achieved under each significant activity.

Detailed reporting on the individual measures can be found in our full Annual Report along with information on why some targets were not met and highlights for some that were.

You'll find this information in the Activities and Performance section. We also show how our measures help us achieve our community outcomes and what progress has been made towards achieving the outcomes.


Percentage achieved
Percentage not achieved
Water Supply
85%
11 out of 13 performance targets achieved
Wastewater
92%
11 out of 12 performance targets achieved
Stormwater
100%
8 out of 8 performance targets achieved
Land Transport
67%
4 out of 6 performance targets achieved
Solid Waste
67%
2 out of 3 performance targets achieved
Parks & Reserves
0%
0 out of 2 performance targets achieved
Leadership & Governance
100%
3 out of 3 performance targets achieved
Economic Development
100%
4 out of 4 performance targets achieved
Social Development
100%
5 out of 5 performance targets achieved
Strategic Planning
100%
2 out of 2 performance targets achieved
Community Facilities
67%
4 out of 6 performance targets achieved
Finance
100%
3 out of 3 performance targets achieved
Corporate Services
100%
4 out of 4 performance targets achieved
Procurement
100%
2 out of 2 performance targets achieved
Emergency Management
67%
2 out of 3 performance targets achieved
Planning
67%
2 out of 3 performance targets achieved
Building
33%
1 out of 3 performance targets achieved
Monitoring & Compliance
100%
2 out of 2 performance targets achieved
Environmental Health
100%
2 out of 2 performance targets achieved
Enforcement
67%
2 out of 3 performance targets achieved

Highlights and significant events

Wastewater

The Ōpōtiki wastewater rising main was under threat from gradual river erosion and has been successfully diverted away from the river edge. Council approved relocating it to a safer distance of at least 17m from the river's edge. At the current erosion rates, this repositioning provides Council with 2-4 years to continue developing longer-term solutions, which are currently being considered through the Long-Term Plan process, while also implementing measures with the regional council to reduce the rate of erosion.

Work is well underway on the consent application to the Bay of Plenty Regional Council (BOPRC) to replace the existing consent to discharge treated wastewater, which expired in July 2025. Council is seeking a new consent with updated conditions. Alongside this, Council will evaluate upgrade and develop options for its current wastewater discharge scheme. Our wastewater treatment facilities have served the Ōpōtiki community well; however, the current setup is under significant pressure and will not meet our communities' future needs without enhancements. Council is committed to making improvements within the next couple of years to address immediate challenges, while also planning infrastructure that will serve us for the next 50 years and deliver better outcomes for our community and the environment.

Key progress includes: the rising main has been successfully relocated to mitigate immediate risks; our application for environmental effects (AEE) has been lodged with BOPRC, and the request to continue operating for section 124 has been accepted, placing the application on hold. This strategic pause protects our existing consent while allowing time to engage meaningfully with iwi/hapū and key stakeholders, as well as to evaluate the forthcoming national wastewater standards. We have also initiated direct consultation with Taumata Arowai to ensure these new standards align effectively with our unique wastewater treatment and disposal system.

Stormwater

In September 2023, a large rain event occurred resulting in floodwater that had accumulated in the rural catchment behind the township crossing the Duke St drain and entering the urban area. This resulted in significant ponding at the back end of town until the rural catchment pump station could lower the flood level enough for the urban area flood gates to open and drain the flood water back into the rural land. In advance of that event, work had already progressed on a concept design of a stopbank at the southern end of town which would prevent a similar type of event from occurring again.

Council have progressed plans with seeking external funding to support the delivery of a stopbank at the back end of town and have progressed with the scoping and procurement plans to get investigations and designs underway which will continue into 2025/26 with the possibility of some construction work in the construction season in the same year.

Harbour Development Project

After the announcement on 28 February 2020 that the government would fund the harbour from the newly formed National Infrastructure Fund, in conjunction with the contribution from Bay of Plenty Regional Council, negotiation started on the funding agreement with the Ministry of Business Innovation and Employment (MBIE). MBIE would take on the ownership and risk of the Harbour wall construction. HEB Construction, who had already won the tender with designer Tonkin and Taylor, progressed with the final design for review, while Council proceeded with consultation and planning for the upgrade of Snell Road. In August 2020, Snell Rd was completed in time for HEB to move onto site September 2020.

HEB started with their enabling works constructing laydown areas and haul roads and completing the dynamic compaction testing. In October 2020, MBIE commenced procurement and supply of nearly 400,000 tonnes of rock and that was concluded in November 2022. The walls required 12,000 hanbar reinforcing units to protect the walls against wave action. The units have been manufactured on site using concrete from Eastern Bay Concrete in Ōpōtiki. Hanbar casting was completed in October 2022. In August 2022, Hinewai, the amphibious excavator, commenced dredging the river and channel.

Through July 2023 to June 2024, the old river channel was closed and water started to flow through the new harbour walls and has been open to boats since September 2023. Dredging of the channel and into Pākihikura has continued through the year and will be completed in 2025/26 financial year. In the meantime, upgrades to the Ōpōtiki wharf have been completed to accommodate the mussel boats as an interim measure while the private marina and commercial wharf progresses on the western side of Pākihikura. The mussel boats have started to operate from the Ōpōtiki wharf and are using the harbour entrance which is a significant milestone for the community. Work has also been completed on upgrading the access road and carpark to the eastern wall. Additionally, on the western side, one of the largest planting and dune-restoration projects in New Zealand is ongoing and will be carried out over several years.

Upgrades to the Ōpōtiki wharf have been completed to accommodate the mussel boats

Parks and Reserves

Hukutaia Domain Care Group Partnership

Hukutaia Domain is a nationally significant reserve in Ōpōtiki, valued for its unique native plant collection and the sacred Puriri tree Taketakerau. While the Domain is owned by Council, the reserve's ongoing care is largely supported by the Hukutaia Domain Care Group, whose volunteers contribute around 1,000 hours annually to maintain tracks, control pests and weeds, monitor biodiversity, and enhance visitor experience through signage and education. Their work, supported by Council, plays a vital role in preserving the ecological integrity and cultural heritage of the domain, making it one of the most visited and well-maintained natural spaces in the district.

Motu Trails Partnership & the Newly Completed Pākihikura Harbour Trail

Council works in close partnership with the Motu Trails Charitable Trust, in conjunction with Te Tāwharau o Te Whakatōhea, to maintain and promote the Motu Trails Great Ride. This strong collaboration is central to the success of the trail network - comprising the Dunes Trail, Motu Road, Pakihi Trail, Ōtara Trail, Waiotahe and Waioweka Trails, and now significantly enhanced by the recently completed Pākihikura Harbour Trail. The addition of this new trail has further strengthened the network's appeal, attracting more locals and visitors to experience the region's unique landscapes. The Motu Trails Charitable Trust, supported by dedicated local volunteers, plays a critical role in keeping these shared-use cycle trails open, safe, and maintained to a high standard, while Council provides ongoing support and resources to sustain and grow this iconic regional asset.

Ōpōtiki Town Wharf and Boat Ramp

A new overflow boat trailer parking area has been constructed adjacent to the Coastguard Ōpōtiki Clubhouse and is now regularly used during peak boat ramp activity, with over 100 users on some days. This improvement addresses overcrowding at the existing sealed wharf boat ramp car park, which had become too busy and left insufficient space for boat trailer parking while still allowing vehicles to manoeuvre safely when launching and retrieving boats. By providing a dedicated overflow area, the upgrade eases pressure on the main car park and minimises the risk of accidents in busy congested zones, creating a safer environment for both boat ramp users and pedestrians accessing the wharf and surrounding facilities.

Whitikau Reserve Upgrade Complete

The upgrade of the Whitikau Reserve entry area and surrounding spaces is now complete. Key improvements include:

Enhanced Entry and Parking:

A new post-and-wire rope fence, incorporating historic old wharf piles as landscape features, has been installed to complement the reserve's character. Steel bollards now restrict vehicle access from the recently constructed car park, preventing cars from parking on the grass adjacent to the skatepark and keeping vehicles off pathways. This creates a much safer environment for people using the skatepark and those enjoying the reserve.

Historic Feature Restored:

During the skatepark construction, an old hand-crane cog - once used when ships could berth in this area - was unearthed. This piece of local history has been cleaned and mounted at the main entrance as a heritage feature.

Cenotaph Refurbishment: The war memorial cenotaph at the reserve entrance has been cleaned and repainted. A new brass plaque, commemorating three soldiers who lost their lives during the Malaya (1948–1960) and Malaya-Borneo (1963–1966) conflicts, was commissioned and unveiled during the Armistice Day service on 11 November 2024.

Water Supply

Council continued to provide safe collection, treatment, and reticulation of potable water supply to around 5,750 households in communities of Te Kaha, Ōpōtiki, Hukutaia, Waiotahe Beach and Ōhiwa.

This year saw several major developments in our water infrastructure projects. The Drinking Water Hygiene Code of Practice was successfully completed, marking a significant milestone in ensuring safe and compliant water services. Upgrades were carried out on the Programmable Logic Controllers (PLCs) at the Ōpōtiki bores, booster station, and Water Treatment Plant, enhancing operational efficiency and reliability. Additionally, the SCADA screens at the Water Treatment Plant were updated to include UV monitoring, improving visibility and control of water quality processes. Planning has also resumed for the Te Kaha Water Source project, with detailed scoping underway to restart the initiative following the collapse of a pilot bore that had previously put the project on hold.

Land Transport

In November 2024, Waka Kotahi (NZ Transport Agency) audited Council's transport activity, covering five years of work funded through the National Land Transport Fund. The audit confirmed sound financial management and effective contract delivery, with some areas identified for improvement - such as making financial data easier to access and updating overhead charges.

Between June and August 2025, Ōpōtiki experienced several severe weather events, with major flooding on 30 July causing road closures and damage across the district. Initial response and repair costs totalled $646,804. Due to the scale of the damage, Waka Kotahi increased its funding support to 95% for part of the recovery work. Major repairs continue on Takaputahi and Waiotahe Valley Roads, with clean-up efforts ongoing.

Solid Waste

In 2024/25, Council delivered several major developments across solid waste services. The weighbridge at the Ōpōtiki Resource Recovery Centre (RRC) went live, providing reliable data and enabling smarter waste tracking allowing for improved reporting to the Ministry for the Environment. Kerbside recycling was standardised to align with national guidelines, with clearer rules and less contamination.

The Waste Management and Minimization Plan was reviewed, consulted on, and adopted, setting goals and actions for the upcoming years.

A community-led Repair Café continues to grow and develop, promoting reuse and repair.

Significant capital works at the Ōpōtiki RRC included reconfiguring and expanding the green waste area to support future site upgrades, the construction of a secure area to store the more hazardous materials including chemicals, asbestos containing materials identified in deposited waste, and the recently installed AgRecovery recycling container which is a agricultural chemical container recycling scheme.

Council began accepting commercial waste including construction and demolition waste at the Ōpōtiki RRC, resulting in a significant increase in waste volumes. This is to provide a better understanding of regional waste flows and may impact future transport and disposal costs. The improved data now being captured helps shape better planning, pricing, and contract management going forward.

Ōpōtiki Resource Recovery Centre weighbridge ready for annual calibration

Te Tāhuhu o Te Rangi

The library continues to serve as a safe, welcoming community hub, with a strong focus on outreach to rural and coastal areas as outlined in Year 2 of the Te Tāhuhu o Te Rangi rautaki (strategy). A key initiative was the return of DORA, the Digital Inclusion bus, to Ōpōtiki for a week, fully funded by DIAA. The library team supported the community by helping with technology issues, scam awareness, antivirus software, and promoting health apps. The team also showcased Tere Atu Tere Mai, the 'Library of Things' collection of technology available for borrowing and training. This outreach strengthened community connections and extended the library's friendly support beyond its physical space.


As a result of these outreach initiatives, several inland and coastal schools now visit the library weekly to engage in Makerspace programmes and access resources like BWB eCollections for curriculum support, including History and Māori Land Court topics. Students are also bringing their whānau to explore the library's shared resources, sparking curiosity and wonder. The Te Ao Pakihi – World of Business outreach programme introduced concepts around careers, volunteering, and hauora (wellbeing). Proceeds from student-made goods will support the Ōpōtiki Volunteer Fire Brigade, who contributed by highlighting the value of volunteering in one of the talks given to the tauira from local inspirational people including the headboy at Ōpōtiki College, who is also serving as a Youth Member of Parliament.



Our library continues to house art and exhibits from local artists with a high calibre of talent. Notable works displayed have been from students completing Art diplomas at Te Wānanga o Aotearoa, the renowned artist Fiona Kerr Gedson as well as inaugural exhibits from Hinetera Ruha.


The Nethia Morgan (née Waterson) Research Room housed a powerful and serene exhibit titled *'Our Journey as Whakatōhea'*, accompanied by birdsong to enhance the atmosphere. The library also hosted significant events, including the launch of several books by local wāhine, the Reo Strategy and Iwi Curriculum by the Iwi Development Team of Te Tāwharau o Te Whakatōhea, further strengthening the role of Te Tāhuhu o Te Rangi in supporting cultural and educational initiatives. The rooms continue to provide space for those seeking a third space to meet, study and work. A series of videos were created to focus on four locals using their local library as a source of education, entertainment, business opportunities to utilise what this Council service provides to bring the community together to thrive and support its growth.

Eastern Bay Spatial Plan

Council adopted the Eastern Bay Spatial Plan on 26 June 2025, which was developed with Whakatāne District Council, Kawerau District Council, Bay of Plenty Regional Council and Eastern Bay iwi partners. The Spatial Plan was developed to guide planning for more homes (and house up to 11,000 more people), provide more business land and support job growth, while also enabling primary industries to grow, enhancing the natural environment, and living with a range of natural and climate change hazards.

The Spatial Plan development has paved the way for preliminary works to be carried out assessing suitable land for new residential, commercial and industrial growth. A structure plan was developed which identifies approximately 330ha of rural land in Hukutaia that can accommodate over 2000 residential sites as well as areas for commercial and community development. Council agreed to progress a district plan change to rezone this area which may be delivered through a Streamlined Planning Process.

Council has also approved an industrial demand feasibility study which identified 26ha of land suitable to be progressed for site-specific assessments to better inform which sites should be rezoned industrial through a district plan change.

Eastern Bay Economic Development Strategy Refresh

On 29 April 2025, Council adopted a refreshed Eastern Bay Economic Development Strategy that was developed in partnership with Whakatāne District Council, Kawarau District Council and the Bay of Plenty Regional Council. The approach to the refresh began with a framework designed to coordinate economic activity and foster greater prosperity and well-being across the subregion. The strategy's purpose is to 'unlock resilient economic development for the Eastern Bay of Plenty' and the vision for 2055 was that 'the region will be an attractive place to visit, work and live, with flourishing communities and thriving natural and built environments'.

The final strategy identifies Development Focus Areas for the three districts with Ōpōtiki identified as being the "aquaculture centre of national significance". It also identifies further development potential in the agriculture and horticulture sectors. Ōpōtiki has highly fertile land with the potential for expansion and synchronised seasonal employment between horticulture and aquaculture.

Four cross-cutting constraints to progressing economic development in the Eastern Bay were identified as housing, transport and connectivity, workforce, and capital. The Eastern Bay Spatial Plan provides a framework to help our communities grow in a sustainable way. It focuses on improving amenities, protecting our environment, offering better transport options, and providing housing that meets the needs of a diverse and growing population. Implementation of the Economic Development Strategy and the Spatial Plan will go hand in hand to address these cross-cutting constraints.

Legislative Changes

Resource Management Reform package

Following the 2023 general elections the current government introduced a phased approach to reforming the Resource Management Act 1991 with a growth-orientated agenda that reduces unnecessary barriers to prevent development. Since this time, Phase 2 of the reform is well underway which over the past year has seen the following changes:

- Legislation for a fast-track approvals regime that would make it easier to consent new infrastructure, renewable energy and other developments
- The development of the 'Going for Growth' economic package which intends to boost economic performance.

By November 2025, Phase 3 will be enacted which will see the replacement of the Resource Management Act 1991.

Local Water Done Well

Local Water Done Well is the government's approach to address long-standing water infrastructure challenges. The Local Government (Water Services Preliminary Arrangements) Act 2024 and the Local Government (Water Services) Bill set out the various arrangements, and requirements on councils and water services providers. The Act requires Council to formally approve and submit a Water Services Delivery Plan (WSDP) to the Department of Internal Affairs by 3 September 2025. Council consulted with the community in May and June 2025 and in August adopted a WSDP which will see future service delivery provided through an internal business unit whilst continuing to explore potential joint Water Service Organisation (WSO) with other councils.

Princess Street Grandstand Project Completed

In May 2025, the Princess Street Reserve Grandstand project was successfully completed, marking the end of a significant community upgrade.

The grandstand had long been identified as earthquake-prone, with structural issues that led to a recommendation to remove the top part of the grandstand back in 2022. While the upper structure been deemed unsafe, the lower level continued to serve as toilet and changing facilities for the local sports club.

In June 2024, Council resolved to remove the ageing wooden grandstand from the top of the building, and to reroof and modernise the remaining facilities. The project was funded through the Government's Better Off Funding programme. The work included asbestos removal, safe demolition of the upper level, reroofing, and a full interior upgrade of the toilets and changing rooms.

The result is a safer, more functional facility that will continue to serve the community well into the future. The project also demonstrates Council's commitment to renewing community assets in a responsible and sustainable way.

Ōpōtiki Matariki Festival – National Recognition for a Growing Community Event

The Ōpōtiki Matariki Festival has become a signature event for the district since its establishment in 2018, consistently bringing together community, culture, and celebration. Its success has also been recognised nationally. The Ōpōtiki Matariki 2023 festival was nominated for the New Zealand Events Association (NZEA) Award for Best Community or Not-For-Profit “Under 3000 Participants” category and were announced as winners at the award ceremony held in August last year. More recently, it was announced that the Ōpōtiki Matariki 2024 festival has again been nominated in this same category as well as a second nomination in the category for Best Art, Cultural or Heritage Event.

The Ōpōtiki Matariki 2025 festival programme was delivered in June and included a range of cultural, environmental, and community activities. These included the Hautapu ceremony at Omarumutu Marae, the Glow Worm and Night Walks at Hukutaia Domain, storytelling and workshops, planting days, a night market, and performances. Together, these activities created opportunities for reflection, learning, and connection across the community.

The festival’s continued growth and recognition are a direct reflection of the strong partnerships between Council, local iwi, community organisations, and volunteers. Council’s isite team plays a central role in coordinating the event, supported by staff across the organisation. Their efforts, combined with community participation, ensure the festival remains both meaningful locally and highly regarded nationally.

Strategies

Waihau Bay Masterplan

On 10 June 2025, Council adopted the Waihau Bay Masterplan and Implementation Plan. The plan provides a starting point for development opportunities within the area while preserving Waihau Bay's unique character and cultural values. The masterplan responds to the emerging challenges within the area, namely parking congestion, infrastructure capacity, environmental concerns, and public safety.

Spaces & Places Strategies

On 29 April 2025, Council adopted its regional & local spaces and places strategies. These strategies are developed to guide planning and investment in play, active recreation, sports spaces and facilities. The regional strategy outlines a shared vision, mission, goals, and priorities over a four-year period. While the local strategy provides for a tailored roadmap to improve facilities and increase user participation.

Policy Changes

Freedom Camping Bylaw

On 10 December 2024, following public consultation, Council approved the Freedom Camping Bylaw. The bylaw provides for how Council will address freedom camping in the district.

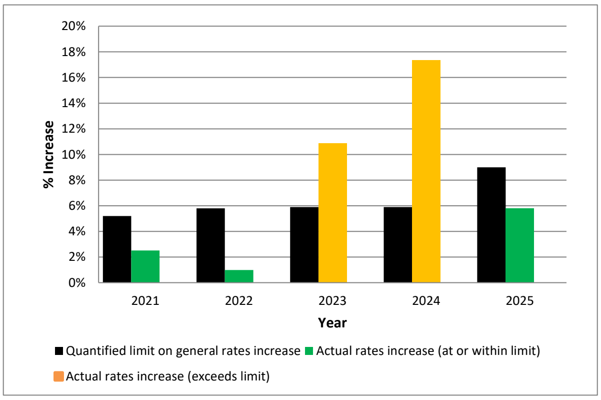
Local Easter Sunday Shop Trading Policy

Following a special consultative procedure, on 10 April 2025 Council agreed to renew its Local Easter Sunday Shop Trading Policy. The policy guides how businesses within the district can operate on Easter Sunday.

Financial reporting and prudence

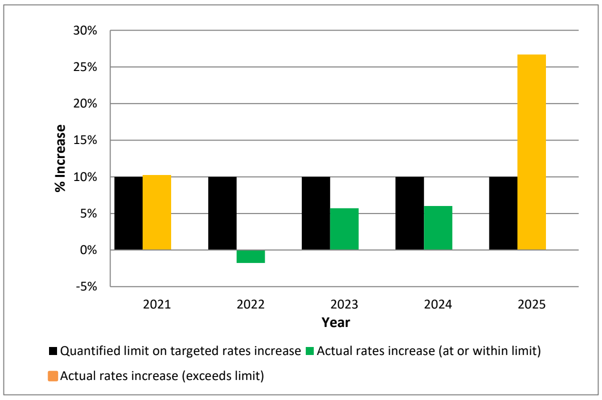
Rates (increases) Affordability Benchmark – General Rates

This graph compares the council's actual general rates increases with a quantified limit on general rates increases included in the financial strategy included in the council's long-term plan. The quantified limit is LGCI plus 3%.



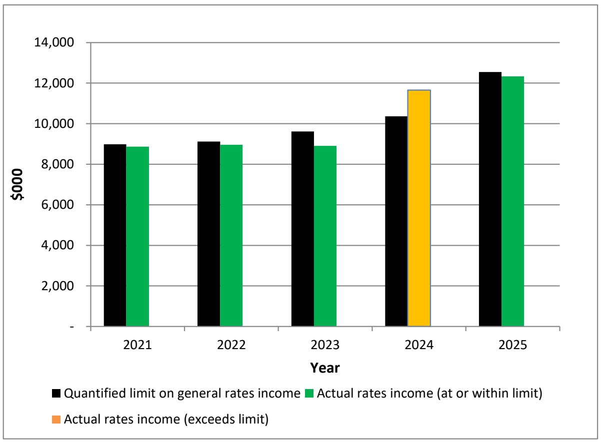
Rates (increases) Affordability Benchmark – Targeted Rates

This graph compares the council's actual targeted rates increases with a quantified limit on targeted rates increases included in the financial strategy included in the council's long-term plan. The quantified limit is 10%.



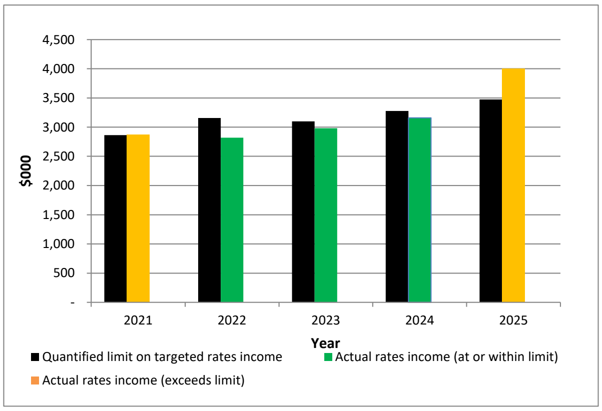
Rates (Income) Affordability Benchmark – General Rates

This graph compares the council's actual general rates income with a quantified limit on general rates contained in the financial strategy included in the council's long-term plan. The quantified limit is prior year general rates plus (LGCI plus 3%).



Rates (Income) Affordability Benchmark – Targeted Rates

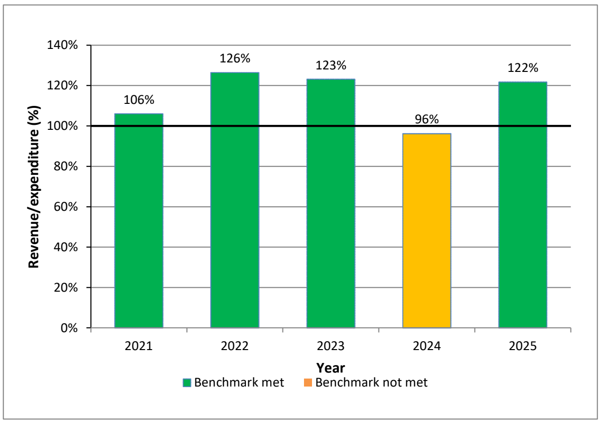
This graph compares the council's actual targeted rates income with a quantified limit on targeted rates income contained in the financial strategy included in the council's long-term plan. The quantified limit is prior year targeted rates plus 10%.



Balanced Budget Benchmark

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

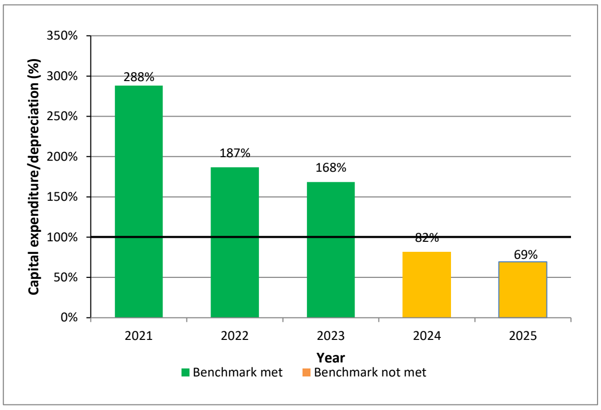
The council meets this benchmark if its revenue equals or is greater than its operating expenses.



Essential Services Benchmark

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

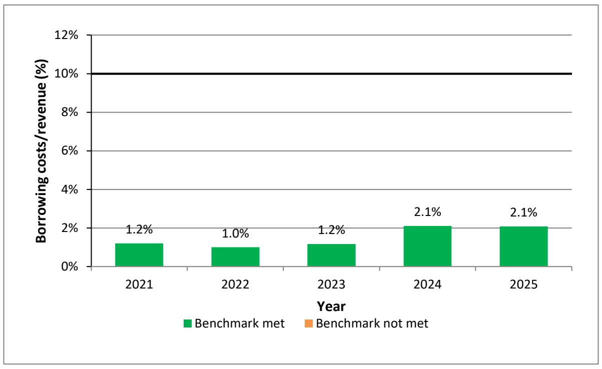
The council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.



Debt Servicing Benchmark

This graph displays the Council's borrowing costs as a proportion of revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financials and revaluations of property, plant, and equipment

Because Statistics New Zealand projects the district's population will grow more slowly than the national population growth rate, it meets the debt servicing benchmark if its borrowing costs equal or are less than 10% of its revenue.

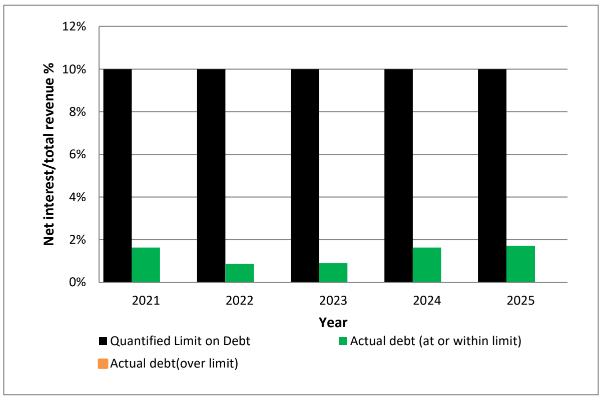


Debt Affordability Benchmark

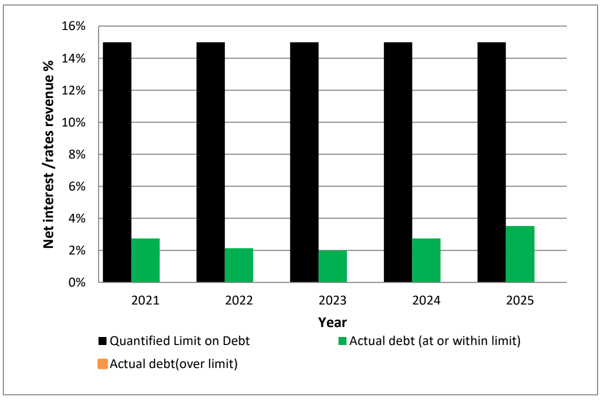
The Council meets the debt affordability benchmark if its borrowing is within each quantified limit on borrowing. The following graphs compare the Council's actual borrowing with the quantified limits on borrowing stated in the financial strategy included in the council's long term plan.

The quantified limits are:

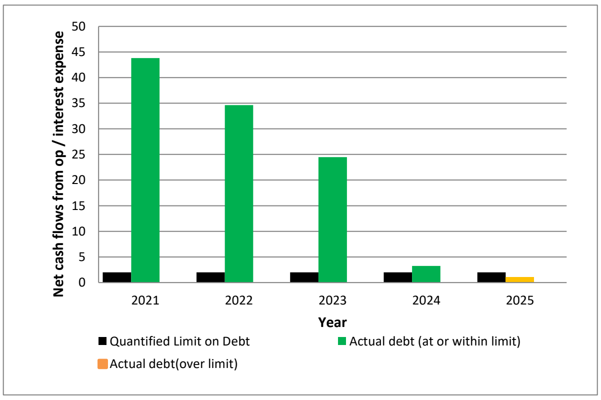
Net interest expense/total revenue less than or equal to 10%



Net interest expense/rates revenue less than or equal to 15%



Net cash flows from operating/interest expense greater than or equal to 2

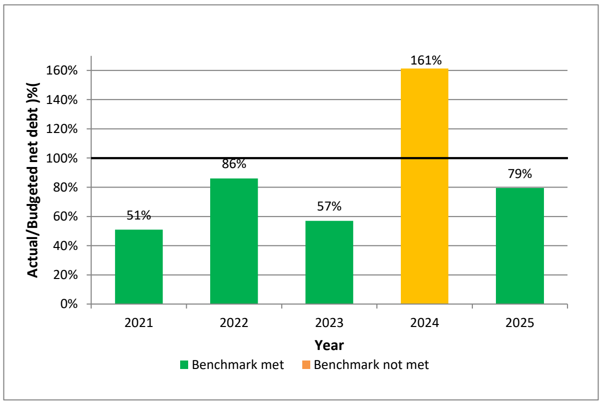


Debt Control Benchmark

This graph displays the council's actual net debt as a proportion of planned net debt.

In this statement, **net debt** means financial liabilities less financial assets (excluding trade and other receivables).

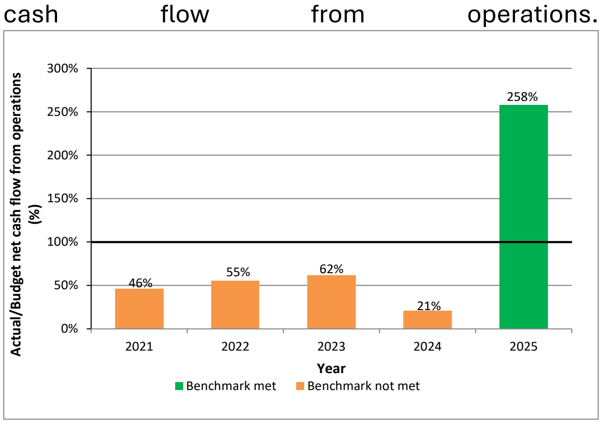
The council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt.



Operations Control Benchmark

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

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



Benchmarks not met

Rates (increases and income) Affordability Control Benchmarks – Targeted Rates

This benchmark was not met this year due to Council undertaking a number of targeted rate funded works, as outlined in the 2024-2034 Long Term Plan.

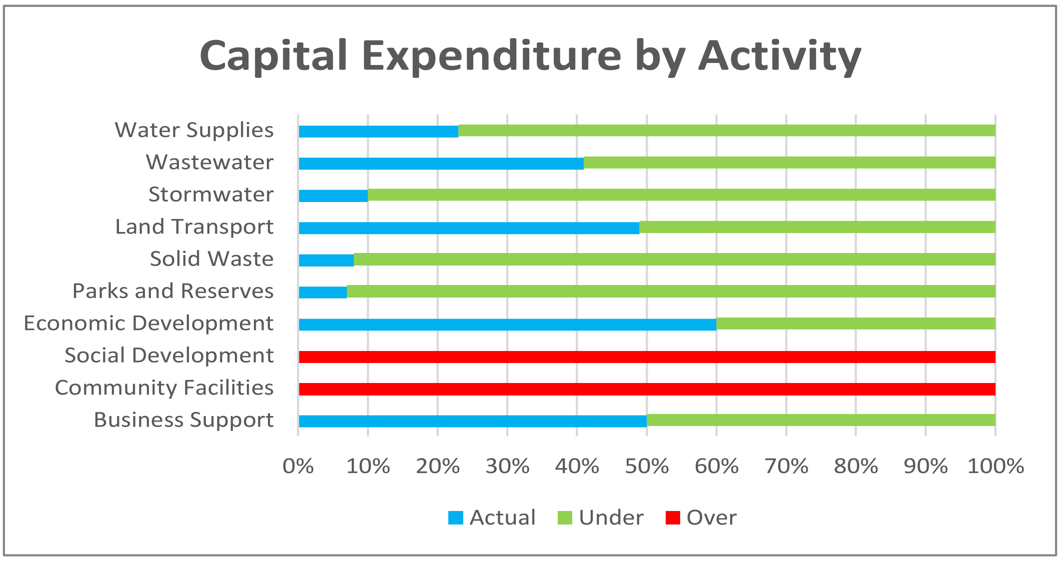
Essential Services Control Benchmark

This benchmark was not met this year due to a number of projects that were delayed due to the late adoption of the 2024-2034 Long Term Plan.

Our finances in brief

Millions

$33.1	Operating Revenue
$27.5	Operating Expenditure
$12.1	Capital Expenditure
$14.7	Borrowings
$385	Assets
$1.516	Rate increase for 2024/25



Major variances

Water Supplies – although a number of reticulation renewals and treatment plant renewals were in progress during the year, they and numerous other projects have been carried forward into 2024/25, including Hukutaia reticulation and upgrade, Te Kaha treatment plant relocation and Ohiwa telemetry upgrade. This was exacerbated by the late adoption of the 2024-2034 Long Term Plan.

Wastewater – The wastewater treatment plant upgrade and consent process will continue into 2025/26 year along with updated conditions. The Ōpōtiki wastewater rising main was successfully relocated to mitigate immediate risks. A number of reticulation and treatment renewals were progressed this year. The wastewater treatment plant early works and preliminary design stages have been carried forward into 2025/26.

Stormwater – scoping and procurement plans to get investigations and designs underway for Duke Street West Stopbank and Wellington Street Stormwater Basin were progressed with construction possible in 2025/26.

Land Transport – the annual reseal progressed during the year, while the widening and overlay of Snell (harbour access) Road is due for completion by June 2026.

Major emergency reinstatement works needed to be carried out due to damage caused by several severe weather events. Footpath renewals were able to be progressed this year.

Other projects completed during the year include traffic services renewals, and structures component replacements.

Solid Waste Management – the weighbridge at the Ōpōtiki RRC went live this year. Annual renewals programme progressed during the year. Resource consents were also progressed and will be submitted early 2025/26, following which capital renewals programme will be ready to commence.

Parks and Reserves – the Pākihikura Harbour Trail, Whitikau Reserve upgrade and Cenotaph refurbishment were completed during the year. A new overflow boat trailer parking area adjacent to the Coastguard Ōpōtiki Clubhouse was also constructed.

Economic, Social and Community Development – projects completed include earthquake strengthening (Princess Street Grandstand), CCTV safer communities, and events equipment.

Community Facilities – upgrades to the Ōpōtiki wharf have been completed. Work has also been completed on upgrading the access road and carpark to the eastern wall. Dredging of the harbour (on behalf of MBIE) progressed this year (and was completed in the first quarter of 2025/26). A number of public realm (CBD) projects were also completed this year.

Business Support – a number of fleet renewals, as well as IT hardware and software renewals and enhancements were completed during the year.

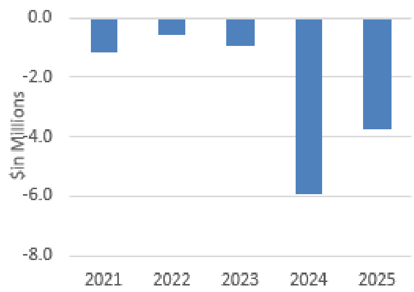
Financial overview

Council has been previously very conscious of keeping debt low to allow capacity to invest in the harbour development and the rehabilitation of the town's aging wastewater infrastructure. Now we start to see the organisation position itself for harbour operations and further development. Our debt levels have increased from a previously stable $9.5 million to $14.6 million as we have completed the projects highlighted in the above Highlights and Significant Events section. We are now looking to develop long term solutions in relation to wastewater and growth and aiming to understand the treatment plant upgrades required to sustain an extended wastewater network to cater for more resilience and greater housing development.

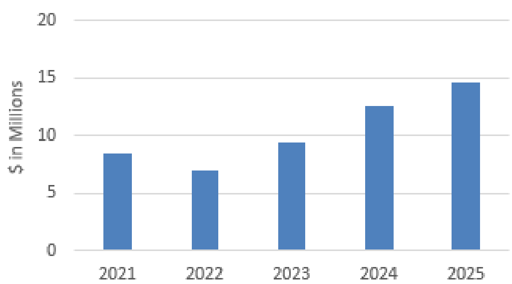
There is always a lot of public scrutiny on Council debt levels nationally, and there are several cases where some councils have let debt levels get out of hand. Sustainable debt levels and debt management is extremely important to Council and is an area which is managed well. Debt levels for Ōpōtiki are some of the lowest in the country currently and as the financial prudence measures outline further on in this report, are very sustainable in terms of Council's ability to meet its financial obligations.

It does need to be mentioned that the appropriate use of debt means that rates increases can be managed more effectively over a longer term. Take for example Council undertaking a capital project costing $100,000. This represents close to a 1% increase in rates. But if it was funded by borrowing, then the impact on rates would be a 0.1% increase on rates, meaning we could undertake $1,000,000 worth of capital projects for the same rating impact of one $100,000 capital project. The use of debt also helps smooth rate increases out between years, by spreading the impact of a large capital project over a number of rating years. This reduces the lumpiness of rate increases of large projects and also spreads the burden more fairly between current and future ratepayers (who will also benefit from the project).

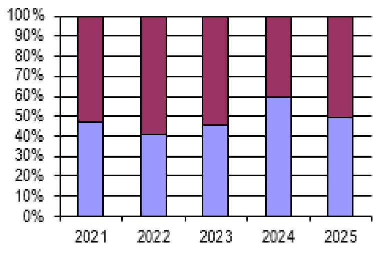
While debt is crucial to ensuring the Council is managing its assets appropriately, it also plays a significant role in ensuring that Council meets the service level needs of its community. Where there are new requirements for services driven by growth, Council needs to be able to respond to these needs. Debt is the appropriate tool to fund this response as the cost is spread over a long period. This promotes intergenerational equity. Intergenerational equity is a term used widely in Local Government because the assets we tend to build last many generations. Sometimes three or more generations. It is fair that the cost of the future benefit received by future generations is paid by future generations. Otherwise it would be the "now" generation paying for the benefit that those in the future would receive.



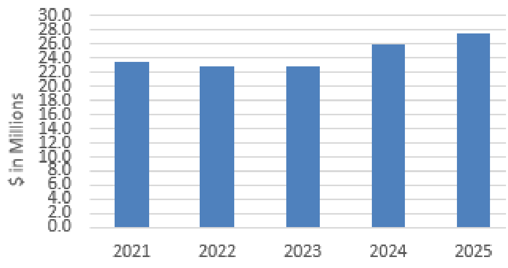
Working Capital



Public Debt



Revenue Ratios



Cost of Service

Financial summary

Variance Comments

Income

Overall Council has achieved an operating surplus of $5.6m for the year against a budgeted deficit of -$0.868million. This is due to the following:

Subsidies and Grants are higher than budget due largely to funding received towards the wharf upgrade and harbour redevelopment.

Fees and charges revenue is less than budget. This is due mostly to less income received from Resource Recovery Centres (RRCs), resource management and building control services.

Interest revenue is favourable due to it not being budgeted. Other revenue is also favourable, due to vested assets received. Due to delays in some capital projects, no development contributions were received.

Expenditure

Personnel costs are less than budget due to more unfilled positions than anticipated.

Depreciation and amortisation is higher than budget as a result of asset revaluations undertaken in the previous year being higher than expected.

Finance costs are less than budget due to the timing and number of capital projects which were delayed as a result of the late adoption of the 2024-2034 Long Term Plan. There were also challenges in programme and project management resourcing.

Other expenditure is less than budget due mostly to the delay in the adoption of the 2024-2034 Long Term Plan, affecting the timing in the execution of a number of operational projects. This includes those that play a critical role in supporting their associated capital works programme. This is partially offset by insurance costs being higher than budget.

Other comprehensive income is higher than budget due to the revaluation of Land and Buildings, and Parks and Reserves asset classes.

Ōpōtiki District Council Summary Statement of Comprehensive Revenue and Expense for the year ended 30 June 2025	Actual 2025 $000	Budget 2025 $000	Actual 2024 $000
Total Revenue	33,101	26,156	24,882
Operating Expenditure	26,813	26,073	25,340
Finance Costs	688	951	523
Operating Surplus/(Deficit)	5,600	(868)	(981)
Share of Associate Surplus/(Deficit)	-	-	-
Other Comprehensive Revenue			
Gain on Asset Revaluations	7,561	298	13,800
Total Comprehensive Revenue and Expense	**13,161**	**(570)**	**12,819**

Ōpōtiki District Council Summary Statement of Changes in Equity for the year ended 30 June 2025	Actual 2025 $000	Budget 2025 $000	Actual 2024 $000
Equity at the Beginning of the Year	350,767	336,629	337,885
Total Comprehensive Revenue and Expense	13,161	(570)	12,819
Transfers to/from Equity	180	-	63
	364,108	**336,059**	**350,767**
Equity - Closing Balances			
Accumulated Funds	158,097	150,820	152,140
Asset Revaluation Reserves	202,918	182,677	195,809
Council Created Reserves	3,093	2,562	2,818
Equity at the End of the Year	**364,108**	**336,059**	**350,767**

Statement of Financial Position

Total assets are higher than budget mostly due to the increase in Property, Plant and Equipment is a result of asset revaluations performed at the end of the previous year, which was prior to the budget been set.

Ōpōtiki District Council Summary Statement of Financial Position as at 30 June 2025	Actual 2025 $000	Budget 2025 $000	Actual 2024 $000
Total Current Assets	9,352	7,928	6,511
Total Non-Current Assets	375,420	353,212	363,208
Total Assets	384,772	361,140	369,719
Total Current Liabilities	13,127	7,375	12,408
Total Non-Current Liabilities	7,537	17,706	6,544
Total Liabilities	20,664	25,081	18,952
Net Assets/Equity	**364,108**	**336,059**	**350,767**

Statement of Cash Flows

Net cash from operations of $0.685 million was higher than a budget of $0.266 million due mostly to less payments to suppliers, employees, and finance costs than budgeted.

Net cash from investing activities of -$1.713 million was lower than a budget of -$7.383 million due mostly to more capital grants received than budgeted.

Net cash from financing activities of $1.905 million was lower than a budget of $7.116 million due to delays in the Council undertaking and completing a number of capital projects as a result of the late adoption of the LTP 2024-34.

Ōpōtiki District Council Summary Statement of Cash Flows for the year ended 30 June 2025	Actual 2025 $000	Budget 2025 $000	Actual 2024 $000
Net Cash from Operating Activities	685	266	1,689
Net Cash from Investing Activities	(1,713)	(7,383)	(5,334)
Net Cash from Financing Activities	1,905	7,116	3,000
Net Increase/(Decrease) in Cash	877	-	(645)
Cash at the Beginning of the Year	2,446	4,504	3,091
Cash at the End of the Year	**3,323**	**4,504**	**2,446**

Summary Accounting Policies

The information included in this summary has been extracted from the audited full financial information in the Ōpōtiki District Council 2024/25 Annual Report. It is prepared on an individual entity basis as Ōpōtiki District Council does not have a group. This Summary Annual Report was authorised for issue on 21 January 2026 by the Mayor and Chief Executive of the Council.

The Council's full Annual Report has been audited by Audit New Zealand and has received an unmodified opinion on the financial information, and a qualified opinion on the statement of service performance. The qualified opinion specifically related to resolution times for sewerage overflows, and response times for customer service requests for roads and footpaths. The full financial statements have been prepared in accordance with the reduced disclosure of a Tier 2 PBE accounting entity. This Summary Annual Report has been prepared in accordance with PBE FRS-43 Summary Financial Statements. The presentational currency is the New Zealand Dollar NZD.

Breach of legislation

We acknowledge that the adoption of the Annual Report was completed later than required per section 98(3) of the Local Government Act 2002. This was due to the late adoption of the 2024-2034 Long Term Plan and the consequential logistical affects in completing the 2023/24 Annual Report, affecting the timing of the audit of the 2024/25 Annual Report.

Summary Additional Disclosures

Contingencies

We have no contingent liabilities (2024: $Nil). We have no contingent assets either (2024: $Nil).

Commitments

Council has capital commitments at 30 June 2025 of $1.2 million (2024: $2.4m). These relate to capital works for water supply, wastewater systems, roading network and buildings.

Presentation currency and rounding

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

Events after balance date

Local Waters Done Well

Under the Local Government (Water Services Preliminary Arrangements) Act (2024) and subsequent Local Government (Water Services) Act 2025, local authorities must prepare water services delivery plans (WSDP), disclose foundational information for economic regulation, and comply with a new framework for planning, reporting, and financial management of water services. They can choose how to deliver services, through internal business units, council-controlled organisations, consumer trusts, or joint local government arrangements, but must manage services cost-effectively and sustainably.

Subsequent to Council's decision at its 26 June 2025 meeting to adopt key recommendations on the Local Waters Done Well Service Delivery report, which had included analysis of feedback from public consultation on the proposed delivery model, at its 20 August 2025 meeting the Council adopted its WSDP on the basis to deliver water services (drinking water, wastewater and stormwater), through an internal business unit while continuing to explore a potential joint Water Service Organisation (WSO) with other councils. The WSDP was approved by the Department of Internal Affairs (DIA) on 30 October 2025.

The WSDP is intended to be the mechanism for Council to demonstrate its commitment to delivering water services that meet regulatory requirements, support growth, and what actions it will take to be financially sustainable by 30 June 2028.

The Council will begin transition planning to ensure the new delivery model is fully operational by the statutory deadline of 1 July 2028.

Evolution Networks Limited

As at 30 June 2025, Ōpōtiki District Council held a subordinated loan with Evolution Networks Limited. The Council was informed in October 2025 that the company had gone into liquidation. The appointed liquidators have proposed operating the business as a going concern while they try to sell the business (and assets). While, at time of publication, there was no indication of likelihood of recovery of the loan, the loan has been treated as doubtful in these financial statements.

Harbour Operations

The Harbour Development Project commenced in December 2020, with practical completion achieved in October 2025. Under the original contract, the project was scheduled for completion much earlier. However, the river closure and dredging scope increased significantly with the river altering its course prior to construction and in response to the marina development delays which required additional channel formation to service the Ōpōtiki town wharf.

During the construction and dredging period, Kānoa retained responsibility for harbour operations and associated maintenance costs. This responsibility transferred to Council upon practical completion. In preparation for this transition, Council had budgeted for operations and maintenance funding to take effect from 1 Jul 2024, utilising a combination of reserve and loan funding. These costs were expected to be offset by revenue generated from mussel vessels accessing the harbour, as well as income from the marina development, which at the time was also anticipated to be completed.

Due to delays in the construction phase, the transition of operational and maintenance responsibilities to Council occurred later than planned. At the same time, the expected revenue streams have not materialised, as the marina development has also experienced delays. These factors have contributed to an underspend within the Harbour Development budget.

Council has now undertaken work to rephase operational expenditure and revenue budgets as part of the 2026/27 Annual Plan, with additional future considerations to be incorporated into the 2027–2037 Long-Term Plan.

Disclaimer

This summary provides an overview of the Annual Report and does not include all details or disclosures. For a complete understanding, refer to the full Annual Report which was adopted and authorised for issue by the Council on 22 December 2025. The full report is available from Ōpōtiki District Council Customer Services, the Library, or online at www.odc.govt.nz.

Audit Report

Independent Auditor's Report

To the readers of Ōpōtiki District Council's summary of the annual report for the year ended 30 June 2025

The summary of the annual report was derived from the annual report of the Ōpōtiki District Council (the Council) for the year ended 30 June 2025.

The summary of the annual report comprises the following information on pages 4 to 5 and pages 24 to 26:

- the summary statement of financial position as at 30 June 2025;
- the summaries of the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended 30 June 2025;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary statement of service performance.

Opinion

In our opinion:

- the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the annual report; and
- the summary statements comply with PBE FRS-43: Summary Financial Statements.

However, the summary statement of service performance information includes a limitation in scope to the equivalent extent as the full audited statement of service performance. This limitation is explained below in '*The full annual report and our audit report thereon'* section.

Summary of the annual report

The summary of the annual report does not contain all the disclosures required by generally accepted accounting practice in New Zealand. Reading the summary of the annual report and the auditor's report thereon, therefore, is not a substitute for reading the full annual report and the auditor's report thereon.

The summary of the annual report does not reflect the effects of events that occurred subsequent to the date of our auditor's report on the full annual report.

(Final) Local authority unmodified summary audit opinion where SSP is modified in full annual

The full annual report and our audit report thereon

We expressed a qualified opinion on the statement of service performance and an unmodified opinion on the other audited information in the full annual report for the year ended 30 June 2025 in our auditor's report dated 22 December 2025. The basis for our qualified opinion on the statement of service performance is explained below.

Statement of service performance: Our work was limited in respect of resolution times for sewerage overflows and response times for customer service requests for roads and footpaths.

The Council is required to report against the performance measures set out in the Non-Financial Performance Measure Rules 2024 (the Rules) made by the Secretary for Local Government. These include mandatory performance measures relating to:

- the time taken to resolve sewerage overflows; and
- the response times for customer service requests relating to roads and footpaths.

We identified significant issues with these performance measures. As explained on page 52 and pages 61 to 62 of the full annual report, the Council was unable to provide adequate support for the reported performance against these measures.

As a result of these issues, our work was limited and there were no practical audit procedures we could apply to obtain assurance that the reported results for these measures are materially correctly stated.

Council's responsibility for the summary of the annual report

The Council is responsible for preparing the summary of the annual report which includes preparing summary statements, in accordance with PBE FRS-43: Summary Financial Statements.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the full annual report and whether the summary statements comply with PBE FRS 43: Summary Financial Statements.

Our opinion on the summary of the annual report is based on our procedures, which were carried out in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the

New Zealand Auditing and Assurance Standards Board.

Other than in our capacity as auditor, we have no relationship with, or interests in the Council.

Leon Pieterse

Audit New Zealand
On behalf of the Auditor-General
Hamilton, New Zealand
21 January 2026

(Final) Local authority unmodified summary audit opinion where SSP is modified in full annual