



# Manawatū Water Services Committee Agenda

Wednesday 10 June 2026, 8:30 am

The meeting will be held at Manawatū District Council,  
135 Manchester Street, Feilding, and a video recording  
made available on [www.mdc.govt.nz](http://www.mdc.govt.nz).

[www.mdc.govt.nz](http://www.mdc.govt.nz)



## **MEMBERSHIP**

### **Chairperson**

Mr Colin McFadzean (external)

### **Deputy Chairperson**

Councillor Shelley Dew-Hopkins

### **Members**

Councillor Bridget Bell  
Councillor Grant Hadfield  
Councillor Andrew Quarrie  
Councillor Jerry Pickford  
Councillor Rob Duindam  
Mayor Michael Ford

## **Terms of Reference**

### **Purpose**

To provide strategic oversight of Manawatū Water Services, a stand-alone business unit within the Manawatū District Council (“Council”), and ensure operational excellence, asset management planning, project delivery, financial efficiency, risk management and compliance.

To pursue business expansion and network growth with a goal of maximising the efficiency of the business overhead and deliver affordable water charges across the Manawatū district.

### **Responsibilities**

- 1 Financial reporting
  - a. Approve financial and KPI performance reports for vice activities.
  - b. Approve quarterly and year-end financial, KPI performance reports and project reports and recommend their submission to Council;
- 2 Manawatū Water Services reporting to Council
  - a. Review Water Service related Key Status Project Reports and approve their submission to Council;
  - b. Present a quarterly report of the performance of the Manawatū Water Services Unit to Council.
3. Risk management:
  - a. Develop a risk appetite and risk management framework for Manawatū Water Services that complies with the Risk Framework of the Council;
  - b. Cyclic review and discuss key strategic and operational risks across Manawatū Water Services.
- 4 Operational Review
  - a. Review Water Service exception reports for projects which are ongoing;
  - b. Review Water Service project completion reports;

- c. Receive operational performance of the Water Services on an annual basis;
  - d. Receive Water Services updates post-severe weather and Civil Defense Emergency Management related events.
5. Compliance reporting
  - a. Review the compliance of the Water Service activities against The Water Services Authority requirements and the National Standards for Wastewater Discharge and any relevant consents issues under the Resource Management Act 1991 and/or any subsequent replacement legislation.
6. Recommendation of Water Service strategic documents for approval of Council:
  - a. Water Services Strategy;
  - b. Water Services Asset Management Plan;
  - c. Stormwater Network Risk Management Plan.
7. Recommendation of Water Service Rates, Service Charges and Fees to Council for approval.
8. Recommendation of operational and capital budgets not included in the Long Term Plan to Council for approval.
9. Additional responsibilities:
  - a. Escalate any severe issues, anomalies, or risks to Council for review;
  - b. Any conflict of interest must be managed in a way that is aligned to Council's Conflict of Interest policy.

### **Delegated Authority**

1. Committee delegated authority to act on all matters within its Terms of Reference (except those excluded by Clause 32(1) Schedule 7, Local Government Act 2002).
2. The committee has delegated authority to approve the expenditure of any Water Services operational and capital budgets within the Council approved Long Term Plan or subsequent Annual Plan.
3. The committee has delegated authority to approve unbudgeted expenditure of a scheme reserve for any Water Service scheme.
4. The financial delegations are outlined in the Council Delegations Manual.

### **Quorum**

Five members of the Committee.

### **Meeting Cycle**

Meetings held bi-monthly, with additional meetings convened when necessary at the discretion of the Chair.



Shayne Harris  
**Chief Executive**

# ORDER OF BUSINESS

	PAGE
<b>1. MEETING OPENING</b>	
<b>2. APOLOGIES</b>	
<b>3. CONFIRMATION OF MINUTES</b>	6
<i>Recommendation</i>	
<i>That the minutes of the Manawatū Water Services Committee meeting held 13 May 2026 be adopted as a true and correct record.</i>	
<b>4. DECLARATIONS OF INTEREST</b>	
Notification from members of:	
4.1	Any interests that may create a conflict with their role as a Committee member relating to the items of business for this meeting; and
4.2	Any interests in items in which they have a direct or indirect pecuniary interest as provided for in the Local Authorities (Members' Interests) Act 1968.
<b>5. PUBLIC FORUM</b>	
There are no public forum items scheduled for this meeting.	
<b>6. PRESENTATION</b>	
<b>6.1 TRADE WASTE BYLAW REVIEW</b>	9
Kemi Hughes (Senior Adviser – Environmental Policy) will be in attendance speaking to the Manawatū Water Services Committee.	
<b>7. NOTIFICATION OF LATE ITEMS</b>	
Where an item is not on the agenda for a meeting, that item may be dealt with at that meeting if:	
7.1	The Manawatū Water Services Committee by resolution so decides; and
7.2	The Chairperson explains at the meeting at a time when it is open to the public the reason why the item is not on the agenda, and the reason why the discussion of the item cannot be delayed until a subsequent meeting.
<b>8. OFFICER REPORTS</b>	
<b>8.1 DECISION ON WHETHER TO AUDIT THE WATER SERVICES STRATEGY</b>	19
Report of the General Manager – Infrastructure.	

**8.2 ENDORSEMENT OF 2026-27 WATER SERVICES RATES**

Report of the General Manager – Infrastructure.

**9. CONSIDERATION OF LATE ITEMS**

**10. PUBLIC EXCLUDED BUSINESS**

There are no public excluded items to consider.

**11. MEETING CLOSURE**

MEETING MINUTES	
MANAWATŪ WATER SERVICES COMMITTEE	TIME
WEDNESDAY 13 MAY 2026	8:32 AM

Minutes of a meeting of the Manawatū Water Services Committee held on Wednesday 13 May 2026, which commenced at 8.32am at Manawatū District Council, 135 Manchester Street, Feilding.

PRESENT: Mr Colin McFadzean Chairperson  
 Councillor Shelley Dew-Hopkins  
 Councillor Bridget Bell via Zoom  
 Councillor Grant Hadfield  
 Councillor Andrew Quarrie  
 Councillor Rob Duindam  
 Mayor Michael Ford

APOLOGIES: Councillor Jerry Pickford

IN ATTENDANCE: Shayne Harris Chief Executive  
 Hamish Waugh General Manager – Infrastructure  
 Joel Richards Chief Financial Officer  
 Steph Skinner Governance and Strategy Officer  
 Lisa Thomas Strategy Manager  
 Angela Rule Senior Policy Adviser  
 Cr Sam Hill via Zoom  
 Cr Alison Short via Zoom

MWS 25-28/001

#### MEETING OPENING

Colin McFadzean (Chair) and Shayne Harris (Chief Executive) opened the meeting.

MWS 25-28/002

#### APOLOGIES

Cr Jerry Pickford is on pre-approved leave of absence.

#### RESOLVED

**That the apology for Cr Bridget Bell for lateness be approved.**

**Moved by: Cr Rob Duindam**

**Seconded by: Mayor Michael Ford**

**Carried (6-0)**

MWS 25-28/003

#### CONFIRMATION OF MINUTES

There were no previous minutes to confirm.

MEETING MINUTES	
MANAWATŪ WATER SERVICES COMMITTEE	TIME
WEDNESDAY 13 MAY 2026	8:32 AM

MWS 25-28/004

#### DECLARATIONS OF INTEREST

There were no declarations of interest.

MWS 25-28/005

#### PUBLIC FORUM

There were no requests for public forum.

MWS 25-28/006

#### PRESENTATION – WATER SERVICES KEY DOCUMENTS

Lisa Thomas (Strategy Manager) and Angela Rule (Senior Policy Adviser) provided an overview of the documents required to be prepared for Manawatū Water Services alongside the Long-Term Plan, and the timing for the preparation of these documents.

- Lisa outlined the context for the presentation, the programme overview, governance implications, reviewing key documents and the timeline/next steps.

*Mayor Michael Ford left the meeting at 8.39am and returned at 8.41am.*

- The Committee reviewed where we are now, what has been completed to date, what is currently underway, and what is yet to be done.
- The Committee looked at the timeline –foundation work in 2025-26, building the strategy and consultation in 2026-27, and adoption and implementation in 2027.
- Any consultation will be undertaken in conjunction with the Long-Term Plan and adopted in June 2027.

MWS 25-28/007

#### NOTIFICATION OF LATE ITEMS

There were no late items of business notified for consideration.

*Cr Bridget Bell joined the meeting at 8.48am.*

MWS 25-28/008

#### STANWAY HALCOMBE RURAL WATER SCHEME

Report of the General Manager – Infrastructure seeking the Manawatū Water Services Committees acceptance of the Reserves Policy recommendation of the Stanway Halcombe Rural Water Scheme Committee (SHRWS) adopted at their meeting on 7 May 2026.

<b>MEETING MINUTES</b>	
<b>MANAWATŪ WATER SERVICES COMMITTEE</b>	<b>TIME</b>
<b>WEDNESDAY 13 MAY 2026</b>	<b>8:32 AM</b>

## **RESOLVED**

**That the Manawatū Water Services Committee accept the SHRWS recommendation to:**

- 1. Retain \$150,000 of reserves to fund the resource consent renewal process.**
- 2. Retain \$100 per unit (\$150,400 - 2026-2027 year) as an operational buffer to cover unplanned expenditure.**
- 3. Pay down the reserves amount less point one and two as above off the debt loan of approximately \$180,000 this to be actioned as at the end of June 2026.**
- 4. The proposed SHRWS annual water delivery charge (water rate) for the 2026/2027 year be set at \$460.00 incl GST per unit.**

**Policy to be reviewed yearly to comply with the Manawatū Water Services budgeting period.**

**Moved by: Cr Grant Hadfield**

**Seconded by: Mayor Michael Ford**

**CARRIED (7-0)**

MWS 25-28/009

## **CONSIDERATION OF LATE ITEMS**

There were no late items notified for consideration.

MWS 25-28/010

## **MEETING CLOSURE**

Mayor Michael Ford welcomed former Mayor Helen Worboys to the meeting and closed proceedings by reflecting on the journey the Manawatū District Council has undertaken in response to changes introduced by Central Government, firstly with the Three Waters reforms and the subsequent Local Water Done Well programme. These developments ultimately led Council to establish an in-house delivery model and the formation of the new Manawatū Water Services.

Ms Worboys was acknowledged and thanked for her significant efforts in co-leading Communities for Local Democracy (C4LD) and advocating for the community.

The meeting was declared closed at 9.12am

## **Meeting Video**

<https://www.MWS.govt.nz/about-council/meetings-agendas-and-minutes/videos-of-council-and-committee-meetings/manawatu-district-council-meeting-videos>

# Trade Waste Bylaw Review and Trade Waste Discharge Plan

Presentation to Manawatū Water Services Committee



**Kemi Hughes**

Senior Adviser- Environmental Policy



# What we will Cover

Key changes

Key findings from  
Initial Review

Other Gaps

Timeline and  
Next Steps

# What has changed?



1

## Plan Required

Council must prepare a TWDP that sets the trade waste regulatory approach

2

## Bylaw Alignment

The current bylaw must be reviewed and updated so it is consistent with the Act and the TWDP

3

## Permit Safeguards

Permits need to reflect new review, stay, appeal and condition-setting requirements

4

## Enforcement Uplift

Offence, Infringement, compliance officer and cost recovery provisions must be checked against the Act

# How the new framework will work



# Initial Review Findings

The current bylaw is operationally useful but not fully aligned with the new legislative framework

## What is working now

- ❖ Clear permission/prohibition structure
- ❖ Permit system already in place
- ❖ Sampling monitoring and pre-treatment controls
- ❖ Useful tankered waste controls

❖ No TWDP Link

The bylaw currently operates as the primary instrument

❖ Old legal footing

It refers to the LGA 2002 rather than the WSA 2025

❖ Missing review rights

It does not include internal review requirements, stay and appeal pathway for declined permits

❖ Enforcement update needed

Offence/infringement provisions and compliance powers require alignment

# Main Bylaw Changes required by the Act

## Re-ground the Bylaw

Update empowering Provisions and “Act” definition to reflect the LGWS Act 2025

## Connect to the TWDP

Make the bylaw consistent with, and clearly linked to the TWDP

## Align Definitions

Update trade waste, trade waste premises and tinkered/transported waste language

## Update permits

Add new permit condition categories, including training, identifiers, records, audits and penalty fees.

## Add review pathway

Include internal review, stay and appeal provisions for declined permit applications

## Modernise enforcement

Check offences, infringements, compliance officers, sampling and cost recovery against the Act

# Other issues the review should resolve

**Duplication risk** Clarify what belongs in the TWDP versus the bylaw

**Home/mobile businesses** Make coverage clear for home-based, mobile and food-related trade waste

**Transported waste model** Confirm use of approved locations, WasteTrack and whether separate carrier permits are needed

**Delegations and roles** Clarify Council versus Manawatu WaterServices responsibilities, particularly enforcement and infringements

**Environmental Standards** Future-proof permit and bylaw wording against wastewater environmental performance standards

**Compliance Usability** Ensure monitoring, sampling, evidence and records provisions are workable for staff

Keep the system practical for operators, legally defensible for Council and flexible enough for future water services delivery arrangements

# Avoiding Duplication: TWDP vs Bylaw

A clean split between the two instruments will reduce confusion and future rework

## Trade Waste Discharge Plan *Strategic/Policy Layer*

- ❖ Regulatory approach
- ❖ Classes of trade waste and premises
- ❖ Transport limits and operating model
- ❖ When permits, fees and penalties apply
- ❖ Approach to training, supervision and records.

## Trade Waste Bylaw *Legal/enforcement layer*

- ❖ Prohibitions and permissions
- ❖ Requirement to obtain permits
- ❖ Power to impose conditions
- ❖ Monitoring and Compliance powers
- ❖ Offences, infringements and cost recovery

# Timeline and Next Steps



## Key near term actions

- Confirm Scope
- Complete Inputs

Agree what is minimum alignment vs broader improvement  
Finalise permit/ technical review and delegation questions

Develop Drafts  
Governance pathway

Prepare TWDP first, then align the bylaw and consultation material  
Use MWS and Council meetings to manage endorsement and adoption



# Questions and Feedback

## Manawātū Water Services Committee

Meeting of 10 June 2026

Business Unit: Infrastructure

Date Created: 22 May 2026

### Decision on whether to Audit the Water Services Strategy

#### Purpose Te Aronga o te Pūrongo

To enable the Manawātū Water Services Committee to consider whether to recommend that Council engage the Audit Office to audit Council's Water Services Strategy. The deadline for requesting a report from the Auditor-General is prior to 1 July 2026.

#### Recommendations Ngā Tūtohunga

That the Manawātū Water Services Committee recommends that Council:

1. **Not** engage the Audit Office to audit Council's Water Services Strategy.

OR

2. Engages the Audit Office to audit Council's Water Services Strategy.

Report prepared by:

Lisa Thomas

Strategy Manager

Approved for submission by:

Hamish Waugh

General Manager - Infrastructure

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## 1 Background Ngā Kōrero o Muri

- 1.1 Council is required by section 230 of the Local Government (Water Services) Act 2025 (“the Act”) to prepare a water services strategy.
- 1.2 As an in-house water services business unit, Council has the option under section 239(1)(b) of the Act to request a report from the Auditor-General on its Water Services Strategy. Unless directed to by the Secretary of Local Government, the decision to request the audit of the Water Services Strategy is optional.
- 1.3 Section 239(2) of the Act requires any request for a report from the Auditor-General to be made at least 12 months before the date by which the Water Services Strategy must be adopted. Under section 230(2), Council must adopt its Water Services Strategy before the start of the financial year to which the strategy relates. Accordingly, the latest date for requesting an audit is considered to be prior to 1 July 2026.

*Section 239(4) of the Act sets out the scope for a report from the Auditor-General as follows:*

*(4) A report from the Auditor-General provided under this section –*

*(a) must comment on -*

*(i) whether the strategy gives effect to the purpose of a water services strategy (see section 232); and*

*(ii) the quality of the information and assumptions underlying the forecast information provided in the strategy; but*

*(b) must not comment on the merits of the policy content of the strategy.*

- 1.4 If the Auditor-General provides a report to a water service provider, Council must include the report in its Water Services Strategy (refer to section 239(5) of the Act).
- 1.5 This report considers the relative merits of having Council’s Water Services Strategy audited against the potential costs. This will enable the Manawatū Water Services Committee (“the Committee”) to make an informed recommendation to Council, and to engage the Audit Office ahead of the deadline, if required.

## 2 Strategic Fit Te Tautika ki te Rautaki

- 2.1 Not applicable, as this is primarily a legislative and operational matter.

## 3 Discussion and Options Considered Ngā Matapakinga me ngā Kōwhiringa i Wānangahia

- 3.1 This report asks the Committee to consider its recommendation to Council on whether to request a report from the Auditor-General on Council’s Water Services Strategy. The options available for recommendation to Council are therefore as follows:
- Option 1 – Council resolves to not request a report from the Auditor-General on the Water Servies Strategy (Recommendation 1 of this report)

- Option 2 – Council resolves to request a report from the Auditor-General on the Water Services Strategy (Recommendation 2 of this report)

3.2 The relative merits of Council requesting an independent audit of its Water Services Strategy are outlined below. This analysis is intended to support the Committee when making its recommendation to Council.

#### **Advantages**

- Provides independent assurance that the Water Services Strategy is based on reasonable assumptions, forecasts and supporting information.
- May identify risks, gaps or inconsistencies before the strategy is finalised.
- Provides elected members with an independent assessment to support governance decision-making.
- Demonstrates accountability and external scrutiny given the significance of future investment and service delivery decisions.
- Improves the robustness and defensibility of the final strategy.
- Provides additional assurance to regulators, lenders and the wider community.
- Strengthens public confidence and transparency regarding Council's proposed in-house business unit approach.
- Aligns with the assurance approach applied to audited Long-Term Plans.

#### **Disadvantages**

- No provision has been made within the draft 2026/27 Annual Plan. Therefore, this audit would be an unbudgeted expense.
- Audit costs are expected to be significant and may be comparable to Long-Term Plan audit costs.
- Limited precedent exists regarding the audit scope and process for Water Services Strategies, creating uncertainty around costs and timeframes.
- Would require additional staff resources to support the audit process.
- Could delay finalisation of the strategy if issues are identified.
- Would provide assurance on assumptions and information, but not on Council's policy choices or preferred delivery model.
- May publicly highlight uncertainties, risks or limitations within assumptions and projections.

3.3 In considering whether to request an audit of the Water Services Strategy, the Committee must weigh the benefits of obtaining independent assurance and increased transparency against the additional financial cost, resource implications, and timing considerations. Given Council's decision to retain an in-house business unit model for water services delivery, the Committee may consider whether the additional assurance provided by an audit justifies the associated unbudgeted expenditure and staff resourcing requirements.

3.4 While a formal decision is not expressly required by legislation, recording the Committee's recommendation and Council's decision provides certainty for the Committee and the community that Council has considered the merits of requesting an audit of the Water Services Strategy and made an informed decision.

3.5 Formalising the decision also provides clear direction to staff and mitigates the risk of a future request for an audit being raised after the timeframe for undertaking an audit has passed.

- 3.6 Officers consider that this Committee should **not** recommend that Council request an audit of the Water Services Strategy. The Strategy is being prepared through a robust planning process and will be subject to governance oversight, internal review, and public consultation. Given the significant unbudgeted cost of an audit, the additional staff resources required, and the limited assurance provided on policy decisions, officers do not consider that the likely benefits justify the additional expenditure.

#### 4 Risk Assessment Te Arotake Tūraru

- 4.1 The key risks with this decision are as follows:

##### Financial Risk

- 4.1.1 Requesting an audit of the Water Services Strategy would result in additional unbudgeted expenditure. While the final cost has not yet been scoped, preliminary advice indicates costs may be significant. As Water Services Strategies are a new statutory requirement, there is currently limited precedent regarding audit scope and assurance expectations, which may contribute to increased audit time and cost as methodologies and review processes are established.

##### Timing and Delivery Risk

- 4.1.2 There is a risk that undertaking an audit could impact programme timeframes if additional information or amendments are required through the audit process. Conversely, delaying a decision on whether to request an audit may result in insufficient time to secure audit involvement later.

##### Reputational/Public Confidence Risk

- 4.1.3 A decision not to request an audit may be perceived as providing a lower level of independent assurance over the Water Services Strategy. An audit process may also identify issues or uncertainties that require further public explanation or clarification.

##### Governance Risk

- 4.1.4 In the absence of a formal resolution, there is a risk of uncertainty regarding Council's position on whether an audit was considered or intended. Recording a formal decision provides clarity for governance and staff and reduces the likelihood of the matter being revisited after audit timeframes have passed.

##### Organisational Capacity / Resourcing Risk

- 4.1.5 Undertaking an audit would require additional staff resources to support information requests, modelling reviews, and audit engagement activities, which may impact delivery of other priority work programmes.

##### Conclusion for this Risk Assessment

- 4.1.6 The risks associated with either option are considered manageable provided Council makes a clear and timely decision regarding whether to request an audit of the Water Services Strategy.

## 5 Engagement Te Whakapānga

### Significance of Decision

- 5.1 The Council's Significance and Engagement Policy is not triggered by matters discussed in this report. No additional engagement is required.
- 5.2 The Water Services Strategy will be publicly consulted on alongside the draft Long-term Plan in early 2027. If Council chooses to have the WSS audited a copy of the report from the Auditor-General would be included in the Water Services Strategy prior to its adoption.

### Māori and Cultural Engagement

- 5.3 There are no known cultural considerations associated with the matters addressed in this report. No specific engagement with Māori or other ethnicity groups is necessary.
- 5.4 Specific consultation with iwi/Māori will be considered as part of consultation on Council's draft Water Services Strategy in early 2027.

### Community Engagement

- 5.5 No community engagement will be carried out in relation to the decision on whether to audit the Water Services Strategy. However, community engagement on the draft Water Services Strategy will be carried out in accordance with the Communication and Engagement Plan in early 2027.

## 6 Operational Implications Ngā Pānga Whakahaere

- 6.1 The decision does not directly affect day-to-day water service delivery operations. However, requesting an audit would require additional staff resources and support across the Water Services Strategy work programme, which may impact the timing and prioritisation of other workstreams.

## 7 Financial Implications Ngā Pānga Ahumoni

- 7.1 There are no direct financial implications arising from this report. However, should the Committee recommend, and Council endorse, a request for an audit of the Water Services Strategy, this would result in unbudgeted expenditure within the 2026/27 Annual Plan.
- 7.2 The final audit cost would be confirmed following engagement with the Audit Office and formal scoping of the work. Preliminary advice indicates the cost may be comparable to, or slightly less than, the Long-Term Plan audit, with initial estimates suggesting a potential cost of up to \$180k.

## 8 Statutory Requirements Ngā Here ā-Ture

- 8.1 The statutory requirements relating to the preparation and optional audit of a Water Services Strategy are set out in sections 230–239 of the Local Government (Water Services) Act 2025.

## 9 Next Steps Te Kokenga

- 9.1 If Council decides not to request an audit of the Water Services Strategy, no further action will be required in relation to audit engagement. Council will continue to develop the Water Services Strategy in accordance with legislative requirements and apply its usual internal review and quality assurance processes.

If Council decides to request an audit of the Water Services Strategy, a formal request will be prepared and submitted to the Audit Office prior to 1 July 2026.

# Manawatu Water Services Committee

Meeting of 10 June 2026

Business Unit: Infrastructure  
Date Created: 02 June 2026

## Endorsement of 2026-27 Water Services Rates

### Purpose Te Aronga o te Pūrongo

To review and endorse the proposed Water Rates prior to Council approval in the 2026/2027 Annual Plan process.

### Recommendations Ngā Tūtohinga

That the Manawatū Water Services Committee have reviewed and endorsed the proposed Water Rates for the 2026/2027 Annual Plan as detailed below and in the attached document.

1. Stormwater Targeted Rate \$207.00
2. Rural Land Drainage Targeted Rates (table below)

Category	Rate in \$ of LV
<b>Bainesse drainage district</b>	
Bainesse Class A	0.000890
Bainesse Class B	0.000430
Bainesse Class C	0.000350
<b>Makowhai drainage district</b>	
Makowhai Class A	0.000170
Makowhai Class B	0.000170
Makowhai Class C	0.000040
<b>Maire drainage district</b>	
Maire Class A	0.000200
Maire Class B	0.000090

Maire Class C	0.000120
Maire Class D	0.000140
<b>Oroua Downs drainage district</b>	
Oroua Downs Class A	0.000740
Oroua Downs Class B	0.000360
Oroua Downs Class C	0.000210

3. Wastewater disposal - Connected \$1,149.00 per unit of use

Wastewater disposal - Available \$574.50 per rating unit

Wastewater disposal - Restricted \$919.00 per unit of use

4. Water Supply Targeted Rate – Urban:

Water Supply - Connected \$500.00 per SUIP

Water Supply - Available \$250.00 per rating unit

Water Supply - Restricted \$400.00 per SUIP

Volumetric Water Charges (water by meter):

Connection size	Charge per connection
15 mm to 50 mm	\$869.40
80 mm to 150 mm	\$885.50

5. Water Supply Targeted Rates Rural:

Stanway/Halcombe Rural Water Scheme - per unit allocated \$458.00

Waituna West Rural Water Scheme - per unit allocated \$522.00

Ohakea Rural Water Scheme – per unit allocated \$355.75

Kiwitea Rural Water Scheme - per unit allocated \$281.75\*

Kiwitea Rural Water Scheme - per additional unit used but not allocated \$281.75 \*

\* Kiwitea Rural Water Scheme rates are set and collected by Council and passed on to the scheme in full.

Report prepared by:  
Anna Thompson  
Infrastructure Support Manager

Approved for submission by:  
Hamish Waugh  
General Manager - Infrastructure

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## **1 Background Ngā Kōrero o Muri**

1.1 Council provides local public services and infrastructure that our communities need to thrive. These services are largely funded from the rates that Council charges property owners.

The law that enables councils to collect rates is the Local Government (Rating) Act 2002.

It is important to Council that our rating system:

- Provides enough revenue to cover costs;
- Spreads the costs of providing services as fairly as possible;
- Meets the legal requirements;
- Can be understood by the ratepayer and promotes accountability.

The rating system forms part of Council's Prospective Funding Impact Statements and should be read in conjunction with the Council's Revenue and Financing Policy.

1.2 The proposed water rates detailed in the Funding Impact Statement –Rating need to be reviewed and endorsed by the Manawatū Water Services Committee.

## **2 Strategic Fit Te Tautika ki te Rautaki**

2.1 Not applicable as this is a legislative / operational item.

## **3 Discussion and Options Considered Ngā Matapakinga me ngā Kōwhiringa i Wānangahia**

3.1 Not Applicable.

## **4 Risk Assessment Te Arotake Tūraru**

4.1 Not applicable.

## 5 Engagement Te Whakapānga

### Significance of Decision

- 5.1 The Council's Significance and Engagement Policy is not triggered by matters discussed in this report. No stakeholder engagement is required.

### Māori and Cultural Engagement

- 5.2 There are no known cultural considerations associated with the matters addressed in this report. No specific engagement with Māori or other ethnicity groups is necessary.

### Community Engagement

- 5.3 No community engagement is required.

## 6 Operational Implications Ngā Pānga Whakahaere

- 6.1 There are no operational implications with this report.

## 7 Financial Implications Ngā Pānga Ahumoni

- 7.1 There are no financial implications with this report.

## 8 Statutory Requirements Ngā Here ā-Ture

- 8.1 There are no statutory requirements for this report.

## 9 Next Steps Te Kokenga

- 9.1 Following consideration by the Manawatū Water Services Committee, the proposed rates will be presented to Council for consideration and adoption.

## 10 Attachments Ngā ĀpitiHanga

- Funding Impact Statement – Rating - Proposed Water Rates 2026-27.

## ***Funding Impact Statement - Rating - Tauākī Tahua – Ngā Reiti***

Council provides local public services and infrastructure that our communities need to thrive. These services are largely funded from the rates that Council charges property owners.

The law that enables councils to collect rates is the Local Government (Rating) Act 2002.

It is important to Council that our rating system:

- provides enough revenue to cover costs;
- spreads the costs of providing services as fairly as possible;
- meets the legal requirements;
- can be understood by the ratepayer and promotes accountability.

The rating system forms part of Council's Prospective Funding Impact Statements and should be read in conjunction with the Council's Revenue and Financing Policy.

### **Revenue and Financing Policy Te Kaupapahere mō ngā Moni Whiwhi me te Ahumoni**

The Revenue and Financing Policy outlines how Council has determined it will fund Council services and activities. The policy includes Council's rating philosophy and summarises the rationale for its rating decisions.

A copy of the Revenue and Financing Policy can be found on the Council website.

### **Rating System Te Pūnaha Rēti**

Rates are a property tax that are charged each year by the Council.

Council decides what services it will provide in the future and how much it will cost to provide those services. These costs are then distributed amongst the properties in the district.

Individual rates invoices may be different from year to year due changes in the costs required to provide services, the levels of service being provided and changes to individual property valuations.

### ***Types of rates***

There are two types of rates – general rates and targeted rates

General rates are generally used by the Council to fund activities where the benefits flow to the district as a whole and the Council considers that the whole community should contribute to the cost.

The Council's general rate is set on capital value and a differential is applied depending on the use, location and zoning of a rating unit.

The Council also sets a uniform annual general charge as an amount per separately used or inhabited part (SUIP) of a rating unit.

Targeted rates are set to fund one or more Council activities and can be set in respect of certain defined categories of land or all land in the district. Targeted rates can be calculated based on different factors including:

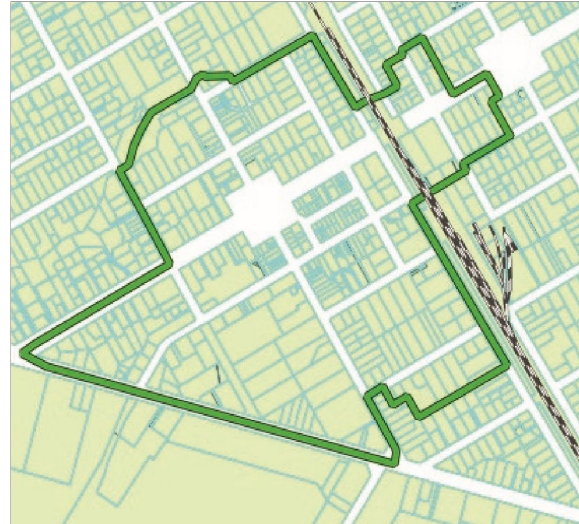
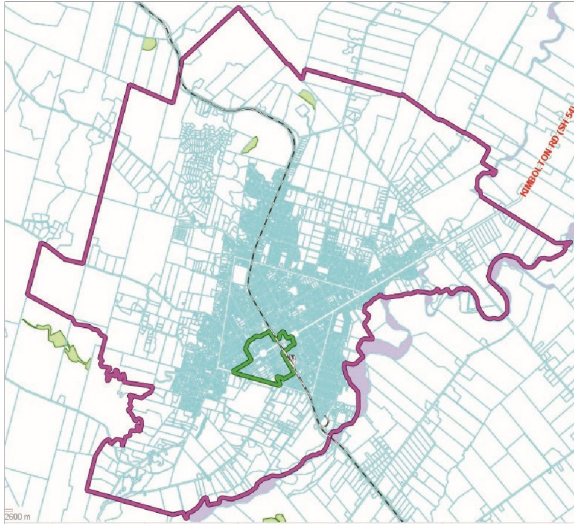
- rateable value;
- location;
- number of connections to the rating unit;

- the extent of provision of service to the rating unit; and
- per separately used or inhabited part of a rating unit (SUIP).

For instance, some of the rates on a property in the Feilding CBD will be rated on a different basis than Feilding rural properties. The types of rates that this “differential category” applies to are the General Rate, the Roding Targeted Rate and the Parks Reserves and Sports Grounds Targeted Rate.

More information on differential categories are below:

<b>Differential Category</b>	<b>Definitions</b>
1. Feilding Residential	Being all rating units situated within the 2009 Feilding differential rating area (refer to the map below) used solely or principally for residential or farming purposes or is vacant, but excluding those rating units included in Category 2 and 3.
2. Feilding Rural	Being all rating units situated within the 2009 Feilding differential rating area (refer to the map below) being properties zoned Rural 1, Rural 2 or Flood Channel 2 under the Manawatū District Plan.
3. Feilding CBD	Being all rating units situated within the 2009 Feilding Central Business differential rating area (refer to the map below), not used solely or principally for residential purposes.
4. Rural	Being all rating units situated outside the 2009 Feilding differential rating area excluding those rating units included in Category 5 and 6.
5. Industrial and Commercial	Being all rating units zoned Industrial under the Manawatū District Plan and used solely or principally for commercial or industrial purposes excluding those rating units included in Category 3 and all rating units in the 2009 Feilding differential rating area used solely or principally for conducting a business but excluding those rating units in Category 3.
6. Utilities	Being all rating units situated within the Manawatū District that have been identified as infrastructure utility networks.
7. Defence	Land owned or used by the crown as an air force base, army camp, naval establishment or other Defence area.



More detailed maps are available at the Council's office

Feilding Differential Rating Area 2009 as delineated on the rating plan filed at the Council office on Manchester Street, Feilding

Feilding Central Business District Differential Area 2009 as delineated on the plan filed at the Council office on Manchester Street, Feilding

## Rating base

Rates are assessed on all rating units as at 30 June of the preceding year. For example the 2026/2027 rates are assessed on rating units at 30 June 2026.

	Rating units in the district	Capital value of the district	Land value of the district
30 June 2026 projection	15,138	14,660,404,490	9,862,817,950

## Inspection of Rating Information Database

In accordance with the Local Government (Rating) Act 2002, the Rating Information Database, the District Valuation Roll and Rates Records are available for public inspection at the Council office, 135 Manchester Street, Feilding, between the hours of 8am and 5pm on all business days of the week, except on Thursday when the Council opens at 9am instead of 8am for staff training purposes.

## Goods and Services Tax (GST)

All amounts stated in this rating system document are GST inclusive.

## Definition of a Separately Used or Inhabited Part of a Rating Unit (SUIP)

Several of the rates described below refer to a 'SUIP'.

A separately used or inhabited part of a rating unit (SUIP) includes any part of a rating unit that can be used separately or inhabited by either the owner or any other person who has the right to use or inhabit that part by virtue of a tenancy, lease, license or other agreement. As a minimum, the land or premises intended to form the separately used or inhabited part of the rating unit must be capable of actual habitation, or separate use.

- **Separately used or inhabited part - for a residential rating unit.**

Includes a building or part of a building that is, intended to be used as, or is able to be used as, an independent residence with independent kitchen with connected cooking facilities.

- **Separately used or inhabited part - for a commercial rating unit.**

Means a building or part of a building that is, or intended to be, or is able to be, separately tenanted, leased or subleased for commercial purposes.

- **Not rated as separately used parts of a rating unit:**

- A residential sleep-out or granny flat without independent kitchen facilities.
- A hotel/motel/hostel room with or without kitchen facilities.
- Individual storage garages/sheds/partitioned areas of a warehouse.
- Individual offices/premises of partners in a partnership.

## Stormwater Targeted Rate

A targeted rate for operations, maintenance and development of the Council's stormwater network.

The Stormwater Targeted Rate is assessed as a fixed amount per rating units that are connected directly or indirectly to a stormwater network within: the Feilding Differential Rating Area, or the areas zoned as "village" in the district plan located in Rongotea, Sanson, Himatangi Beach, Tangimoana, Halcombe and Cheltenham.

**Stormwater Targeted Rate**

**\$207.00**

Total revenue required from Stormwater Targeted Rate for 2026/2027 is \$1,760,977.

## Rural Land Drainage Targeted Rates

A targeted rate for operations, maintenance and development of the individual drainage schemes.

These rates are assessed on all rating units that are part of one or more of the drainage schemes listed in the table below on a differential basis, based on the land value (LV) of the rating unit. Details scheme maps are available at Council's office.

<b>Category</b>	<b>Rate in \$ of LV</b>	<b>Required Revenue \$</b>
<b>Bainesse drainage district</b>		
Bainesse Class A	0.000890	12,881
Bainesse Class B	0.000430	8,050
Bainesse Class C	0.000350	3,220
<b>Makowhai drainage district</b>		
Makowhai Class A	0.000170	4,564
Makowhai Class B	0.000170	3,043
Makowhai Class C	0.000040	1,521
<b>Maire drainage district</b>		
Maire Class A	0.000200	1,946
Maire Class B	0.000090	1,556
Maire Class C	0.000120	1,167
Maire Class D	0.000140	778
<b>Oroua Downs drainage district</b>		
Oroua Downs Class A	0.000740	40,688
Oroua Downs Class B	0.000360	30,516
Oroua Downs Class C	0.000210	20,344

Total revenue required from Rural Land Drainage Targeted Rates for 2026/2027 is \$130,275.

## Wastewater Disposal Targeted Rate

A targeted rate for operations, maintenance and development of the Council’s wastewater network .

The Wastewater Disposal Targeted Rate is assessed on all rating units either connected, or capable of connection, to the Council’s wastewater system, and is assessed on differential basis bases on the level of wastewater service provided to the rating unit.

### Connected

A charge for each toilet or urinal, that is connected to a Council operated wastewater scheme, excluding restricted service or those that have chosen volumetric charging. Any SUIP that is used exclusively or principally as a residence will be charged for one toilet for each residence.

### Serviceable

50% of the connected rate per rating unit that is not connected but is capable of being connected to a Council wastewater scheme as the reticulations system is within 10 meters of the rating unit.

### Restricted

80% of the connected rate for each toilet or urinal, that is connected to a Council operated wastewater scheme, receiving a restricted service. Any SUIP that is used exclusively or principally as a residence will be charged for one toilet for each residence. This includes Mount Taylor.

<b>Wastewater disposal - Connected</b>	<b>\$1,149.00 per unit of use</b>
<b>Wastewater disposal - Available</b>	<b>\$574.50 per rating unit</b>
<b>Wastewater disposal - Restricted</b>	<b>\$919.00 per unit of use</b>

Total revenue required from Wastewater Disposal Targeted Rates for 2026/2027 is \$10,033,103.

## Water Supply Targeted Rate – Urban

A targeted rate for operations, maintenance and development of the councils water system (excluding rural water schemes).

The Water Supply Targeted Rate is assessed on all rating units either connected, or capable of connection, to the Council’s water system (excluding those properties connected to a rural water supply scheme) and is assessed on differential basis based on the level of water service provided to the rating unit.

### Connected

A charge for each separately used or inhabited part of a rating unit that is connected to a Council operated water supply, excluding restricted service, extraordinary connections or those that have chosen volumetric charging.

### Serviceable

50% of the connected rate per rating unit that is not connected but is capable of being connected to a Council water supply scheme as the reticulations system is within 10 meters of the rating unit.

### Restricted

80% of the connected charge for each separately used or inhabited part of a rating unit that is connected to a Council operated water supply, receiving a restricted service. This includes Mount Taylor and Sanson

<b>Water supply - Connected</b>	<b>\$500.00 per SUIP</b>
<b>Water supply - Available</b>	<b>\$250.00 per rating unit</b>
<b>Water supply - Restricted</b>	<b>\$400.00 per SUIP</b>

Total revenue required from Water Supply – Urban Targeted Rates for 2026/2027 is \$3,733,914

### Volumetric Water Charges (water by meter)

The Volumetric Water Charges are assessed on rating units that are extraordinary water supply users (as defined in Council’s Bylaws) and those that have chosen volumetric charging. The rates are assessed on a differential basis based on the level of service provision (connection size and number of connections).

Connection size	Charge per connection
15 mm to 50 mm	\$869.40
80 mm to 150 mm	\$885.50

Where a rating unit is supplied, in any rating year, in excess of 380 cubic meters, an additional consumption charge of \$2.37 per cubic meter of water supplied in excess of 380 cubic meters will be charged.

Total revenue required from Volumetric Water Charges for 2026/2027 is \$2,054,198

### Water Supply Targeted Rates - Rural

A targeted rate for operations, maintenance and development of the individual water schemes. The Water Supply Targeted Rates - Rural are assessed on all rating units in the schemes listed below, based on the units allocated/ supplied.

<b>Stanway/Halcombe Rural Water Scheme - per unit allocated</b>	<b>\$458.00</b>
<b>Waituna West Rural Water Scheme - per unit allocated</b>	<b>\$522.00</b>
<b>Ohakea Rural Water Scheme – per unit allocated</b>	<b>\$355.75</b>
<b>Kiwitea Rural Water Scheme - per unit allocated</b>	<b>\$281.75*</b>
<b>Kiwitea Rural Water Scheme - per additional unit used but not allocated</b>	<b>\$281.75 *</b>

\* Kiwitea Rural Water Scheme rates are set and collected by Council and passed on to the scheme in full.

Total revenue required from Water Supply Targeted Rates – Rural for 2026/2027 is \$1,956,922.

## Rates invoice and penalty dates

The rates detailed in this Funding Impact Statement - Rating System (excluding the metered water) are calculated annually and detailed on the Rates Assessment. This covers the year 1 July 2026 to 30 June 2027.

Rates are collected in four instalments. Council sends an invoice in August, November, February and May. The due date for payment of the invoice is the last Friday of the month it is invoiced (as set out in the table below).

The following penalties will be added to unpaid rates

- A 10% penalty will be added (on the penalty date as set out in the table below) to the unpaid balance of an instalment that is not paid by the due date (on the payment due date in the table below).
- A 10% penalty will be added on 16 July 2026 to any unpaid rates from previous financial years that remains unpaid on 15 July 2026. Another 10% will be added on 14 January 2027 to any unpaid rates from previous financial years that remain unpaid on 13 January 2027.

If annual rates are paid in full by 27 November 2026, any penalty charged for instalment one will be reversed.

The Council does not accept lump sum contributions in respect of any targeted rates.

All payments received will be allocated to the oldest rates outstanding.

	<b>Instalment One</b>	<b>Instalment Two</b>	<b>Instalment Three</b>	<b>Instalment Four</b>
Invoice Date	1 August 2026	1 November 2026	1 February 2027	1 May 2027
Payment Due Date	28 August 2026	27 November 2026	26 February 2027	28 May 2027
Penalty Date	3 September 2026	3 December 2026	4 March 2027	3 June 2027

Volumetric Water Charges will be invoiced at the end of each quarter and are due for payment on the last working day of the following month.

	<b>Quarter One</b>	<b>Quarter Two</b>	<b>Quarter Three</b>	<b>Quarter Four</b>
Invoice Date	30 September 2026	30 December 2026	31 March 2027	30 June 2027
Payment Due Date	31 October 2026	29 January 2027	30 April 2027	30 July 2027

Individual 2026/2027 property rates assessments can be viewed on the website [www.mdc.govt.nz](http://www.mdc.govt.nz), using the Property and Rates search function, or call 06 323 0000.

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