He Whakarāpopoto Rīpoata ā-tau 2025/26

Annual Report Summary

THAMES COROMANDEL DISTRICT COUNCIL



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He kupu nā te Koromatua me te Manukura | Messages from our Mayor and Chief Executive

Meeting today's challenges while planning for tomorrow



The past year has been one of challenge, recovery and some important decisions about the future of Thames-Coromandel.

One of our priorities has been keeping a firm hand on Council's finances, in particular, rates. Our Long-Term Plan signalled an average rates increase of 7.7% for the 2026/27 year, but cost pressures threatened to push that towards 14%. We made a commitment to bring the increase down, and we delivered. The total rates to be collected across the district in the year ahead increased by just 3.97%.

This year we also restructured how rates are to be allocated, based on the capital value of a property rather than just the land value. As a result, some ratepayers will have increases above the average of 3.97%, others will see little or no increase, and some will see their rates fall.

We finished the year with debt of $99 million, below the $111 million we had forecast. Part of that lower debt reflects capital work that took longer to deliver than planned, and we acknowledge that rather than claim it as a permanent saving. Every dollar Council spends ultimately comes from our communities, so we have a responsibility to spend and invest carefully.

At the same time, the Government is restructuring water services, reforming resource management and considering significant reform of local government itself. Council has had to consider what these changes could mean for Thames-Coromandel and how we can best position our district for the future.

I want to acknowledge the work of Council staff and leadership, our iwi partners and volunteers and my fellow elected members at the Council and Community Board tables. Most importantly, thank you to the many people across our district who stepped forward and helped during another demanding year.

Our next Long-Term Plan will involve hard choices about affordability and the renewal of ageing infrastructure, but the strength of Thames-Coromandel has always been its people, and we will continue to talk openly with our communities about the choices we collectively face.

Peter Revell

Mayor

Focusing on core services, recovery and smart planning



Our communities have faced a lot this year, and we have been focusing on council's role in supporting them. In 2025/26, that's meant concentrating on core services, and smart planning.

Severe weather events in January, March and April reminded us of the importance of resilient infrastructure. The widespread disruption cost around $36.5 million, ($19 million of it from central government). Most of the immediate recovery work has now been done, the rest should be completed next financial year.

On the ground, our teams continue to maintain essential infrastructure and provide regulatory and community services, but there is also a lot of less-visible work on your behalf, including spatial planning and specialist technical work on increasingly complex challenges.

Through it all, we have worked hard to control spending while protecting and maintaining our core infrastructure. Long-term asset management is a perennial challenge, especially when costs are volatile, but we need to ensure our district won't be overburdened by future infrastructure costs.

I was proud to sign off on some significant infrastructure projects this year, including the completion and opening of the Hāhei and Matarangi water treatment plants. People rely on council to deliver this sort of work, and those communities will benefit for many years to come.

We know there is change on the horizon but that won't shift our focus from good management and smart planning. It is also important to ensure council staff are prepared for the challenges ahead: You deserve a strong team in your corner.

I would like to thank our staff, contractors and partners for their ongoing commitment to making a positive difference to our communities, and our elected members for the long hours they put in for the good of the district.

Finally, thank you to the people of Thames-Coromandel. By telling us what you need, sharing your insights, and letting us know what is or isn't working, you play a critical role in local democracy.

Keep talking to us. We will keep listening.

Aileen Lawrie

Chief Executive

Whakataki | Introduction

Te Pūrongo Ā-tau | This Annual Report

This summary of our Annual Report provides a snapshot of how we – the Thames-Coromandel District Council - performed during the 2025/26 financial year (that's from 1 July 2025 to 30 June 2026).



It highlights what shaped the year, what we achieved, how our services performed and how we managed our finances. It also explains some of the challenges we faced, including severe weather, changing government requirements, ageing infrastructure and the ongoing need to balance investment in essential services with affordability for our communities.

Our plans, projects, service targets and budgets for the year were set through our 2024–2034 Long-Term Plan and 2025/26 Annual Plan. This summary looks back at how we performed against those plans.

From highlights to detail

You can read this summary from beginning to end or go directly to the sections that interest you:

- **What shaped 2025/26** takes you through the main events, decisions and wider changes that influenced our work during the year.
- **Our highlights** provide a snapshot of key projects, achievements, community support and use of Council services.
- **Māori contribution to decision-making** summarises how we worked with Hauraki iwi, hapū, whānau and Māori communities and supported Māori participation in our decision-making.
- **Delivering on our priorities** shows how we performed against our service targets. It also explains what went well and why some targets were not achieved or measured.
- **Council benchmarks and where your money was allocated** shows how we performed against the financial benchmarks that apply to councils and how funding was allocated across our services.
- **Overview of our financial performance** summarises our revenue, spending, assets, liabilities and year-end financial position.
- **The Auditor's Report** provides the independent audit opinion on this summary.

This Annual Report Summary does not include all the information contained in our full Annual Report. More details about our activities, projects, service results and finances are available in the full 2025/26 Annual Report on our website.

Audit

This Summary of our Annual Report has been audited by the Auditor General. Our current external auditor, the Audit Office, undertakes the audit on the Auditor-General's behalf. The audit helps ensure that this Summary is a fair and consistent representation of the information regarding the major matters presented in our full Annual Report. You can read the Auditor-General's opinion at the end of this report.

Te Ara i Waihangahia | What Shaped 2025/26

A New Council, A New Chapter

The year began with a newly elected Council bringing together a mix of experienced and first-time elected members, all committed to making a positive difference for the district. The election of the first councillor to represent Te Tara o te Ika Māori Ward was also a significant milestone, strengthening Māori representation in local decision-making and reflecting the importance of mana whenua voices in shaping the district's future.

As the new Council settled into its role, it quickly found itself navigating a year defined by reform, severe weather, infrastructure challenges and difficult decisions about affordability and investment. The themes that follow tell the story of the opportunities and challenges that shaped 2025/26.



Navigating a year of change

If there was one theme that defined the year, it was change.

While much of it happened behind the scenes, the Council spent significant time navigating a wave of reforms proposed by central government. Water services, resource management, building regulation and local government legislation are all being reshaped, creating uncertainty about future responsibilities and service delivery.

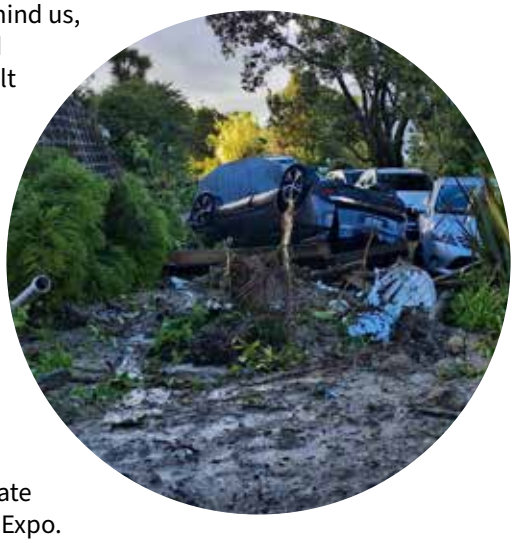


In May 2026 the Government announced further plans for local government reform, requiring councils to work with neighbouring councils to develop proposals for new governance arrangements if they wanted a say in defining their future. We spent the final months of the financial year rapidly exploring options, engaging with our communities and considering what structure would best support the future of our district.

Following this work, Hauraki, Matamata-Piako and Thames-Coromandel district councils agreed to submit a joint proposal to create a Waihou–Piako–Coromandel unitary authority. The proposal would bring district and regional responsibilities together across an area connected by shared catchments, economic links, coastal environments and longstanding relationships with mana whenua. At the time of writing, the Government has not yet made a decision on whether the proposal will proceed.

Alongside that, we reviewed and responded to a number of new government proposals, making submissions and advocating for outcomes that reflected the needs and realities of our district.

Responding to Severe Weather and Building Resilience



Just as recovery from the severe weather events of early 2023 was largely behind us, our resilience was once again tested. Two States of Emergency were declared during the year, including one in response to Cyclone Vaianu, with impacts felt across our communities, infrastructure and services.

As they so often do, our communities stepped up. Iwi, marae, community response groups, volunteers, emergency services, contractors and Council staff worked together to support affected areas and assist with recovery. Recovery efforts continued throughout the year, supported by the Mayoral Disaster Relief Fund and a range of local and regional initiatives.

These events of recent years have reinforced the need to prepare for a future where severe weather is more frequent and more disruptive. During the year, we adopted our Climate Change Strategy and Greenhouse Gas Emissions Reduction Plan, providing a long-term framework for responding to climate-related risks and opportunities. We also continued supporting community preparedness through workshops, school programmes, the Climate Change and Adaptation Symposium, and the Community Disaster Resilience Expo.



Securing our Water Future

Few services matter more to everyday life than reliable drinking water, wastewater and stormwater networks and this remained one of our biggest areas of focus during the year.

A major focus was completing our Local Water Done Well plan as a result of the Government's programme for the future delivery of water services. Over the year, we analysed options, modelled costs, consulted with our communities and considered how best to balance affordability with the need to provide reliable drinking water, wastewater and stormwater services. Following this work, we decided to establish an in-house water services delivery unit from 1 July 2027. We have now begun to set up for this transition. In the meantime, we appointed Citycare Water as our operations and maintenance provider.

Alongside this we continued investing in infrastructure needed to meet regulatory requirements, support growth and improve resilience.

A major milestone was the opening of the upgraded Hāhei Water Treatment Plant, improving drinking water reliability and helping meet national drinking water standards. We also progressed drinking water improvements in Thames South, completed reservoir upgrades in Matarangi and Tairua, and continued to reduce water loss across the network.

We progressed several significant wastewater consent projects in Ōamaru Bay, Matarangi and Onemana and completed stormwater improvements in Whangamatā. Although we received many flooding complaints following the severe storm event in January 2026, only one of them affected a habitable floor. Our performance measure for stormwater flooding is based on impact on habitable areas.

Better Outcomes Through Partnership

Many of the year's successes could not have been achieved by the Council alone.

A standout example was the return of the Auckland–Coromandel ferry service, restoring a direct connection between the peninsula and New Zealand's largest city. The project brought together the Council, ferry operators, regional partners, businesses and the wider community, and was later recognised through an Economic Development New Zealand Inclusive Development Award.

We also engaged extensively with residents, iwi, schools, businesses, community organisations, older adults and rangatahi. While perspectives differed, common themes emerged around resilience, wellbeing, housing, environmental stewardship, economic opportunities and support for young people.

One significant project was the completion of Rangatahi Network Scoping, which brought together schools, iwi, government agencies and community organisations to



better understand the aspirations and challenges facing young people across our district. The findings highlighted opportunities to strengthen pathways into education, employment, leadership and community participation.

These partnerships and conversations continue to shape the Council's understanding of what matters most to our communities and how we can work together to achieve better outcomes.

Facing the Reality of Ageing Assets

Across the motu, councils are grappling with the challenge of maintaining ageing infrastructure and facilities, and our district is no exception. During the year we continued investing in community facilities, including new public toilets, hall upgrades, accessibility improvements and waste management infrastructure. At the same time, assessments of a number of assets provided a clearer picture of the scale of future renewal and replacement needs.

Structural assessments of wharves, jetties and pontoons identified maintenance requirements across parts of the harbour network and confirmed that Coromandel Wharf has reached the end of its service life and will require replacement. While the harbour network received particular attention, the findings reflect a broader challenge facing councils throughout the country. Many of the assets and facilities communities rely on every day were built decades ago and are now reaching a point where significant renewal, upgrade or replacement is required.

Balancing affordability with the need to renew and replace ageing assets that communities rely on every day is a growing challenge facing local government.

Building a Council for the Future

Many of the improvements that make the greatest difference to service delivery happen behind the scenes.

During the year, we continued modernising the systems, technology and processes that support our work. Many of the systems had become outdated, making it harder to meet rising customer expectations and operate efficiently.

We invested in replacing ageing technology systems, strengthening cybersecurity and improving disaster recovery capability. We also introduced new digital tools, including artificial intelligence, to help staff work more effectively and make better use of information.

At the same time, we continued to perform strongly in our regulatory services. We retained Building Consent Authority accreditation and maintained our Extra Low Risk classification, following an independent assessment by International Accreditation New Zealand, remaining the only territorial authority in New Zealand to hold this status. Staff also played an important role supporting recovery efforts and implementing significant legislative changes during the year, including new “granny flat exemptions”.

Balancing affordability with the future we need



Running through many of the themes in this report is a common challenge: how to continue providing the infrastructure, services and facilities our communities rely on while keeping them affordable.

Like councils across New Zealand, we face rising construction and operating costs, ageing infrastructure, increasing regulatory requirements and growing community expectations. During the year, a range of projects and assessments helped build a clearer picture of the investment needed over coming decades to maintain and replace critical assets.

From water infrastructure and stormwater networks to wharves, community facilities and technology systems, many of the assets that support everyday life in our district are reaching an age where significant renewal or replacement is required.

At the same time, communities continue to expect reliable services, resilient infrastructure, environmental stewardship and facilities that support local wellbeing. Meeting these expectations requires careful choices about where to invest, what service levels are affordable, and how costs should be shared.

These are not decisions for a single year. They will continue to shape our long-term financial strategy and budgets and future discussions with our communities about priorities, affordability and the type of district we want to create for future generations.

Keeping focussed for future generations

Careful financial management remained a key focus throughout the year as we continued balancing affordability of rates with the need to invest in essential infrastructure and services. During a period marked by severe weather recovery, changing government requirements and ongoing infrastructure demands, we remained committed to ensuring ratepayer funds were used responsibly and effectively.

While some major projects progressed more slowly than initially planned and development activity across the district was lower than forecast, expenditure was generally well controlled across Council activities. As a result, debt remained below budgeted levels and Council made substantial progress on a number of critical infrastructure and community projects that will provide lasting benefits for the district and support the delivery of services into the future.

The year also demonstrated the importance of taking a long-term view. Significant work continued on projects that will support the district's future resilience and wellbeing, including water infrastructure upgrades and planning for future asset renewals. While many of these investments require substantial funding, they are essential to ensuring services remain reliable, safe and fit for purpose for future generations.

As we look ahead, the challenge of balancing what we can afford with the need to maintain our infrastructure and facilities to continue to deliver services while working towards increasing community expectations will remain a defining issue. Delivering value for our communities remains an important goal of our Council.

Further detail on Council's financial performance and the significant variances from budget is provided in the full Annual Report under Note 30: Major Variances Against Budget.

Ngā mahi whakahira | Our highlights

Roading recovery mostly completed

- 180,236m² of **roads resurfaced**
- **Serious crashes reduced** on local roads
- **Streetlight renewals completed** on Pollen Street
- **Schools Sign Project** completed
- South Highway West **project completed**

Supporting communities through severe weather

Two States of Emergency declared



Communities supported through the response to Cyclone Vaianu



Mayoral Disaster Relief Fund support provided to affected communities

From resilience to long-term preparedness

Climate Change Strategy
ADOPTED

Greenhouse Gas Emissions Reduction Plan
ADOPTED

CLIMATE CHANGE AND ADAPTATION
Symposium hosted

Community Disaster Resilience **Expo delivered**





Planting of more than **500 dune-stabilising plants** at Little Bay in the Coromandel-Colville rohe

Delivering value through investing with others

- Auckland–Coromandel ferry **service reinstated**
- **Award won for Coromandel-Auckland ferry**
- **Rangatahi Network scoping completed** with schools, iwi, community organisations and government agencies



Other local touch-ups





- **New and replacement public conveniences opened** at Kōpū, Waikawau Bay, Coromandel Mountain Bike Park, Buffalo Beach, Ōmara Reserve, Cooks Beach, Pūrangi Reserve, Cory Wright Domain and Port Road, Whangamatā
- **Hall refurbishment completed** at Whitianga Hall
- **Accessibility improvements completed** at Thames War Memorial Civic Centre
- **Technology upgrades completed** at Coromandel Citizens Hall
- **Interior upgrades completed** at Whangamatā Hall
- **Hetherington Road Stormwater Upgrade completed** in Whangamatā
- **New recycling bunker installed** at Whangamatā Refuse Transfer Station

Asking what you thought about our proposals

We decided to establish an **in-house water services delivery unit** after asking for your views on our options

More than 900 responses received on **Tough Choices for Lower Rates proposals**

More than 1,600 responses received on local government reform options.

You helped us shape **how we manage our grant funding**.

Progressing important projects



Hāhei Water **Treatment Plant opened**



Building Control Retains **Nationally Leading Status**

Citycare Water appointed as provider of water, wastewater and stormwater operations and maintenance services

Wastewater treatment plant consent renewed at Ōamaru Bay

Use of our services

106 new Aotearoa New Zealand **citizens welcomed**

44,135 phone calls received during working hours

2,572 community centre and hall bookings

530,824 visitors to our libraries (online and in person)

174,613 books (physical books, e-books and comics) issued at our libraries

1,118 LIM applications received

38 schools/ECEs participated in waste education programmes

A helping hand goes a long way

Our community boards made many locally funded contributions to community organisations to help them make things happen:

Coromandel-Colville

- Coromandel Community Patrol for operating costs ($2,500)
- Coromandel Community Library for volunteer training ($3,000)
- Colville Preschool for fire safety improvements ($1,092)
- Spirit of Coromandel Trust for track work and signage ($3,000)
- Thrive Trust for brochures ($1,502)
- Upper Coromandel Forest & Bird for shorebird data collection ($5,000)
- CILT – Te Mana Tangata for materials ($2,500)
- Te Ranga Wairua for protective clothing ($1,932)
- Coromandel Business Association for consenting costs for Cyril's Clock ($3,500)
- Harataunga Marae Trust for tree removal ($5,000)
- Coromandel Business Association for Christmas street flags ($2,500)
- Harataunga Tapui for the Harataunga Walkway Project feasibility study ($7,000)
- Coromandel School of Mines & Museum for signage ($1,000)
- Little Bay Ratepayers Association for replacement of an AED ($2,484)
- Forest & Bird Upper Coromandel for plant and pest eradication ($5,000)
- Coromandel Area School towards accommodation costs for the Rarotonga/Aitutaki trip ($5,000)
- Coromandel Community Library for operational costs ($15,000)
- Spirit of Coromandel Trust for the purchase of a mower ($19,000)
- Coromandel Arts Tour ($1,200)
- Friends of St Pauls Harataunga for building repairs ahead of 125-year anniversary celebrations ($4,000)
- TCDC procurement for the Hauraki House Playground blessing ($350)
- TCDC procurement for Coromandel Volunteers Celebration catering ($350)

Mercury Bay

- Poppy Places naming costs ($700)
- Kūaotunu Environmental Action for restoration and maintenance of a trapline following the 2024 fire ($4,520)
- Mercury Bay Performing Arts for the purchase of theatre curtains ($6,321)
- Whitianga Filipino Community for venue hire, sound system rental and performer fees for a free cultural event ($1,000)
- Kuaotunu Fire Committee – Opito for community response infrastructure ($8,075)
- Mercury Bay Business Association for the Whitianga Town Entrance Sign ($5,118)
- Whitianga Bike Club for the purchase of two roof ventilators and servicing of two portaloos ($1,034)
- TCDC Procurement for Mercury Bay Volunteers Celebration catering ($300)
- Whitianga Oceans Festival for portaloo hire and servicing ($5,807)
- Whangapoua Te-Rerenga Emergency Response Team for operational equipment ($4,350)
- Mercury Bay Performing Arts for the balance of funding for theatre curtains ($1,902)
- Whangapoua Community Association for replacement surf lifesaving equipment and signage ($1,208)

Tairua-Pāuanui

- Tairua Bowling Club for a new water bore ($8,000)
- Pāuanui Residents & Ratepayers for rabbit bait ($650)
- Tairua Heritage Society for display boards, a computer and printer ($1,258)
- Tairua Life Saving Club for wastewater charges ($1,253)
- Tairua Bowling Club for Waikato Regional Council resource consent fees ($1,000)
- Pāuanui Life Saving Club for wastewater charges ($1,253)
- Pauanui Focus for installation of three frisbee golf nets ($4,300)
- Predator Free Pauanui for the purchase of traps for pest control ($3,075)
- Pāuanui Residents & Ratepayers for rabbit bait stations and bait ($966)

Thames

- Thames Community Patrol for a marquee with sandbags for the Safer Plate Service initiative ($1,311)
- Ngāti Maru for guest speakers at the Rangatahi Summit ($6,500)
- Ngāti Maru for morning tea and lunch at the Rangatahi Summit ($3,150)
- Thames ATC - 35 Squadron for a gazebo for training events and fundraisers ($2,755)
- Thames Public Arts Trust for the Kauri Dam Visitor Information Sign ($6,130)
- Thames Pickleball Group for hire of the Jack McLean Centre for pickleball ($1,792)
- Thames Grey Power for registration to attend the Grey Power Federation AGM in Wellington ($1,667)
- Thames Environmental Alliance for a pilot privet project ($20,000)
- CAPS Hauraki for Children's Day 2026 ($6,665)
- Thames Youth Centre for three driver licence programmes ($8,747)
- Thames Tumble Tots for Civic Centre hall hire ($495)
- SPCA for community cat and dog desexing vouchers ($2,269)
- Thames Community Patrol for new tyres for the patrol vehicle ($431)
- Never Surrender Boxing Club for delivery of the Physical Activity and Wellbeing programme ($12,290)
- T-RAP (Ngāti Maru) for Civic Centre hire for suicide prevention seminars ($545)
- T-RAP (Ngāti Maru) for Pink Shirt Day activities ($428)
- T-RAP (Ngāti Maru) for Youth Week activities ($400)
- T-RAP (Ngāti Maru) for T-RAP shirts and hoodies ($606)
- Thames Blue Light for Te Huirahi mentor activities for youth at risk ($4,000)
- Thames Business Association for delivery of Explore Thames social media promotion ($3,600)
- Council contractor for the Grahamstown heritage sign writing initiative ($9,000)
- Thames Public Arts Trust towards purchase of the Jay Hogan sculpture ($3,500)
- TCDC for the purchase of three sets of new flags for Pollen Street ($6,830)
- Thames School of Mines for installation of new signage at the Brown Street museum entrance ($1,610)
- Kiaido Ryu Karate for training equipment ($2,379)
- Thames Amateur Swimming Club for poolside jackets for winter training ($896)
- Thames Junior Rugby Club for match and training equipment ($1,368)
- Thames Football Club for footballs for training and matches ($593)
- Thames Gymsports for safety equipment ($1,822)
- Thames Sea Scouts for tents to support camps and activities ($1,915)
- St James Church for repainting two visitor signs ($450)

Whangamatā

- Whangamatā Surf Life Saving Club for club renovations ($10,000)
- Whangamatā Community Library for employing a part-time librarian ($5,000)
- Arts Collective Whangamatā for purchase of a storage container ($3,710)
- Whangamatā Resource Recovery Trust for printing of business cards and financial software subscriptions ($628)
- Ōpoutere Community Hall for the purchase of hall heating ($3,000)
- Surfing Santa main street Christmas decorations ($24,111)
- Eastern Coromandel Community Services for food bank and comfort kai costs ($2,000)
- Whangamatā RSA for ANZAC 2026 ($3,960)
- Whangamatā Resource Recovery Trust for three months' rental costs ($750)
- Whangamatā Community Library towards a part-time employee and accounting fees ($1,872)
- Whangamatā Information Centre for a printer, laptop and walks booklet ($2,286)
- Whangamatā Hospice & Cancer Support for support costs ($7,436)
- Arts Collective Whangamatā for annual accounting services ($750)
- Whangamatā Harbour Care for administration costs ($2,464)
- Moana House for electrical amenities for two staff cottages ($7,040)
- Whangamatā Country and Variety Music Club for a new sound system ($1,000)
- Whangamatā Football Club for sporting equipment and start-up costs ($9,000)
- Whangamatā Community Marae for hosting a Matariki event ($1,200)

Te Tāpaetanga a Te Iwi Māori Ki Ngā Whakataunga a Te Kaunihera | Māori Contribution to Council Decision Making

During 2025–26, amid significant legislative reform, Council maintained constructive relationships with Hauraki iwi, hapū, whānau and Māori communities and continued to support Māori contribution to decision-making. Mana Whakahono ā Rohe work was paused pending replacement of the Resource Management Act, while major Treaty settlements across Hauraki for Ngāti Pāoa, Ngāti Rāhiri Tumutumu, Ngāti Tara Tokanui and Ngāti Hei created new opportunities for iwi and Council to develop enduring post-settlement relationships.

Council engaged iwi on the Simplifying Local Government proposal and the Spatial Plan, progressed a Māori Engagement Strategy to guide consistent and well-resourced engagement, and benefited from the Māori Ward Councillor's role as a bridge between Council and iwi. Together, this work provides a sound basis for responding to new legislative settings and working alongside iwi towards resilient, inclusive and enduring outcomes for the district.



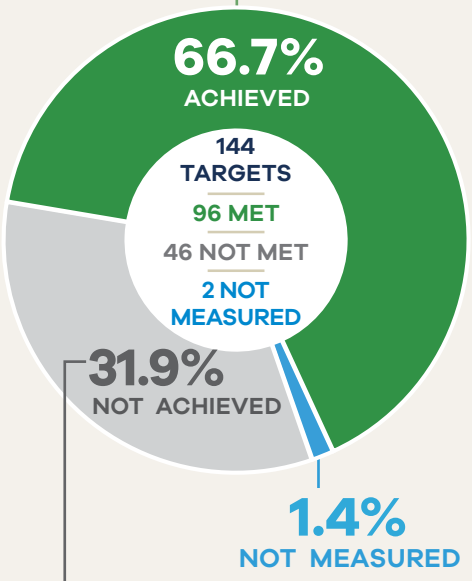
He puakina whakaarotau | Delivering on our priorities

Our Council worked towards its priorities by delivering a wide range of services to our communities. Some services are delivered directly by Council staff, while others are delivered by contractors, specialist providers or partner organisations. We also provide grants and support that help community organisations contribute to the wellbeing of our district.

Our results show strong delivery across many services, alongside areas where further work is needed.

Did we meet our targets?

We report against 144 performance targets. This year we met about two-thirds of them (96), did not meet 46, and could not measure two because the activity was tested in a different way or no longer delivered. This is broadly consistent with 2024/25, when 67% of targets were achieved, 32% were not achieved, and 1% was not measured. Some of our areas of improvement and non-achievement are shared below.



SOME AREAS WHERE WE IMPROVED

96% of our unsealed roads met the quality standard we aimed for, up from 86.5% last year *(refer to our transport activities results).*

61% increase in visits to our three libraries, with 530,824 visits online and in person *(refer to our community spaces activities results).*

86% of our community is satisfied with our water-supply services, up from 77% last year *(refer to our water supply activity group results).*

98% of urgent animal-control incidents, including dangerous-dog reports, were responded to within two hours *(refer to our protection of people and the environment activities results).*

Our District Events Fund was almost all distributed, supporting 10 events across our district.*(refer to our community and economic development activities' results).*

37,968m² more local roads were resurfaced than last year *(refer to our transport activities results).*

KEY AREAS WHERE WE MISSED OUR TARGETS

Water call-out
attendance and resolution took longer than the timeframes we aimed for. Changes to our maintenance contractors, outstanding service requests and severe weather contributed to delays *(refer to our water supply activity group results).*

H20
drinking-water requirements weren't all met or we couldn't confirm were met. We're continuing to upgrade our treatment plants, opening new plants in Hāhei and Matarangi to ensure we have safer and more reliable drinking water on tap *(refer to our water supply activity group results).*

Severe weather
in January saw an increase in stormwater complaints and meant we could not respond as quickly as planned. Road closures also delayed responses to some wastewater overflows *(refer to our stormwater activities results).*

Coromandel Wharf
has reached the end of its life and will require full structural replacement. Most of our other harbour facilities are in good condition, although some require maintenance *(refer to our community spaces activities results).*

24%
of businesses surveyed felt supported by our Council, against our 50% target. We'll keep working on improving our relationships with businesses and improve communication about what we offer *(refer to our community and economic development activities' results).*

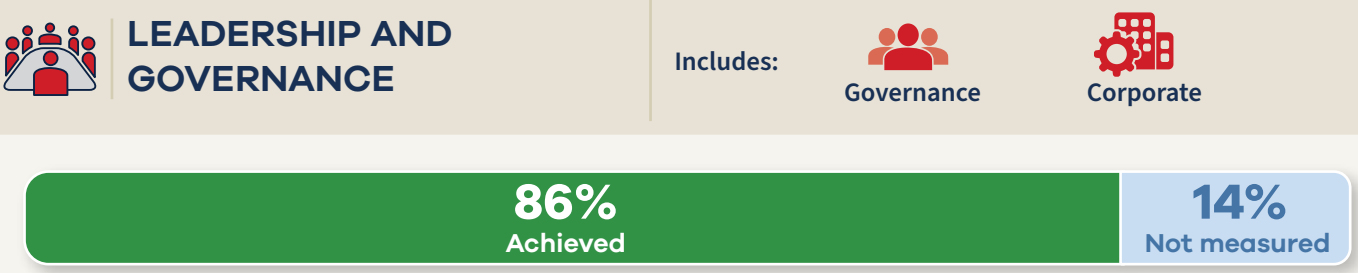
The next few pages look at our results across each area of our work: what went well, what didn't, and why.
For more detail, see section four of the full Annual Report.

Our activities in a nutshell

Each activity group shows what it includes, the percentage of targets achieved, not achieved or not measured, and the story behind the result.

LEADERSHIP AND GOVERNANCE

Includes: Governance, Corporate



A newly elected Council began its term in October 2025 and progressed a significant programme of work during a year of severe weather and major government reform. The first councillor for Te Tara o te Ika Māori Ward was elected, strengthening Māori representation in local decision-making. Our Council also adopted a new Community Boards Accord and continued advocating for the district through submissions on proposed legislative changes.

We achieved our service targets for elected-member attendance, publishing meeting agendas, answering customer calls and responding to official information requests. Community satisfaction with council leadership and financial management increased, although satisfaction with financial management remained relatively low. We did not measure the community grants target because contestable community grants were no longer provided under the previous funding arrangement.

COMMUNITY SPACES

Includes: Community facilities, Libraries, Parks and open spaces



We continued improving the public spaces and facilities our communities use every day. New and replacement public toilets opened across the district, halls received accessibility, technology and interior upgrades, and our cemeteries, parks and playgrounds benefited from practical improvements. Our libraries recorded 530,824 visits in person and online, supported by strong participation in programmes and events.

Most of our service targets were achieved, and our communities' satisfaction with our public facilities and open spaces increased slightly. However, the condition of our wharves meant we didn't meet our harbour facilities target. Engineering assessments confirmed that Coromandel Wharf has reached the end of its service life and will require full structural replacement. Maintenance works are also required at Hannafords Wharf, Port Charles Wharf and Whangamatā Wharf.

PROTECTION OF PEOPLE AND THE ENVIRONMENT

Includes: Emergency management; Coastal and hazard management; Community health and safety

78% Achieved	11% Not achieved	11% Not measured

Two weather-related States of Emergency were declared during the year, testing our response arrangements and highlighting the importance of strong local networks. Community response groups, iwi, marae, emergency services, volunteers and community organisations supported response and recovery work, while ten Community Response Plans were reviewed and updated.

We achieved our food-business, urgent animal-control and alcohol-licensing targets, and community satisfaction increased across all three areas measured. We did not complete all planned coastal capital work within the year because archaeological approval requirements delayed the Mercury Bay dune-protection project until 2026/27. Also, we did not measure the annual emergency exercise because real emergency activations tested our arrangements in practice; formal post-event reviews and independent After-Action Reports were completed instead.

PLANNING AND REGULATION

Includes: Resource consents; Building control; District and strategic planning

87.5% Achieved	12.5% Not achieved

We progressed our district's long-term spatial plan while we responded to significant changes in planning legislation. Our district plan remained available online, and satisfaction with our district and spatial planning mahi | work increased.

For building control and resource consents, our building consent service retained its nationally leading Extra Low Risk accreditation following an independent assessment. We processed resource consents, building consents, code compliance certificates and LIM applications within the required timeframes, and completed all pool-barrier inspections due during the year.

Satisfaction with our building and resource-consent services decreased slightly. We've introduced a monthly applicant survey to gather direct feedback from people using these services and help identify improvements.

COMMUNITY AND ECONOMIC DEVELOPMENT

Includes: Community development; Economic development

75% Achieved | **25%** Not achieved

We continued bringing communities, agencies and service providers together to strengthen our communities and exceeded our interagency and community-engagement target. Our engagement covered a range of issues important to our communities, including emergency preparedness, climate adaptation, housing, transport, youth wellbeing, education, employment and access to services. Rangatahi Network Scoping also brought together schools, iwi, government agencies and community organisations to better understand the needs and aspirations of young people.

Our economic development services involved supporting local events through allocating 99.6% of the District Events Fund. The Auckland–Coromandel ferry service also returned and received an Economic Development New Zealand award for our contribution. However, only 24% of surveyed businesses told us they felt supported by the Council. Their feedback highlighted opportunities for us to build stronger relationships and communicate more clearly about the support we offer to businesses on the Coromandel.

TRANSPORT

Includes: Roads; Footpaths, cycleways and streetlights

100% Achieved

Storm recovery once again diverted our attention, requiring more road repairs alongside our usual road network maintenance and improvements. We resurfaced 180,236m^2 of sealed roads, completed a Schools Sign Project, improved South Highway West Road, Whitianga and carried out streetlight work on Pollen Street, Thames.

We achieved all our seven transport service targets. Sealed-road smoothness and unsealed-road quality improved, fatal and serious injury crashes reduced from eleven to eight, and none resulted from road condition. 98% of our footpaths met the standard we're aiming for, and community satisfaction with our local transport network increased.

STORMWATER

Includes:



Stormwater and land drainage

78% Achieved	22% Not achieved

The January 2026 severe-weather event brought exceptionally heavy rainfall and generated a large number of stormwater enquiries and complaints. Despite the scale of the event, only one reported flooding event affected a habitable floor. We also completed the Hetherington Road upgrade in Whangamatā and progressed flood modelling and other network improvements.

We achieved seven of our nine service targets, including all our resource-consent compliance measures. We did not achieve our response-time and complaint targets as surface flooding during the event restricted access to sites at the same time as the exceptionally heavy rainfall generated significantly more service requests than usual.

WASTEWATER

58% Achieved	42% Not achieved

We continued our wastewater improvement programme while responding to operational challenges and progressing important consent work. The discharge consent for our Ōamaru Bay scheme was renewed, work continued on consent renewals for Onemana and Matarangi, and compliance at the Coromandel treatment plant improved.

Community satisfaction increased from 79% to 88%, blockages remained below target and no new consent enforcement action was received. However, we did not meet our service targets for limiting dry-weather overflows, odour and system-fault complaints, or attendance and resolution times. Like several of our services, wet-weather events restricted access to sites where issues were raised, while equipment failures and a loss of process control at Cooks Beach contributed to increased odour complaints.

WATER SUPPLY

52% Achieved	48% Not achieved

Providing safe and reliable drinking water remained a major focus. Compliance with national drinking-water requirements improved for several supplies, but some treatment, monitoring, equipment and data-recording requirements were not fully met. We are continuing treatment-plant upgrades, improving monitoring and strengthening contractor oversight to improve compliance across our water supplies. We have also commissioned new Hāhei and Matarangi water treatment plants and progressed the Thames South water-treatment and network project. The new plants are intended to provide safer, more reliable water, improve resilience during severe weather and peak summer demand, and support future growth.

We investigated and repaired leaks across the district. The proportion of treated water lost from our supply networks reduced from 33% to 30%, while satisfaction with the overall water-supply system increased from 77% to 86%.

We did not respond to urgent and non-urgent water-supply call-outs within the timeframes we aimed to. The transition between maintenance contractors, inherited outstanding requests and severe weather affecting access contributed to delays. Complaints about interruptions also remained above target, with many linked to shutdowns needed to repair leaks and damaged pipes.

SOLID WASTE

Includes: Rubbish and recycling; Waste minimisation

100% Achieved

We continued improving our waste and recycling facilities, including installing a new recycling bunker at Whangamatā, replacing equipment and progressing the new Whitianga Refuse Transfer Station and Resource Recovery Centre. The storms impacted our waste and recycling facilities too, with repairs resulting from storm-damage completed at our Coromandel and Tairua.

We achieved all our service targets. Community satisfaction with our waste-management services increased from 56% to 63%, justified complaints about missed kerbside collections continued to fall, and no formal warnings were issued for closed landfill sites. A total of 38 schools and early childhood centres participated in our waste-education programmes.

Ngā Taumata ā Kaunihera me te Tohatoha Pūtea | **Council Benchmarks and Where Your Money was Allocated**

Part 2 of The Local Government (Financial Reporting and Prudence) Regulations require us to disclose our financial performance in relation to various benchmarks. A complete picture of the results can be obtained from the full Annual Report. The following is a snap shot of the results that were obtained in the 2025/26 financial year.

Rates affordability benchmarks



- 74.6% of total operating revenue received by Council was rates income. Rates received is capped at 80% of total operating revenue received.
- Rates rose by 6.4% for existing ratepayers. Council's limit was that rates must not rise by more than 9.45% in the 2025/26 financial year.

Debt affordability benchmarks



- Total net external debt (being external loans minus cash and equivalents and term deposits) was $63.6 million as at 30 June 2026 and was equivalent to 40% of total revenue. This is $176 million under our total external debt cap of $239.9 million (150% of total revenue).
- Net external interest on external debt was 3.0% of rates revenue. This was well within the limit set of 15%.
- Net interest on external debt was 5.4% of operating revenue. This was well within the limit set of 15%.

Balanced budget benchmark



- Council's revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant and equipment) was 104% of total operating expenditure (excluding losses on derivative financial instruments and revaluations of property, plant or equipment).

Essential services benchmark



- The Council's capital expenditure on network services was 89% of total depreciation on network services. Council did not meet this benchmark due to the timing of the capital programme, with a number of planned infrastructure projects progressing more slowly than anticipated during the year.

Debt servicing benchmark



- Council's borrowing costs are 2.7% of its operating revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant and equipment). Council meets this benchmark if its borrowing costs equal or are less than 10% of its revenue.

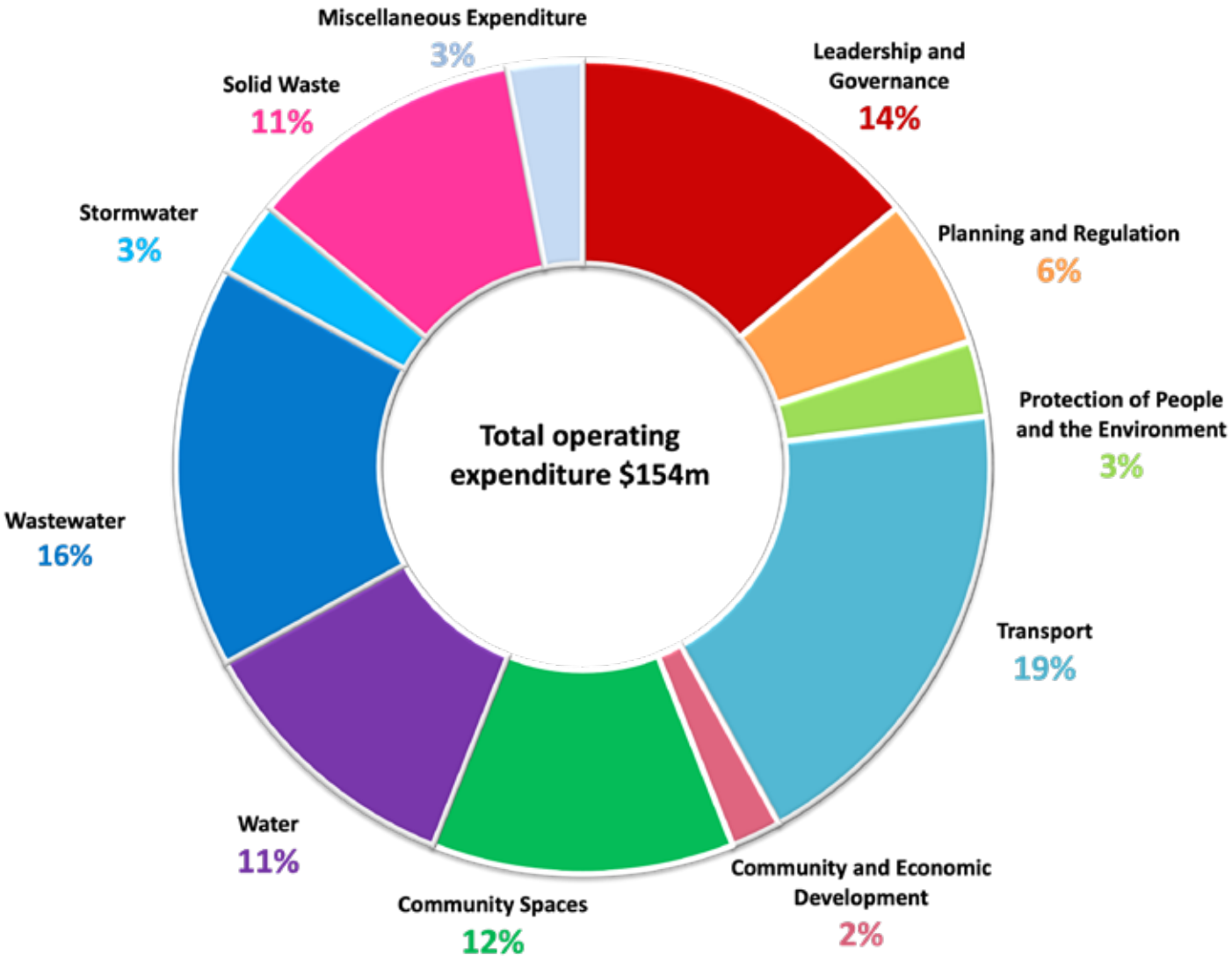
Debt control benchmark

- Council's actual net debt of $81.9 million was 58% of its planned net debt as at 30 June 2026. Net debt means financial liabilities less financial assets (excluding trade and other receivables). Council met this benchmark as actual net debt was less than 100%.

Operations control benchmark

- Council's net cash flow from operations was $44.7 million which was $8.5 million less than budgeted. Council did not meet this benchmark largely because budgeted Crown funding for the Tapu-Coroglen Road resilience project was not received during the year, resulting in lower operating cash inflows than planned.

Where your money was allocated



Tirohanga Whānui ki te Whakahaere Pūtea
Overview of our Financial Performance

Summary financial statements for the financial year ending 30 June 2026

Statement of comprehensive revenue and expense	2026 Budget	2026 Actual	2025 Actual
For the year ended 30 June 2026	**$000's**	**$000's**	**$000's**
Revenue			
Rates revenue	117,517	115,268	108,023
Fees and charges	15,889	16,044	15,350
Other revenue	42,473	28,664	29,716
Total revenue	**175,879**	**159,976**	**153,089**
Expenses			
Personnel costs	28,788	28,692	26,429
Depreciation and amortisation expense	38,379	36,640	37,636
Finance costs	4,968	4,482	4,452
Other expenses	79,838	83,878	75,230
Total expenses	**151,973**	**153,692**	**143,747**
Income tax credit / (expense)	0	0	32
Surplus/(deficit) after tax	**23,907**	**6,284**	**9,374**
Gain/(loss) on property, plant and equipment revaluations	64,307	169,075	2,279
Impairment losses on revalued property, plant and equipment	0	(1,137)	0
Deferred tax credit on revaluation	0	0	(32)
Total other comprehensive revenue and expense	**64,307**	**167,938**	**2,247**
Total comprehensive revenue and expense	**88,215**	**174,222**	**11,621**

Statement of financial position	2026 Budget	2026 Actual	2025 Actual
As at 30 June 2026	**$000's**	**$000's**	**$000's**
Total current assets	21,235	51,859	41,901
Total non-current assets	2,419,762	2,400,542	2,228,236
Total assets	**2,440,997**	**2,452,401**	**2,270,138**
Total current liabilities	30,719	46,153	45,785
Total non-current liabilities	112,264	83,356	75,683
Total liabilities	**142,983**	**129,509**	**121,468**
Net assets and total equity	**2,298,014**	**2,322,892**	**2,148,670**

Summary financial statements for the financial year ending 30 June 2026 continued

Statement of changes in equity	2026 Budget	2026 Actual	2025 Actual
For the year ended 30 June 2026	**$000's**	**$000's**	**$000's**
Balance at 1 July	**2,209,799**	**2,148,670**	**2,137,049**
Total comprehensive revenue and expense for the year	88,215	174,222	11,621
Balance at 30 June	**2,298,014**	**2,322,892**	**2,148,670**
Equity represented by:			
Accumulated funds	481,976	417,550	425,582
Reserves	1,816,039	1,905,343	1,723,089

Statement of cash flows	2026 Budget	2026 Actual	2025 Actual
For the year ended 30 June 2026	**$000's**	**$000's**	**$000's**
Net cash flow from operating activities	53,145	44,654	42,613
Net cash flow from investing activities	(62,462)	(43,604)	(47,484)
Net cash flow from financing activities	11,740	8,000	8,000
Net increase/(decrease) in cash and cash equivalents	**2,423**	**9,050**	**3,129**
Cash and cash equivalents at the start of the year	4,954	15,278	12,149
Cash and cash equivalents at the end of the year	**7,377**	**24,329**	**15,278**

Summary financial statements

The summary financial statements were extracted from the full audited financial report of Thames-Coromandel District Council for 30 June 2026.

The summary financial statements do not include all the disclosures provided in the full financial statements and cannot be expected to provide as complete an understanding as provided by the full financial statements.

The full annual report was authorised for issue by Council on 29 October 2026.

The full annual report is available from the Council offices or can be downloaded at **www.tcdc.govt.nz**. An unmodified audit report was issued on the full financial statements and is included in the Auditor's Report section of the full annual report. The Audit Office has drawn attention to the future changes in water services delivery and Simplifying Local Government Reforms disclosures. Further information is provided in the Emphasis of Matter disclosure of the Auditor's Report.

Explanations for key variances from the budget

Revenue and Expense

Subsidies and grants

Subsidies and grants revenue was $9.0 million less than was budgeted largely due to $13M Crown resilience funding for Tapu-Coroglen Road not approved to proceed, offset by storm events.

Development contributions

Development contributions revenue was $1.3 million less than budget mainly due to fewer developments progressing in the financial year.

Other revenue

Other revenue was $3.8 million less than budget mainly due to the value of assets vested to council.

Depreciation and amortisation

Depreciation was $1.7 million less than budgeted primarily due to the low revaluation of district roading assets on 30 June 2025, which has fed into lower depreciation in 25/26.

Other expenses

Other expenses were $4.0 million more than budget. This was largely due to losses on disposal of Property Plant and Equipment.

Other comprehensive revenue and expense

Gain on property, plant and equipment revaluations

Gain on revaluation was $105 million more than budgeted. This is mainly due to an increase in Transportation asset valuation.

Assets

Cash and cash equivalents

The closing cash position is $17 million higher than budgeted mainly as a result of unbudgeted cash reserves held at year end for upcoming cashflow requirements.

Receivables

Receivables were $1.3 million more than budget due to a few large sundry receivables being due at year end including transport and other project subsidies.

Other financial assets

Other financial assets are $12.8 million higher than budgeted mainly due to short term deposits held.

Property, plant and equipment

Property, plant and equipment assets are $7.3 million more than budgeted. This is mainly due to the revaluation movement as at 30 June 2026.

Liabilities

Borrowings

The total external debt is $12 million lower than budgeted due to project delays and liquid cash holdings.

Disclosure

Reporting entity

Thames-Coromandel District Council (Council) is a territorial local authority established under the Local Government Act 2002.

Basis of preparation

Statement of compliance

The Summary Annual Report is for the year ended 30 June 2026 and was authorised for issue by the Chief Executive on 13 November 2026. The full Annual Report was adopted by Council and approved for issue on 29 October 2026. The full financial statements of Council have been prepared in accordance with the requirements of the Local Government Act 2002, which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP). They

also comply with Tier 1 PBE accounting standards. All statutory requirements relating to the Annual Report have been complied with. This Summary Annual Report has been prepared in accordance with the PBE Financial Reporting Standard 43 (PBE FRS 43) Summary Financial Statements.

Measurement base

The financial statements have been prepared on an historical cost basis, modified by the revaluation of land and buildings, certain infrastructural assets, investments, forestry assets and certain financial instruments (including derivative instruments).

Functional and presentation currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars ($000's).

Events After Balance Date

Local government reform

The Government is progressing reforms to simplify New Zealand's local government system, including potential changes to the structure, functions and governance arrangements of local authorities. The outcome and timing of the reforms remain uncertain and will depend on further Government decisions, detailed design and any required legislation.

The financial statements have been prepared on a going concern basis, based on Council continuing to operate as a separate entity and meet its statutory responsibilities while the reforms are progressed. Council considers that the uncertainty regarding the outcome and timing of the reforms does not currently indicate that it will be unable to continue operating and meet its obligations as they fall due.

Head Start pathway

Council voluntarily participated in the Head Start pathway as part of a joint proposal with Hauraki District Council and Matamata-Piako District Council for a new Waihou–Piako–Hauraki–Coromandel unitary authority.

On 24 September 2026, the Government announced that decisions on the Head Start proposals would be deferred. Cabinet is expected to consider the proposals in early 2027. If proposals are endorsed, they are expected to be developed in detail and considered for final approval during 2027, with any approved changes intended to be in place ahead of the 2028 local government elections.

Accordingly, there remains uncertainty regarding whether, when and in what form any changes to Council's structure, governance arrangements, functions, assets, liabilities, workforce or financial position may occur. Until any changes are legally effected, Council will continue to operate as a separate territorial authority.

Future Changes in Water Service Delivery

The Government's Local Water Done Well reforms introduced a new framework for the delivery, funding and regulation of drinking water, wastewater and stormwater services through the Local Government (Water Services) Act 2025. The legislation requires councils to develop and implement Water Services Delivery Plans and provides a range of delivery model options, including direct in-house delivery by councils.

On 25 August 2025, Council resolved to continue delivering water services through an in-house operating model following consideration of the available delivery options under the Local Water Done Well reforms. On 23 April 2026, Council reaffirmed this approach as part of the implementation of its Water Services Delivery Plan. Council retains ownership and control of its water services infrastructure assets and remains responsible for the delivery of drinking water, wastewater and stormwater services.

As at 30 June 2026, Council has not resolved to transfer ownership, management, or control of water service assets or liabilities to a separate entity. Accordingly, no adjustments have been made to the carrying values of water service assets, liabilities, revenue, or expenditure as a result of the reforms.

The future financial impacts of the new regulatory framework, including economic regulation, consumer protection requirements, information disclosure requirements, and future investment obligations, are continuing to be assessed. While these requirements may influence the future cost and delivery of water services, the impact cannot yet be reliably quantified.



Mayor
13 November 2026

Chief Executive
13 November 2026

Te Pūrongo ā-te Kaiarotake | Auditor's Report

The Audit Office
Te Mana Arotake

Independent Auditor's Report

To the readers of Thames-Coromandel District Council's summary of the annual report for the year ended 30 June 2026

The summary of the annual report was derived from the annual report of the Thames-Coromandel District Council (the Council) for the year ended 30 June 2026.

The summary of the annual report comprises the following information on pages 14 to 25:

- the summary statement of financial position as at 30 June 2026;
- 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 2026;
- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary statement of service provision (referred to as Delivering on our priorities).

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.*

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.

The full annual report and our audit report thereon

We expressed an unmodified audit opinion on the information we audited in the full annual report for the year ended 30 June 2026 in our auditor's report dated 29 October 2026.

Our auditor's report on the full annual report also includes an emphasis of matter paragraph drawing attention to the following disclosures in the full annual report.

Future changes in water service delivery

We draw attention to the disclosures in Note 31 on page 138 which outlines how future changes in the delivery of water services will affect the Council.

Simplifying Local Government Reforms

The Government has announced its intention to simplify local government, including reducing the number of local authorities through amalgamations within regions. As described in Note 28 on page 131, decisions on the Head Start proposals have been deferred until after the general election in November 2026. Thames-Coromandel District Council, Hauraki District Council and Matamata-Piako District Council endorsed a Head Start proposal under the Government's Simplifying Local Government reform programme. Final decisions are expected in 2027 and, if approved by Cabinet, the governance structure of any new entity is expected to take effect ahead of the October 2028 local elections. The eventual outcome for the Council remains dependent on future Cabinet decisions and the enactment of enabling legislation. Given the significant uncertainty regarding the outcome and timing of any future reorganisation, the financial statements continue to be prepared on a going concern basis. Our opinion is not modified in respect of this issue.

Information about these matters is also disclosed on page 25 of the summary of the annual report.

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 we have carried out a limited assurance engagement relating to the Council's debenture trust deed which is compatible with the independence requirements. Other than these engagements, we have no relationship with, or interests in, the Council.



Anton Labuschagne,
The Audit Office
On behalf of the Auditor-General
Tauranga, New Zealand
13 November 2026



Whakapā mai | **Contact us**

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