Local Government (Water Services) (Form of Funding Impact Statements) Regulations 2026

Cindy Kiro, Governor-General

Order in Council

At Wellington this 25th day of May 2026

Present:
Her Excellency the Governor-General in Council

These regulations are made under section 257 of the Local Government (Water Services) Act 2025—

(a) on the advice and with the consent of the Executive Council; and

(b) on the recommendation of the Minister of Local Government.

Contents

		Page
1	Title	2
2	Commencement	2
3	Application	2
4	Interpretation	2
5	Transitional, savings, and related provisions	3
	Funding impact statements	
6	Form of funding impact statements	3
	Schedule 1 **Transitional, savings, and related provisions**	4
	Schedule 2 **Forms of funding impact statement**	5

Regulations

1 Title

These regulations are the Local Government (Water Services) (Form of Funding Impact Statements) Regulations 2026.

2 Commencement

These regulations come into force on 1 June 2026.

3 Application

These regulations apply to—

(a) a water services strategy that covers a period beginning on 1 July 2026 and each subsequent water services strategy:

(b) a water services annual report that relates to the year that began on 1 July 2025 and each subsequent water services annual report:

(c) a water services annual budget that relates to the year beginning on 1 July 2026 and each subsequent water services annual budget.

4 Interpretation

(1) In these regulations, unless the context otherwise requires,—

Act means the Local Government (Water Services) Act 2025

development contribution has the meaning set out in section 109 of the Act

financial contribution has the meaning set out in section 109 of the Act

general rate means a rate set under section 13 of the Local Government (Rating) Act 2002

infrastructure growth charge means a charge required by an Auckland water organisation to contribute to the cost of increasing water capacity and wastewater infrastructure

lump sum contribution has the meaning set out in section 117A of the Local Government (Rating) Act 2002

other dedicated capital funding has the meaning set out in regulation 3 of the Local Government (Financial Reporting and Prudence) Regulations 2014

targeted rate means a rate set under section 16, 19, or 19AA of the Local Government (Rating) Act 2002

uniform annual general charge means a rate set under section 15 of the Local Government (Rating) Act 2002.

(2) Any term or expression that is defined in the Act and used, but not defined, in these regulations has the same meaning as in the Act.

5 Transitional, savings, and related provisions

The transitional, savings, and related provisions (if any) set out in Schedule 1 have effect according to their terms.

Funding impact statements

6 Form of funding impact statements

(1) A funding impact statement that a water service provider must include in its water services strategy in accordance with clause 5(2)(e) and (9) of Schedule 3 of the Act must be in form 1 of Schedule 2.

(2) A funding impact statement that a water service provider must include in its water services annual report in accordance with clause 5 of Schedule 4 of the Act must be in form 2 of Schedule 2.

(3) A funding impact statement that a water service provider must include in its water services annual budget in accordance with section 241(1)(a)(iv) of the Act must be in form 3 of Schedule 2.

Schedule 1
Transitional, savings, and related provisions

r 5

Part 1
Provisions relating to these regulations as made

There are no transitional, savings, or related provisions in these regulations as made.

Schedule 2
Forms of funding impact statement

r 6

Form 1
Funding impact statement for water services strategy

Clause 5, Schedule 3, Local Government (Water Services) Act 2025

[*Name of water service provider*]: Funding impact statement for [*period*] for [*group of water services activities*]

	[*Year −1*] Water services annual budget	[*Year 1*]	[*Year 2*]	[*Year 3*]	[*Year 4*]	[*Year 5*]	[*Year 6*]	[*Year 7*]	[*Year 8*]	[*Year 9*]	[*Year 10*]
	($000)	($000)	($000)	($000)	($000)	($000)	($000)	($000)	($000)	($000)	($000)
Sources of operating funding†											
General rates, uniform annual general charges, rates penalties											
Targeted rates											
Subsidies and grants for operating purposes											
Fees and charges, comprising—											
• water organisation charges											
• other fees and charges											
Internal charges and overheads recovered											
Transfers in from other water services											
Interest and dividends from investments											
Fines, infringement fees, and other receipts											
Total operating funding (A)											

	[*Year –1*] Water services annual budget ($000)	[*Year 1*] ($000)	[*Year 2*] ($000)	[*Year 3*] ($000)	[*Year 4*] ($000)	[*Year 5*] ($000)	[*Year 6*] ($000)	[*Year 7*] ($000)	[*Year 8*] ($000)	[*Year 9*] ($000)	[*Year 10*] ($000)
Applications of operating funding†											
Payments to staff and suppliers											
Finance costs											
Internal charges and overheads applied											
Other operating funding applications											
Transfers out to other water services											
Total applications of operating funding (B)											
Surplus (deficit) of operating funding (A – B)‡											
Sources of capital funding†											
Subsidies and grants for capital expenditure											
Development contributions, infrastructure growth charges (if any), and financial contributions											
Increase (decrease) in debt											
Repayment of loans from non-water services											
Gross proceeds from sale of assets											
Lump sum contributions											
Other dedicated capital funding											
Total sources of capital funding (C)											

	[*Year –1*] Water services annual budget	[*Year 1*]	[*Year 2*]	[*Year 3*]	[*Year 4*]	[*Year 5*]	[*Year 6*]	[*Year 7*]	[*Year 8*]	[*Year 9*]	[*Year 10*]
	($000)	($000)	($000)	($000)	($000)	($000)	($000)	($000)	($000)	($000)	($000)
Applications of capital funding†											
Capital expenditure—											
• to meet additional demand											
• to improve the level of service											
• to replace existing assets											
Increase (decrease) in working capital											
Loans advanced to non-water services											
Increase (decrease) of investments											
Total applications of capital funding (D)											
Surplus (deficit) of capital funding (C – D)											
Funding balance ((A – B) + (C – D))											

†A method of accounting that is regarded as accrual accounting under generally accepted accounting practice must be used to record the effects of transactions when they occur. Total balances of funding must equal the total applications of funding.

‡Totals include internal transfers between services and should not be interpreted as funding generated or costs incurred by the service.

Form 2

Funding impact statement for water services annual report

Clause 5, Schedule 4, Local Government (Water Services) Act 2025

[*Name of water service provider*]: Funding impact statement for [*period*] for [*group of water services activities*]

	*[*Year −1*] Water services strategy ($000)	[*Year 1*] Water services strategy ($000)	[*Year 1*] Actual ($000)
Sources of operating funding†			
General rates, uniform annual general charges, rates penalties			
Targeted rates			
Subsidies and grants for operating purposes			
Fees and charges, comprising—			
• water organisation charges			
• other fees and charges			
Internal charges and overheads recovered			
Transfers in from other water services			
Interest and dividends from investments			
Fines, infringement fees, and other receipts			
Total operating funding (A)			
Applications of operating funding†			
Payments to staff and suppliers			
Finance costs			
Internal charges and overheads applied			
Other operating funding applications			
Transfers out to other water services			
Total applications of operating funding (B)			
Surplus (deficit) of operating funding (A − B)‡			

	*[*Year –1*] Water services strategy ($000)	[*Year 1*] Water services strategy ($000)	[*Year 1*] Actual ($000)
Sources of capital funding†			
Subsidies and grants for capital expenditure			
Development contributions, infrastructure growth charges (if any), and financial contributions			
Increase (decrease) in debt			
Repayment of loans from non-water services			
Gross proceeds from sale of assets			
Lump sum contributions			
Other dedicated capital funding			
Total sources of capital funding (C)			
Applications of capital funding†			
Capital expenditure—			
• to meet additional demand			
• to improve the level of service			
• to replace existing assets			
Increase (decrease) in working capital			
Loans advanced to non-water services			
Increase (decrease) of investments			
Total applications of capital funding (D)			
Surplus (deficit) of capital funding (C – D)			
Funding balance ((A – B) + (C – D))			

*Specify the actual year of the water services strategy. The actual year for [year –1] is the year before the year of this funding impact statement.

†A method of accounting that is regarded as accrual accounting under generally accepted accounting practice must be used to record the effects of transactions when they occur. Total balances of funding must equal the total applications of funding.

‡Totals include internal transfers between services and should not be interpreted as funding generated or costs incurred by the service.

Form 3

Funding impact statement for water services annual budget

Section 241 and clause 5, Schedule 3, Local Government (Water Services) Act 2025

[*Name of water service provider*]: Funding impact statement for [*period*] for [*group of water services activities*]

	*[*Year −1*] Water services annual budget ($000)	[*Year 1*] Water services strategy ($000)	[*Year1*] Water services annual budget ($000)
Sources of operating funding†			
General rates, uniform annual general charges, rates penalties			
Targeted rates			
Subsidies and grants for operating purposes			
Fees and charges, comprising—			
• water organisation charges			
• other fees and charges			
Internal charges and overheads recovered			
Transfers in from other water services			
Interest and dividends from investments			
Fines, infringement fees, and other receipts			
Total operating funding (A)			
Applications of operating funding†			
Payments to staff and suppliers			
Finance costs			
Internal charges and overheads applied			
Other operating funding applications			
Transfers out to other water services			
Total applications of operating funding (B)			
Surplus (deficit) of operating funding (A − B)‡			

	*[*Year −1*] Water services annual budget ($000)	[*Year 1*] Water services strategy ($000)	[*Year1*] Water services annual budget ($000)
Sources of capital funding†			
Subsidies and grants for capital expenditure			
Development contributions, infrastructure growth charges (if any), and financial contributions			
Increase (decrease) in debt			
Repayment of loans from non-water services			
Gross proceeds from sale of assets			
Lump sum contributions			
Other dedicated capital funding			
Total sources of capital funding (C)			
Applications of capital funding†			
Capital expenditure—			
• to meet additional demand			
• to improve the level of service			
• to replace existing assets			
Increase (decrease) in working capital			
Loans advanced to non-water services			
Increase (decrease) of investments			
Total applications of capital funding (D)			
Surplus (deficit) of capital funding (C – D)			
Funding balance ((A – B) + (C – D))			

*Specify the actual year of the water services strategy. The actual year for [year −1] is the year before the year of this funding impact statement.

†A method of accounting that is regarded as accrual accounting under generally accepted accounting practice must be used to record the effects of transactions when they occur. Total balances of funding must equal the total applications of funding.

‡Totals include internal transfers between services and should not be interpreted as funding generated or costs incurred by the service.

Rachel Hayward,
Clerk of the Executive Council.

Explanatory note

This note is not part of the regulations but is intended to indicate their general effect.

These regulations, which come into force on 1 June 2026, specify the form and content of each funding impact statement (an **FIS**) that must be prepared by a water service provider under the Local Government (Water Services) Act 2025.

These regulations apply to—

- each water services strategy on and from 1 July 2026:
- each water services annual report for the year beginning 1 July 2025 and each subsequent year:
- each water services annual budget on and from 1 July 2026.

These regulations require the following:

- in relation to a water services strategy, a provider must provide an FIS in the format set out in *form 1 of Schedule 2* for the financial year to which the strategy relates and each of the 9 financial years after that year (*see regulation 6(1)*):
- in relation to a water services annual report, a provider must provide an FIS in the format set out in *form 2 of Schedule 2* for the financial year to which the annual report relates (*see regulation 6(2)*):
- in relation to a water services annual budget, a provider must provide an FIS in the format set out in *form 3 of Schedule 2* for the financial year to which the annual budget relates (*see regulation 6(3)*).

Issued under the authority of the Legislation Act 2019.
Date of notification in *Gazette*: 28 May 2026.
These regulations are administered by the Department of Internal Affairs.

Wellington, New Zealand:
Published under the authority of the New Zealand Government—2026