

Watercare's performance trends – 2025 edition

28 November 2025



Purpose

The purpose of this document is to supplement the Crown monitor's annual report on Watercare's performance in the 2025 financial year. The annual report discussed, by exception, how Watercare performed in 2025 and, looking forward, drivers for improvement.

This report provides additional insight by showing trends in performance measures from Watercare's Statement of Intent (SOI), its business plan, and the Charter.

Why we have prepared this report

In September 2024, the Government passed the Local Government (Water Services Preliminary Arrangements) Act ('WSPA Act'). Part 4 of the WSPA Act set up interim economic regulation for Watercare Services Ltd ('Watercare').

The Commerce Commission in its role as Crown monitor to Watercare is required to prepare by 30 November each year a report on Watercare's performance in the previous financial year.

Our first report is for the financial year 2025 (1 July 2024 to 30 June 2025). This report provides trend information as additional context for the main report.

Other notes

Numbers presented in the charts are for Watercare's financial years.
For example, "25" relates to the period starting on 1 July 2024 and ending on 30 June 2025.

Reference to “local authority” in some figures refers to Watercare, and reflects that the measures are prescribed for local authorities by the DIA.

Sources

The sources for the information used in this document are provided in the report on Watercare's performance in 2025 (28 November 2025).

Important information

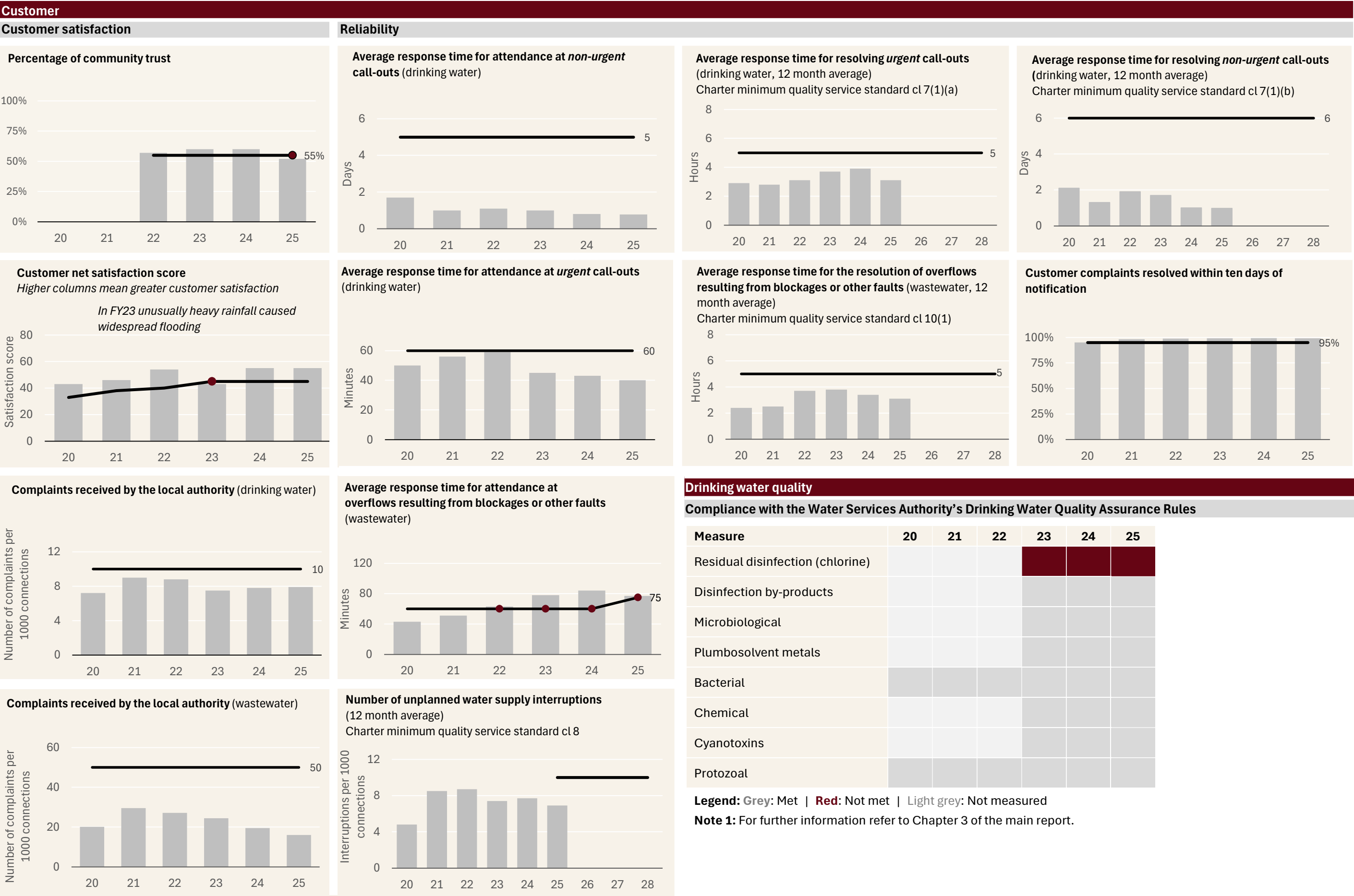
This report is a performance assessment. It is not a regulatory compliance assessment or guidance on performance measures.

Legend

Watercare target

means target or requirement not met

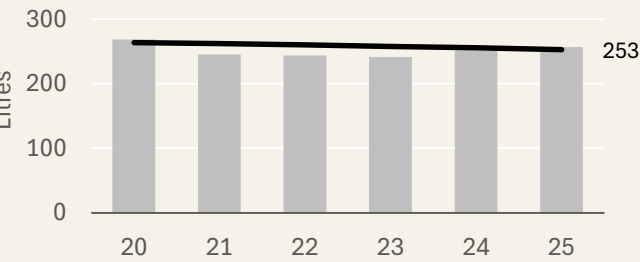
is an actual value



Environmental performance

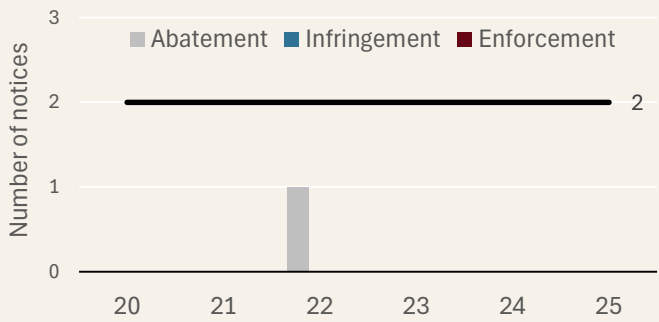
Drinking water consumption

Average consumption of drinking water per day per resident
(Including commercial consumption, +/-2.5%)
Lower columns mean less water consumption



Discharges from wastewater system

Compliance with the territorial authority's resource consents for system discharge, number of abatement, infringement, and enforcement notices

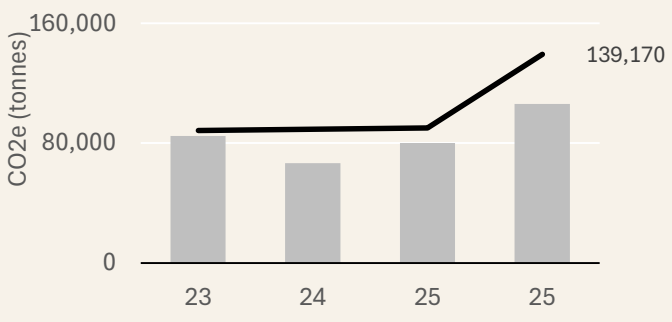


Note 2: Conviction notices. Watercare's SOI measure additionally sets a target for conviction notices. The target for convictions is zero as opposed to the target of two for the abatement, infringement, and enforcement notices. Watercare has not received any conviction notices in the FY20 to FY25 period.

Note 3: Watercare's response to the FY22 abatement notice. Watercare established a two-stage improvement plan to address the discharge quality by December 2022 and as a result, the abatement notice was lifted.

Climate impact

Operational greenhouse gas (GHG) performance
(2025 includes Puketutu Island)



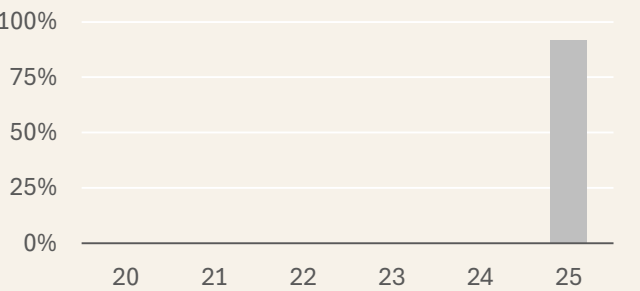
Note 4: The increase in target and emissions in the second FY25 period calculation reflects the addition of Puketutu Island emissions from biosolids disposal to the measure.

Prior to FY25 Watercare only reported scope 1 and 2 emissions excluding Puketutu Island. In FY25, Watercare reported the scope 1 and 2 emissions and emission targets excluding Puketutu Island as well as including Puketutu Island. From FY25 onwards the SOI measure will include Puketutu Island.

Governance, capability, and capacity

Employee health and safety

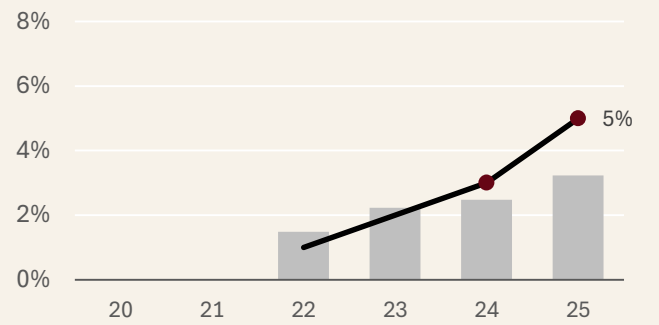
Total months that complied with the H&S requirement
(every month conduct a minimum of one permit audit per site)

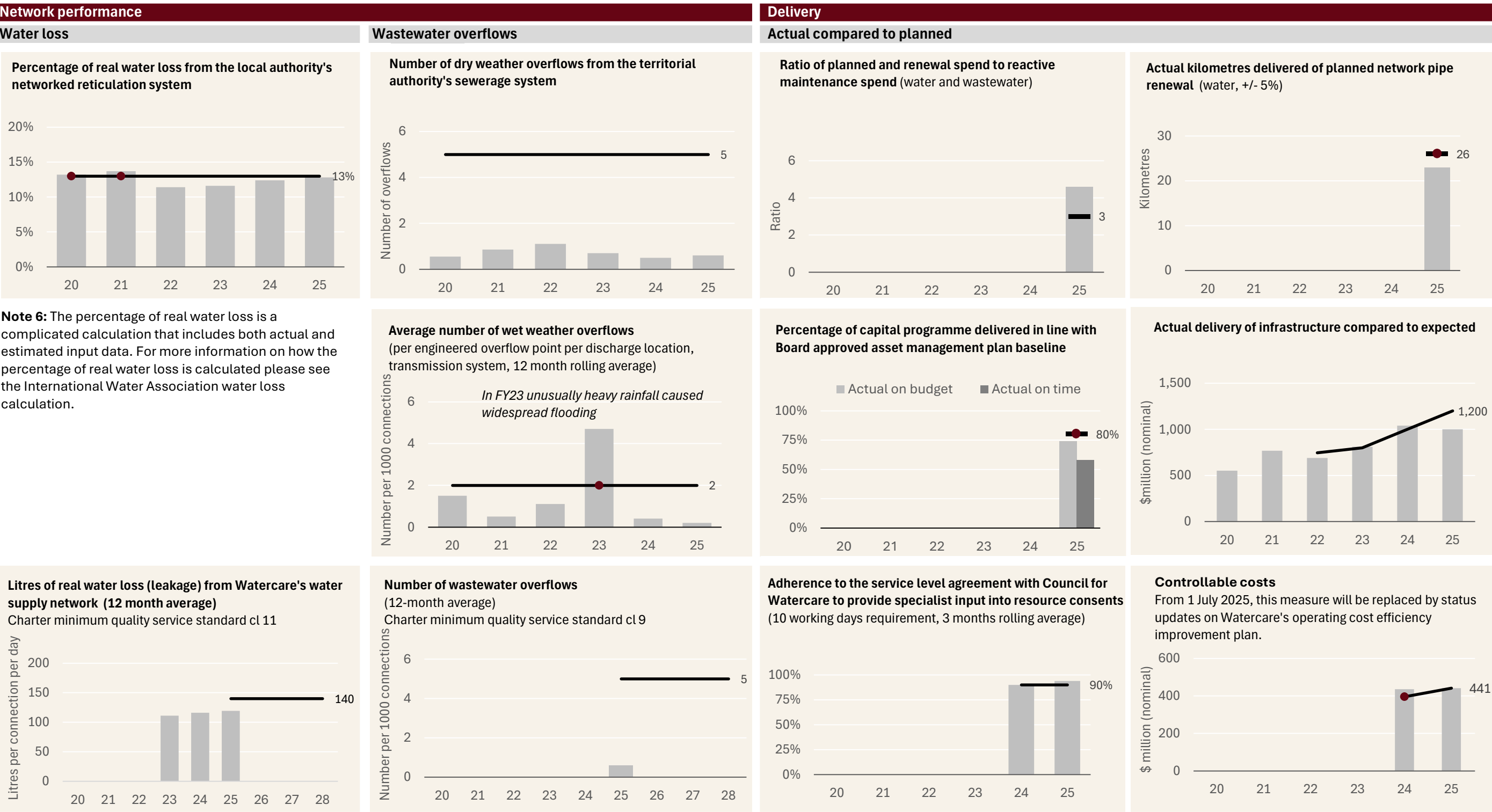


Note 5: There is no historical data prior to FY25 for this measure. Between FY20-24 Watercare used the Total Recordable Injury Frequency Rate (TRIFR) to measure employee health and safety. From FY25, Watercare uses the critical risk permit audits (a lead indicator). The new measure covers all 15 major operational sites, and 21 major construction project sites. Watercare reports it met its target (a rolling 12 month average) by meeting the requirement 11 out of the 12 months. Sites were compliant 91.67% of the time.

Māori outcomes

Procurement sourced through Māori-owned businesses





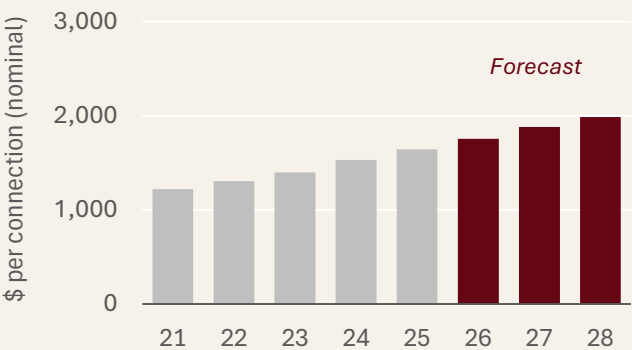
Note 7: As explained in the main paper, Watercare has two water loss targets in its SOI. The economic level of leakage (ELL). Watercare estimates this to be 98.2 litres of water loss per connection per day (l/conn/d) (+/-5%). This is used in investment planning. Not shown in chart.

In addition, the Charter sets a minimum quality standard whereby losses should not exceed 140 l/conn/d.

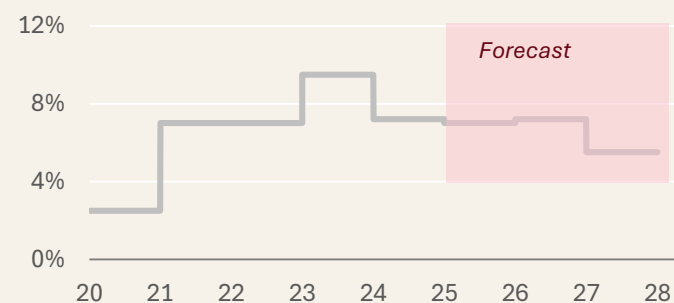
Pricing

Average bills and affordability

Average water and wastewater bills (nominal)



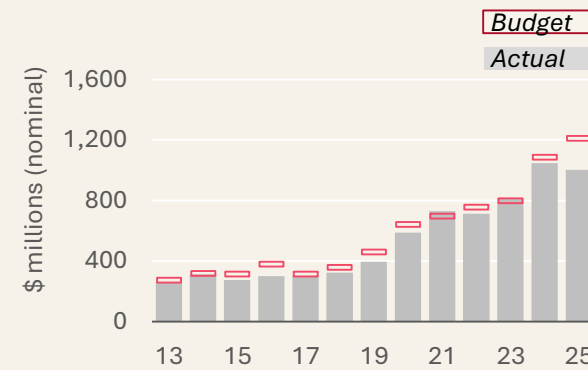
Annual percentage change in average water and wastewater bills (\$ per connection, nominal, financial years)



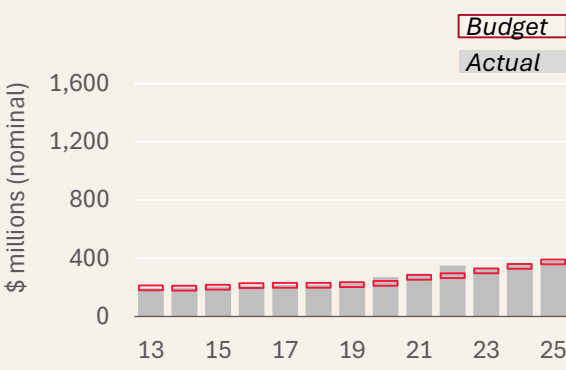
Delivery

Expenditure

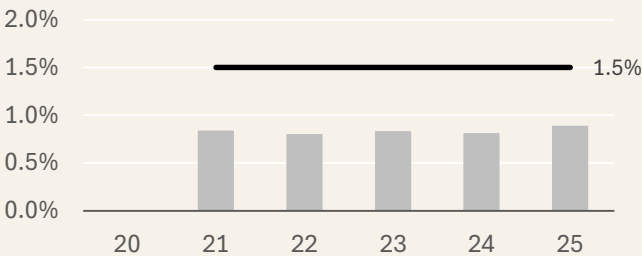
Actual and budgeted capital expenditure



Actual and budgeted operating expenditure



Household expenditure on water supply services relative to average household income



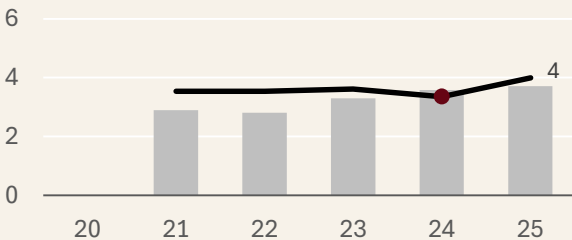
Financing

Debt to revenue ratio

Watercare's group debt headroom

(Debt to revenue ratio)

Lower columns mean more revenue is available relative to the amount of debt



Credit rating

Watercare became financially independent from Auckland Council on 1 July 2025.

On 1 April 2025, Watercare achieved an investment grade credit rating from Moody's and in September 2025 this rating was reaffirmed.

Moody's credit opinion outlines both Watercare's standalone credit rating and the issuer credit rating.