

Agenda

**Notice is hereby given of
an Extraordinary Council Meeting**

Tuesday 1 April 2025

11:00am

Function Room
Waimate Event Centre
15 Paul Street
Waimate

www.waimatedc.govt.nz

Notice is hereby given that a meeting of the Council will be held in the Function Room, Waimate Event Centre, 15 Paul Street, Waimate, on Tuesday 1 April 2025, commencing at 11:00am.

Elected Members

Craig Rowley	Chairperson
Sharyn Cain	Deputy Mayor
John Begg	Councillor
Peter Collins	Councillor
Sandy McAlwee	Councillor
Tom O'Connor	Councillor
Colin Pankhurst	Councillor
Lisa Small	Councillor
Rick Stevens	Councillor

Quorum – no less than five members

Significance Consideration

Evaluation: Council officers, in preparing these reports have had regard to Council's Significance and Engagement Policy. Council and Committee members will make the final assessment on whether the subject under consideration is to be regarded as being significant or not. Unless Council or Committee explicitly determines that the subject under consideration is to be deemed significant then the subject will be deemed as not being significant.

Decision Making

The Council, in considering each matter, must be:

- i. Satisfied that it has sufficient information about the practicable options and their benefits, costs and impacts, bearing in mind the significance of the decision;
- ii. Satisfied that it knows enough about and will give adequate consideration to the views and preferences of affected and interested parties bearing in mind the significance of the decisions to be made.

Stuart Duncan
Chief Executive

Order Of Business

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OPENING

1 MEETING OPENING

There is no official Meeting Opening undertaken at this Extraordinary Meeting of Council.

2 PUBLIC FORUM

There is no Public Forum offered at this Extraordinary Meeting of Council.

3 APOLOGIES

The Chair will call for any apologies.

4 VISITORS

5 CONFLICTS OF INTEREST

As per the Local Authorities (Members' Interests) Act 1968 (as below), the Chair will enquire if there are any Conflicts of Interest to be declared on any item on the agenda, and if so, for any member to declare this interest.

Local Authorities (Members' Interests) Act 1968

Councillors are reminded that if they have a pecuniary interest in any item on the agenda, then they must declare this interest and refrain from discussing or voting on this item and are advised to withdraw from the meeting table.

6 IDENTIFICATION OF MAJOR (URGENT) OR MINOR ITEMS NOT ON THE AGENDA

1. The Chair will call for any major (urgent business) or minor items not on the agenda to be raised according to Standing Orders, as below:

- a. **Standing Orders 3.7.5 – Major Items**

An item not on the agenda for a meeting may be dealt with at the meeting if the local authority by resolution so decides, and the presiding member explains at the meeting at a time when it is open to the public –

- i. The reason why the item was not listed on the agenda; and
 - ii. The reason why discussion of the item cannot be delayed until a subsequent meeting.

- b. **Standing Orders 3.7.6 – Minor Items**

An item not on the agenda for a meeting may be dealt with at the meeting if –

- i. That item is a minor matter relating to the general business of the local authority; and
 - ii. The presiding member explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at the meeting; but
 - iii. No resolution, decision, or recommendation may be made in respect of that item except to refer that item to a subsequent meeting of the local authority for further discussion.






















REPORTS

7 GENERAL REPORTS

7.1 LONG TERM PLAN 2025-2034 CONSULTATION DOCUMENT

Author: Shey Taylor, Strategic Planner/Policy Advisor

Authoriser: Carolyn Johns, Community and Strategy Group Manager

- Attachments:**
1. **Roading AMP LTP 2025-34 (under separate cover)** 
 2. **Stormwater AMP LTP 2025-34 (under separate cover)** 
 3. **Wastewater AMP LTP 2025-34 (under separate cover)** 
 4. **Water AMP LTP 2025-34 (under separate cover)** 
 5. **Financial Information LTP 2025-34 (under separate cover)** 
 6. **Fees and Charges LTP 2025-34 (under separate cover)** 
 7. **Forecasting Assumptions LTP 2025-34 (under separate cover)** 
 8. **Major Projects LTP 2025-34 (under separate cover)** 
 9. **Performance Measure Framework LTP 2025-34 (under separate cover)** 
 10. **Population Projections LTP 2025-34 (under separate cover)** 
 11. **301 Significance and Engagement Policy (under separate cover)** 
 12. **401 Revenue and Financing Policy (under separate cover)** 
 13. **402 Liability Management Policy (under separate cover)** 
 14. **403 Investment Policy (under separate cover)** 
 15. **404 Financial Contributions Policy (under separate cover)** 
 16. **407 Rates Remission & Postponement Policy (under separate cover)** 
 17. **Financial Strategy LTP 2025-34 (under separate cover)** 
 18. **Infrastructure Strategy LTP 2025-34 (under separate cover)** 
 19. **Draft Waimate CD Audit Opinion LTP 2025-34**  
 20. **Consultation Document LTP 2025-34**  

PURPOSE

1. For Council to receive and approve the supporting information for inclusion in the Long Term Plan 2025-2034 consultation; and
2. To receive the unsigned Audit Opinion on the Consultation Document for the Long Term Plan 2025-2034 (LTP); and
3. To present the draft Consultation Document for the Long Term Plan (LTP) 2025-2034 with the Audit Opinion for adoption. The consolidated Consultation Document will be presented to Council upon receipt of the signed Audit opinion.

BACKGROUND

4. In accordance with section 93 of the Local Government Act 2002 (LGA) Council must review its LTP every three years. For the last 24 months Council has been preparing the supporting information for the Long Term Plan 2025-2034 for public consultation. Council must use the Special Consultative Procedure for adopting an LTP. The Consultation Document forms the basis of this procedure.
5. This LTP is a departure from the standard procedure as its adoption was deferred by 12 months as provided for in the Water Services Acts Repeal Bill. This LTP will cover a 9-year period, with a two year lifespan before it must be reviewed in the production of the Long Term Plan 2027-2037.

6. The purpose of the Consultation Document (as defined in section 93B of the LGA) is to provide an effective basis for public participation in local authority decision-making process relating to the content of the long-term plan by:
 - a. Providing a fair representation of the matters that are proposed of inclusion in the long-term plan, and presenting these in a way that:
 - i. explains the overall objectives of the proposals, and how rates, debt, and levels of service might be affected; and
 - ii. can be readily understood by interested or affected people; and
 - b. Identifying and explaining to the people of the district or region, significant and other important issues and choices facing the local authority and district or region, and the consequences of these choices; and
 - c. Informing discussions between the local authority and its communities about the matters in paragraphs (a) and (b).
7. A draft Consultation Document has been prepared, meeting this purpose and the legislative requirements for content including key issues and the proposed content of the financial and infrastructure strategies, as set out in section 93C of the LGA.
8. Section 93C(4) stipulates that the Consultation Document must contain a report from the Auditor-General on:
 - a. Whether the consultation document gives effect to the purpose set out in section 93B; and
 - b. The quality of the information and assumptions underlying the information provided in the Consultation Document.
9. The draft Consultation Document and supporting information have undergone review by Audit New Zealand (Council's auditors). Following the audit, a number of minor amendments and additional disclosures have been added in the Consultation Document and supporting information to ensure clarity to the reader.
10. An unsigned Audit opinion has been attached to this agenda for your information. A signed version will be included in the final Consultation Document and distributed prior to adoption.

Options

11. Council adopts the Consultation Document for the Long Term Plan 2025-2034; or
12. Council amends the Consultation Document for the Long Term Plan 2025-2034.

CONSIDERATIONS

13. If any amendments are made to the draft Consultation Document, these would need to be reviewed by Audit New Zealand prior to the adoption of the Consultation Document. Non-adoption at this meeting will cause time delays to the LTP consultation process. It would also result in further audit costs.

Legislation and Policy

14. Local Government Act 2002, specifically section 93.
15. Significance and Engagement Policy.
16. Water Services Acts Repeal Bill.

ASSESSMENT OF SIGNIFICANCE

17. The Consultation Document is a significant document for Council as it forms part of the Long Term Plan 2025-2034 process. It is required by the LGA to be consulted on using the Special Consultative Procedure.

CONSULTATION

18. The consultation period will open on 1 April 2025 and will close on 5 May 2025. The Consultation Document is the key element of the consultation.
19. The Consultation Document will be available on the Council website at www.waimatedc.govt.nz/LTP and hard copies will be available in limited quantities at the Council office.
20. The Supporting Information will be made available on Council's website.
21. Promotion of the Consultation Document will include advertising in print media in such papers as the Waimate Trader and Newline in the Timaru Courier. Social media will include regular posting on Council's Facebook page.
22. Residents who have opted into Councils "Notify Me" and EngagementHQ systems will be sent a message to inform people that consultation has opened.
23. Community Chat sessions have been scheduled for various locations around the district and will be hosted by Councillors and Council staff. These are drop-in events and will provide a forum for members of the public to speak to Councillors and staff and ask any questions raised by the Consultation Document and Supporting Information.
24. Options to submit in NZ Sign Language or te reo Māori are available upon request.
25. Hearings for those who wish to speak to their submission, are planned for 26 May 2025. Submission feedback will be considered following these hearings and decisions will be made by Council on 27 May 2025.
26. The full LTP document will then be prepared for the final audit process. Adoption of the LTP is planned for 30 June 2025.

FINANCIAL

27. The LTP process is provided for within existing budgets.

RECOMMENDATION

1. That Council accepts the Long Term Plan 2025-2034 Consultation Document report; and
2. That Council approves the supporting information for inclusion in the Long Term Plan 2025-2034 consultation; and
3. That Council receives the Audit Opinion on the Consultation Document for the Long Term Plan 2025-2034; and
4. That Council adopts the Consultation Document, including the Audit Opinion, for the Long Term Plan 2025-2034 for public consultation; and
5. That the Chief Executive be provided with the authority to make typographical or formatting changes and corrections necessary for publishing the document.

To the reader:

**Independent auditor's report on Waimate District Council's
consultation document for its proposed 2025-34 Long-Term Plan**

I am the Auditor-General's appointed auditor for Waimate District Council (the Council). The Local Government Act 2002 (the Act) requires the Council to prepare a consultation document when developing its long-term plan. Section 93C of the Act sets out the content requirements of the consultation document and requires an audit report on the consultation document. I have done the work for this report using the staff and resources of Audit New Zealand. We completed our report on 1 April 2025.

Opinion

In our opinion:

- the consultation document provides an effective basis for public participation in the Council's decisions about the proposed content of its 2025-34 long-term plan, because it:
 - fairly represents the matters proposed for inclusion in the long-term plan; and
 - identifies and explains the main issues and choices facing the Council and district, and the consequences of those choices; and
- the information and assumptions underlying the information in the consultation document are reasonable.

Emphasis of matter – Uncertainty over water service delivery

Without modifying our opinion, we draw attention to page 18, which outlines that the Council has not made any substantive decisions on how water services could be delivered in the Waimate district to inform the Council's water service delivery plan. The consultation document and long-term plan information therefore include three water services. The Council's review of alternative water service delivery options and separate consultation could result in significant deviations to the proposed long-term plan.

Basis of opinion

We carried out our work in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*. In meeting the requirements of this standard, we took into account particular elements of the Auditor-General's Auditing Standards and the International Standard on Assurance Engagements 3400 *The Examination of Prospective Financial Information* that were consistent with those requirements.

We assessed the evidence the Council has to support the information and disclosures in the consultation document. To select appropriate procedures, we assessed the risk of material misstatement and the Council's systems and processes applying to the preparation of the consultation document.

We did not evaluate the security and controls over the publication of the consultation document.

Responsibilities of the Council and auditor

The Council is responsible for:

- meeting all legal requirements relating to its procedures, decisions, consultation, disclosures, and other actions associated with preparing and publishing the consultation document and long-term plan, whether in printed or electronic form;
- having systems and processes in place to provide the supporting information and analysis the Council needs to be able to prepare a consultation document and long-term plan that meet the purposes set out in the Act; and
- ensuring that any forecast financial information being presented has been prepared in accordance with generally accepted accounting practice in New Zealand.

We are responsible for reporting on the consultation document, as required by section 93C of the Act. We do not express an opinion on the merits of any policy content of the consultation document.

Independence and quality management

We have complied with the Auditor-General's independence and other ethical requirements, which incorporate the requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* (PES 1) issued by the New Zealand Auditing and Assurance Standards Board. PES 1 is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

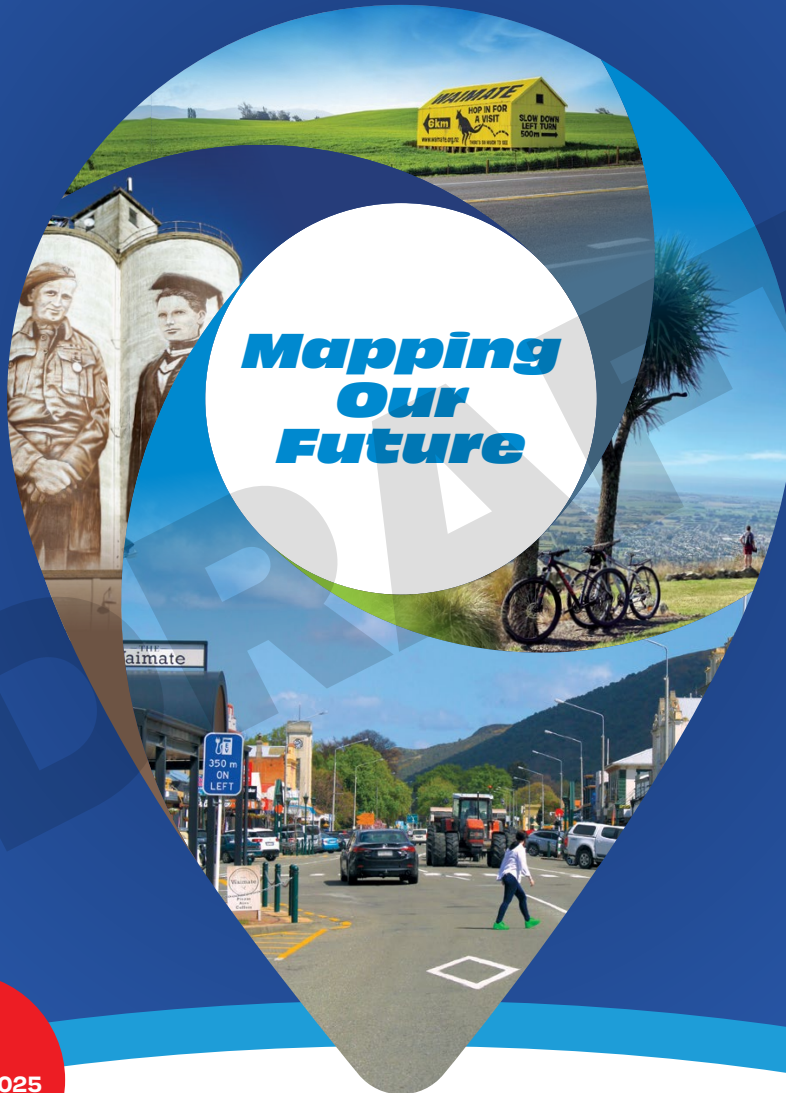
We have also complied with the Auditor-General's quality management requirements, which incorporate the requirements of Professional and Ethical Standard 3 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* (PES 3) issued by the New Zealand Auditing and Assurance Standards Board. PES 3 requires our firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Other than our work in carrying out all legally required external audits, and a limited assurance engagement in respect of the Council's Debenture Trust Deed, we have no relationship with or interests in the Council.

Rudie Tomlinson
Audit New Zealand
On behalf of the Auditor-General, Dunedin, New Zealand

DRAFT

Long Term Plan 2025-2034



Draft
26 March 2025

Consultation Document

Submissions close 12pm on Monday 5 May 2025



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Mayor & Chief Executive Message



Tēnā koutou katoa Greetings all

Sometimes we need to reflect on this beautiful district we call home. Waimate District's stunning landscapes and friendly communities truly make it a special place to live. It is important that we regularly look towards the future in understanding our challenges and identify opportunities.

We are pleased to present this Long-Term Plan 2025-2034 Consultation Document. This document outlines our priorities and presents options for how we navigate the challenges we face in the next 9 years. Now is your chance to help us map our future together.

There cannot be any conversation about the future without acknowledging the present. Sustained inflationary pressures on councils across the country have led to unavoidable rates increases. Incessant legislative changes and increasing costs of maintaining infrastructure represent mounting financial strain on our district. In addressing these pressures our focus is to effectively manage these costs while ensuring our infrastructure and service delivery remain uncompromised.

We want to provide you with a clear understanding of the factors that shape and

define our budgets and decision making. By sharing this information, we aim to help you see how Council plans to address the growing demands on Council's essential services over the next 9 years. From managing critical infrastructure like roads and water, to balancing financial sustainability and its impact on the community through potential borrowing, to empowering opportunities for community enhancements such as a multi-use track project, our goal is to be transparent about the decisions that lie ahead and engage with you in mapping this journey.

Council is proposing rates increases of 9.2% for 2025/26, 5.2% for 2026/27, 6.8% for 2027/28, and an average increase of 2.8% per annum for the remaining 6 years. This approach will help Council tackle our challenges head-on while avoiding the cost of servicing debt if we were to delay any rates increases.

We welcome you to read our consultation document and come back to us with your feedback. You may want Council to prioritise differently, or agree with our proposal; whatever your thoughts, be sure to make a submission and help map the future of our district.


Craig Rowley
Mayor


Stuart Duncan
Chief Executive

What is the Long Term Plan?

The Long Term Plan, or LTP for short, is a detailed planning document prepared every three years by Council which sets out Council's direction for the next 9 years.

What we're seeking feedback on

We're seeking your feedback on a range of important topics that will influence the future of our district. These include major financial decisions, options for improving local infrastructure, funding priorities, as well as minor changes to some fees and charges.

Your input will help guide these decisions and ensure they reflect the community's needs.

It details how we plan to pay for Council's activities and key projects, how we plan to manage all of our assets and infrastructure and how we intend to achieve our vision and community wellbeing. Two other key documents sit alongside and inform the LTP, these are:

- Financial Strategy
- 30-year Infrastructure Strategy

What's this document about?

The Consultation Document provides an overview of where Council sees the district heading in the next 9 years. It outlines specific plans and key issues that we want YOUR input on. It also tells you what your rates may look like in the next 9 years.

This is your opportunity to tell us what you think and have a say in the district's future. Good, bad or otherwise, we welcome and strongly encourage your feedback so Council can make informed decisions that best reflect the views and needs of our communities.

Why you should care

The LTP affects everyone in the district, not just ratepayers.

Whether it's water supply, sewage treatment, rubbish and recycling, roads, footpaths, parks and reserves, the library, building control or animal management

– to name just a few, it's about working together to achieve common ground and deliver on what's best for the wider district and the communities that reside within.

Why 9 years?

This LTP is a little different from previous years. In 2024, Council was given the option to defer the adoption of an LTP in favour of an enhanced Annual Plan. The decision to defer was chosen due to significant uncertainty surrounding the direction of central government reforms regarding the 3 waters.

To get us back on track, this LTP will only cover a 9 year period instead of the usual 10.

Key dates

- Tuesday 1 April** → Consultation begins and submissions open
- Wednesday 9 April to Wednesday 23 April** → Community chat sessions (see page 34 for details)
- Monday 5 May** → Consultation ends and submissions close
- Monday 26 May** → Council to hear submissions
- Tuesday 27 May** → Council to make submission decisions
- Monday 30 June** → Long Term Plan 2025-2034 adopted

Managing the impact on rates

We're exploring options to reduce the immediate impact of rates by borrowing funds to delay the increase. We want to hear your views on whether this approach is right for you.

Addressing the roading funding shortfall

A shortfall in the NZ Transport Agency roading co-funding means we need to make tough decisions about the level of maintenance and renewal spends funded directly from rates. We're consulting on the best way to tackle this challenge.

Funding a community led track project

Council has been asked for its support in the development of a community led multi use

track project in the district. This project could enhance local amenities, but we want to ensure it aligns with community priorities.

Support for annual grants recipients

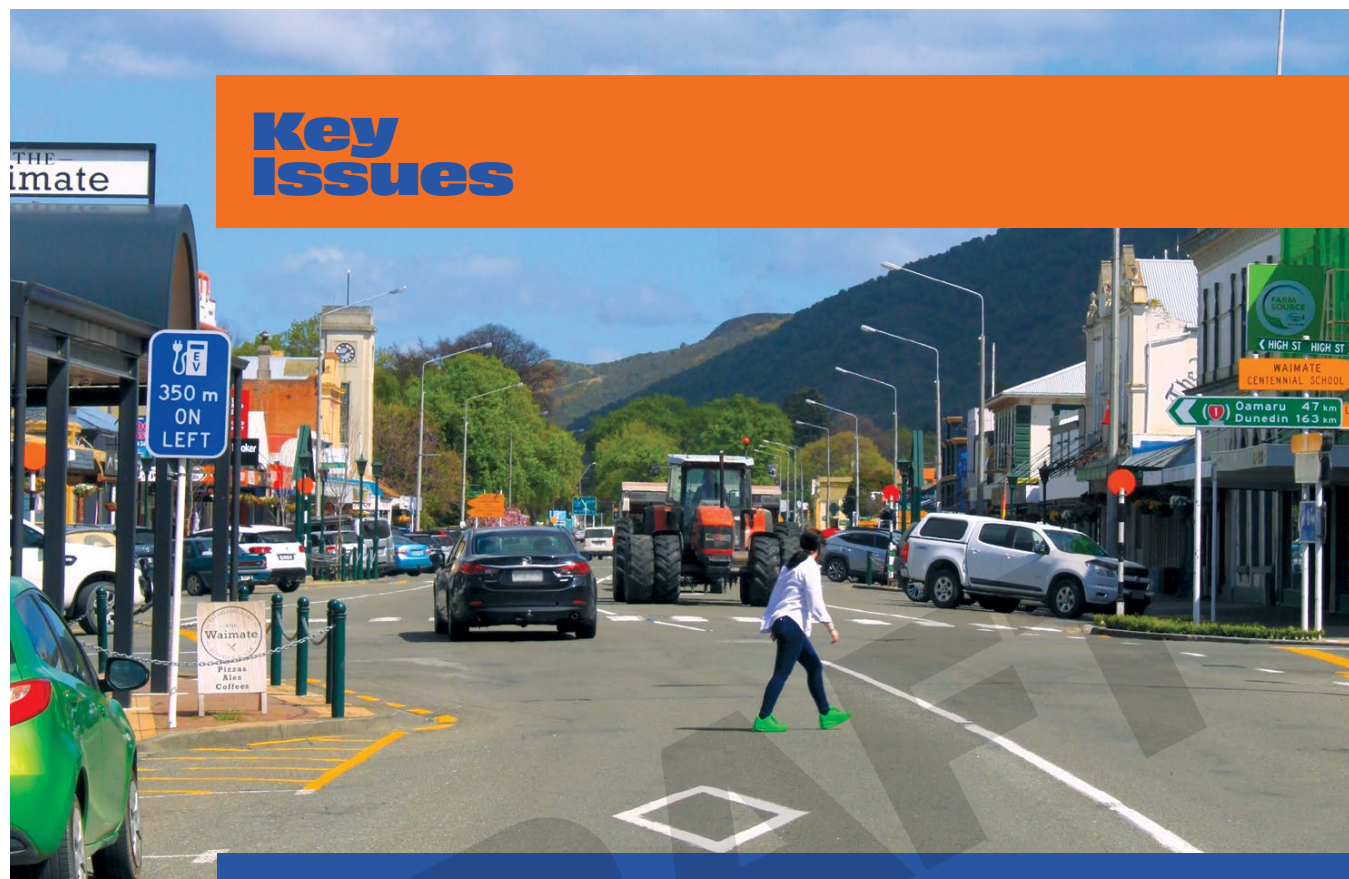
Each year, Council provides grants to organizations that deliver vital services to our communities. Enriching the welfare, heritage, and educational organisations of our district is our priority in awarding this funding. We're asking if you support continuing these efforts.

Changes to fees and charges

Council routinely reviews fees and charges to ensure we can continue to provide these important services effectively while maintaining fairness for all ratepayers.



So with that in mind, we invite you to help us map our future together.



Key Issues

KEY ISSUE 1

Managing the Impact on Rates

We do not have control over many of the factors that have contributed to the rates increase, however, we do have control and options on how we manage the impact.

All options presented have no impact on levels of service.

We are presenting three options with Option 1 being to accept the challenges up front, meaning a larger initial rates increase in the first year of the Long-Term Plan 2025-2034 but the lowest overall cost to ratepayers. Options 2 and

3 propose to “smooth” the impact over two years and five years respectively using borrowings (loans) to ensure we continue to provide the essential services. Options 2 and 3 result in interest costs and will cost more for ratepayers in the long run.

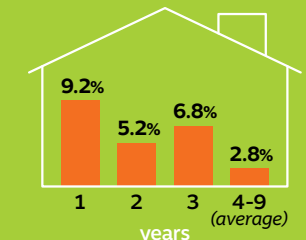
Each of these options propose a different approach to balancing affordability with overall costs and we would appreciate your careful consideration in managing how this balance is struck.

Option 1 (preferred)

No further smoothing, no additional borrowings or interest costs

The first option involves no financial smoothing through borrowing, which would result in a larger initial rates increase. However, this approach is the most cost-effective in the long run, as it avoids the interest costs associated with loans.

By addressing the rates impact up front, this option ensures the lowest overall expense for ratepayers.



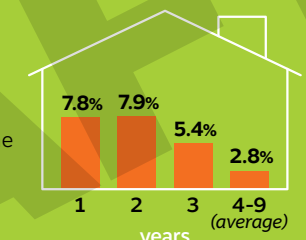
LTP Year	2026	2027	2028	2029	2030	2031	2032	2033	2034
Proposed rates increase	9.2%	5.2%	6.8%	2.9%	3.5%	2.8%	2.4%	2.6%	2.7%
Rates impact	No impact as currently included in the financial forecast.								

Option 2

Smoothed over 2 years = loan of \$230,000, cost of borrowing (additional interest) \$19,067

The second option introduces a financial smoothing strategy over a two-year period. This approach lessens the burden of the initial rates rise, making it slightly more manageable for ratepayers.

This option would require borrowing \$230,000 to spread the costs over time, resulting in \$19,067 in interest payments. While slightly more expensive, this method balances affordability with a limited increase in overall costs.



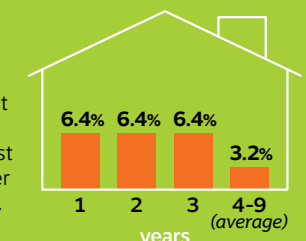
LTP Year	2026	2027	2028	2029 to 2034
Proposed rates increase	7.8%	7.9%	5.4%	2.4% to 3.5%
Rates impact compared to Option 1	-1.4%	+2.7%	-1.4%	No further impact.

Option 3

Smoothed over 5 years = loan of \$1.15 million, cost of borrowing (additional interest) \$195,548

The third option extends the smoothing period to five years, further minimising the initial rates impact.

While this approach offers the most gradual rates increase, it necessitates borrowing \$1,150,000, leading to \$195,548 in interest costs. Though it provides ratepayers with the greatest short-term relief, this option comes with a significantly higher long term expense due to substantial interest accumulation.



LTP Year	2026	2027	2028	2029	2030	2031	2032 to 2034
Proposed rates increase	6.4%	6.4%	6.4%	6.4%	6.4%	-1.5%	2.4% to 2.7%
Rates impact compared to Option 1	-2.8%	+1.2%	-0.4%	+3.5%	+2.9%	-4.3%	No further impact.



KEY ISSUE 2

Roading Funding Shortfall

The local roads in our district receive crucial funding through the New Zealand Transport Agency Waka Kotahi's (NZTA) National Land Transport Fund (NLTF). This fund helps to support essential services like road maintenance and footpath renewal by co-funding a portion of the costs that Council budgets towards these activities. Effectively utilising this funding programme is one of the ways that Council balances transportation infrastructure spending with its impact on rates. Council currently receives around 68 cents for every dollar we spend on eligible and approved work.

While Council strives to make the most of its roading budget by applying for NZTA contributions, not all activities submitted for funding are approved. This means that some proposed roading activities have not received the NZTA co-funding Council hoped for, resulting in a funding gap. Council requested NZTA co-funding (subsidy) for a \$22.36 million budget over a three-year period from 2024 to 2027.

However, NZTA has advised Council that they will only co-fund \$19.71 million of roading activities. This means that \$2.65 million in roading activities would need to be wholly funded by Council to undertake our original plans.

One of the key decisions in this Long-Term Plan is how Council addresses this funding shortfall. The choices we face will directly impact how Council manage roading and footpath activities moving forward, with the understanding that continued underfunding of our roading activities may affect future levels of service. Whether through adjusting budgets to cover the costs, prioritising certain activities, or delaying others, your input will play a crucial role in helping Council determine the most responsible and sustainable approach for the district. Our preferred option of \$952,475 is the minimum funding required to bridge the shortfall while ensuring that we can maintain current service levels.

All options presented have no impact on debt levels.

Option 1 (preferred)

Proceed with Council's proposed budget

This option includes \$952,475 of additional rates funding that would be used to partially bridge the funding shortfall. While this spending would not be co-funded by NZTA this option has been proposed as the path forward that would best allow Council to commit to proposed maintenance and renewal projects while maintaining essential activities. This option has no impact on levels of service.

Advantages		Disadvantages							
→ Essential operational activities carried out	→ Footpaths maintained	→ Maintain existing levels of service	→ Lack of NZTA co-funding						
→ Footpaths maintained	→ Maintain existing levels of service	→ Additional rates required from ratepayers							
LTP Year	2026	2027	2028	2029	2030	2031	2032	2033	2034
Proposed rates increase	9.2%	5.2%	6.8%	2.9%	3.5%	2.8%	2.4%	2.6%	2.7%
Rates impact	No impact as currently included in the financial forecast.								

Option 2

Increase the roading budget for the next two years to further bridge the funding deficit

This option includes \$1,113,175 of additional rates funding to further advance proposed improvement and renewal activities across the district. These activities are of a safety nature, for example adding a footbridge on the Point Bush Road bridge, re-aligning Holme Station intersection and enhancing road marking and safety signage. These activities would be wholly funded by rates, as they do not receive co-funding provided by NZTA.

Advantages		Disadvantages		
→ Essential operational activities carried out	→ Footpaths maintained	→ Increased levels of services through improvement projects completed	→ Lack of NZTA co-funding	
→ Footpaths maintained	→ Increased levels of services through improvement projects completed	→ Additional rates required from ratepayers		
LTP Year	2026	2027	2028	2029 to 2034
Proposed rates increase	10.2%	5.2%	5.8%	2.4% to 3.5%
Rates impact compared to Option 1	+1.0%	0%	-1.0%	No further impact.

Option 3

Reduce Council funding of roading activities for the next two years

This would reduce the additional rates funding to \$791,775 and lessen the overall rates impact but would lead to accelerated deteriorating road safety conditions in the short term. Imposing further cutbacks in spending would result in a reduction of crucial road safety activities such as maintaining road markings, vegetation control, clearing slips, and ice control.

Advantages		Disadvantages		
→ Less rates requirement	→ Reduced levels of service through significantly less footpath maintenance and renewals.	→ Fewer improvement projects completed	→ Deteriorating road safety	
→ Reduced levels of service through significantly less footpath maintenance and renewals.	→ Fewer improvement projects completed	→ Deteriorating road safety		
LTP Year	2026	2027	2028	2029 to 2034
Proposed rates increase	8.2%	5.2%	7.8%	2.4% to 3.5%
Rates impact compared to Option 1	-1.0%	0%	+1.0%	No further impact.

KEY ISSUE 3

Track Funding

Our district is fortunate to be surrounded by incredible natural beauty, and Council believes that expanding outdoor recreational opportunities is one of the best ways to help everyone enjoy these spaces. Whether it's parks, trails, or community spaces, these areas give us all a chance to connect with nature and stay active. Council is committed to creating spaces that enhance the quality of life for residents and visitors, while preserving and showcasing the stunning environment in the district.

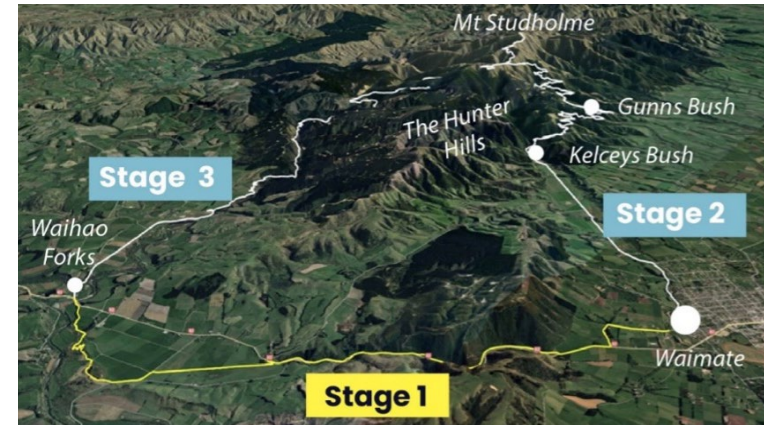
When new subdivisions are built in our district, developers contribute funds that go into a special account set aside specifically to improve recreational spaces for everyone. These contributions help fund parks, walkways, cycleways, and other recreational facilities that enrich the district. Council has proposed using a portion of this fund to provide grant funding to Waimate2gether to help build a shared use trail for walkers, runners, and cyclists. The trail project is being spearheaded by the community-led development group Waimate2gether and would set out to develop a 67km loop trail that showcases both spectacular scenery and significant heritage spaces in Waimate.

Waimate2gether has proposed an estimated budget of \$1.38 million for stage one of the three stage development. Council has already committed to providing \$100,000 in funding and would like to contribute an additional \$150,000. Council will allocate the \$150,000 from the Recreation Reserve in 2027, to be repaid after this LTP. As no cash funds are set aside, a loan will be required, which will incur interest and have a minor impact on rates. Council has also set strict conditions on both the delivery and use of this funding to ensure that the funds are applied responsibly and deliver outcomes that align with the Recreation Reserve Fund's purpose of enhancing recreational spaces for the benefit of everyone.

Council would like to hear from you. Do you support Council's proposal to fund an additional \$150,000 for the development of this community led project?

All options presented have no impact on levels of service.

Subdivision Recreation Reserve Contribution Fund: \$627,000 as of 30 June 2024 (noting Council has already made other commitments that will reduce the fund balance).



<p>Option 1 <i>(preferred)</i></p>	<p>Council contributes the full proposed amount of \$150,000 from the Subdivision Recreation Reserve Contribution Fund</p>
<p>Rates impact</p>	<p>Loan required \$150,000 = average annual interest costs of \$7,200 (no impact as currently included in the financial forecast).</p>
<p>Option 2</p>	<p>Council contributes \$75,000 from the Subdivision Recreation Reserve Contribution Fund</p>
<p>Rates impact</p>	<p>Loan required \$75,000 = average annual interest costs of \$3,600 (a reduction of 0.02% overall rates annually, compared to option 1).</p>
<p>Option 3</p>	<p>Council declines to contribute any additional funds towards the project</p>
<p>Rates impact</p>	<p>No funds required and a minor reduction in rates required (a reduction of 0.04% overall rates annually, compared to option 1).</p>

Other Considerations

Fees and charges

Council routinely reviews fees and charges to ensure they reflect the true cost of providing essential services to the district. To ensure fairness in how some services are funded, it's important that the costs are generally covered by those who use them. By updating our fees and charges, we can better align with this principle and avoid those not using the service from subsidizing its cost.

As part of this process, Council is adjusting its general fees and charges along with those related to the Resource Management Act 1991 (RMA) and the Food Act 2014. These adjustments are also necessary due to the increasing costs of delivering these services

and the fact that fees have not been amended in over four years.

Under the Food Act, fees and charges support vital health and safety services, including the inspection and monitoring of restaurants and eateries to ensure public safety and compliance with food safety standards. Similarly, fees under the RMA support critical functions such as issuing resource consents and managing subdivisions, services essential for regulatory compliance, land development, and environmental protection.

These proposed updates are designed to ensure that Council can continue to provide these important services effectively while maintaining fairness for all ratepayers.

Example: Proposed fees and charges changes

Single site (Food Act 2014)	New registration	Renewal
2021-2025	\$150.00 + \$80.00 per half hour after first hour	\$150.00 + \$80.00 per half hour after first hour
2025/26	\$180.00 + \$90.00 per half hour after first hour	\$180.00 + \$80.00 per half hour after first hour

Question:
Do you support our proposed changes to fees and charges including the Resource Management Act 1991 and Food Act 2014?

For a comprehensive list of changes to our fees and charges, including the RMA and Food Act, please visit waimatedc.govt.nz/ltp

Annual grants

Community grants are a vital component of our societal landscape, playing a pivotal role in fostering local development, confronting pressing issues, and enriching the lives of our community members. Council values the opportunity to connect the aspirations of local leaders, community groups, and volunteers with

the resources necessary to bring their visions to life. Waimate District Council community support grants aim to facilitate a wide range of efforts including welfare, heritage, and educational programs that serve to make our district an even more wonderful place to live.

Our vision for the future involves continuing to support these five annual grant recipients.

Grant recipients	Grant recipient summary	Current grant structure (Financial Year 2024/25)
Bushtown Waimate Inc.	The site is a visitor attraction showcasing life of the 1800's era through a traditionally staged heritage park. The park includes a steam operated sawmill, an operating miniature steam train, and a replica of an early Edwardian high street community.	Commenced 1 July 2018 \$5,000 + GST Additional \$1,000 per annum requested Not CPI adjusted
Centrecare Counselling Waimate	Centrecare's range of community funded services are dedicated to the well-being of all people in the Waimate District. Centrecare provides qualified support to help face challenges including abuse, addictions, anger, anxiety, depression, grief and loss, loneliness, mental health, stress, or trauma.	Commenced 2015 \$3,888 + GST CPI adjusted
Community Link - Waimate District Resource Trust	Community Link provides information, support, services, resources, and activities that enables and enhances community wellbeing including a central work hub with office space, video conferencing facilities, and community vehicles. Staff also provide a broad range of community support functions like financial mentoring, a food bank, and community networking.	Commenced March 1997 \$18,388 + GST CPI adjusted
Events Waimate for Strawberry Fare	A summer celebration of the district's horticultural heritage with a focus on Strawberries, a traditionally grown produce of the area. The fare offers entertainment, upmarket stalls, a wide selection of food, and of course Waimate Strawberries.	Commenced 2021 \$5,165 CPI adjusted
Sport Canterbury South Canterbury	Sport Canterbury South Canterbury focuses on empowering coaches, clubs, and athletes, and recognising the profound impact of sport in building stronger communities. Staff provide working knowledge of health and physical education to schools and communities including leadership programmes, first aid training, nutrition education, and coaching development.	Commenced 2005 \$7,000 + GST Not CPI adjusted

Question 1: Do you support the continued application of our Community Support Grants to existing recipients?
Question 2: Do you support the additional grant funding of \$1,000 per annum to Bushtown Waimate Inc.?

Let's Talk Policy

When Council makes significant changes to our financial policies or our Significance and Engagement Policy, we are required to let you know and give you a chance to have your say.

These policies determine how we decide to collect rates, who we rate, what we rate for, and what rate remissions we will apply. The only policy with notable changes is our Rates Remission and Postponement Policy. The other policies are subject to minor changes only.

Rates Remission and Postponement Policy

Community housing remission removal

We have proposed to remove the remission of 50% of the Civic Amenities Charges for the Council owned Community Housing at 8-16 Kennedy Crescent.

We want our Community Housing to be self-funding and think the removal of this remission is a fairer approach to keeping the rates charged for each Unit in line with the rates applicable to any property with a dwelling. What this means in practice is that Council – as the property owner – will have more rates to pay, so in turn will require sufficient income from the tenants of Kennedy Crescent to ensure the activity pays for itself. The flipside of this is that the balance of ratepayers who pay a Civic Amenities Rate in the Urban area will no longer have to absorb the value of this remission, as the Civic Amenities charge will be spread over more properties.

New remission of rates on Maori freehold land

We are required by legislation to have a rates remission policy on Māori Freehold Land. With consideration to schedule 11 of the Local

Government Act 2002 and how it supports the principles set out in the Preamble to Te Ture Whenua Māori Act 1993, we propose to introduce a rates remission for Māori Freehold Land that meets a specified criteria. Only land whose beneficial ownership has been determined by a freehold order issued by the Māori Land Court qualifies as Māori Freehold Land, and may therefore qualify for a remission under our proposed policy.

We are aware of only a handful of properties in our District that could qualify – however this is subject to review and supporting information being made available.

It's important to note that the Local Government (Rating) Act 2002 already has provisions where certain properties are deemed to be non-rateable – which we apply by default – before then considering any remissions. We therefore expect there will be limited applications received for this remission and negligible financial implications. We will still charge targeted rates for services such as water, wastewater and waste collection where these services are provided. We will also require applications in writing on an annual basis.

Question:
Do you agree with the proposed changes to the Rates Remission and Postponement policy?

Want to view the proposed policies in their entirety?

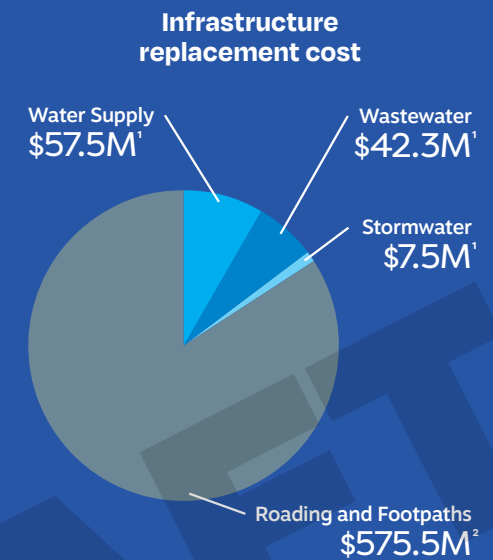
find them online at waimatedc.govt.nz/ltp

Infrastructure Strategy

Our Infrastructure Strategy outlines how we will manage our infrastructure assets over the next 9 years.

Council is committed to providing quality roads and footpaths, supplying clean water, removing, and treating wastewater (sewage) and providing fit-for-purpose infrastructure for all our communities.

This section reflects how we will manage this commitment and provides an overview of Council's priorities, challenges, and strategic direction.



¹ As at 30 June 2024
² As at 30 June 2022

Our infrastructure

Water

Council operates and manages one on-demand water supply (Waimate Urban) and six restricted rural water supplies. Water is obtained from surface water sources or groundwater bores depending on location. Water is distributed to approximately 3200 connections via pump stations, treatment plants, storage reservoirs, and a network of around 900km of pipe.

Waimate owns a 14 per cent share in the Downlands Water Scheme, collecting water rates and passing them on to the Timaru District Council, who manages the operation of the scheme.

Sewerage

The Waimate urban area is served by a community sewerage system with a total of 1,840 connections. Sewage is collected through 40km of pipe, including two pump stations and conveyed to a wastewater treatment plant and discharged through a land disposal system.

Stormwater

Council operates and manages an urban stormwater network for Waimate, including 15km of pipework and open drains. Stormwater is conveyed to and discharged in natural waterways.



Roading and footpaths

Council operates and maintains 1325km of roads, 49% of which are sealed, 63km of footpaths, and 182 bridges. All roads in the network are equipped with appropriate signage, markings, and drainage to support safe travel, minimise hazards, and manage stormwater runoff effectively.

Our priorities and challenges

Ageing assets, addressing increased traffic and changing (heavier vehicles) transport demands, improving road safety and improving water supplies are all challenges for Council. Over the next 9 years, investments to both maintain and improve levels of service will be a priority, and renewal programmes will ramp up for water services and pavement rehabilitation works. Some shorter-term investment is also required to meet additional demand associated with growth. Council's priorities in respect to roading and footpaths, water, sewerage and stormwater are:

- Maintain the district's roads to a safe standard and fit-for-purpose for the long term.
- Maintain sewage disposal and treatment facilities to protect public health through ensuring good sanitary standards and freshwater management.
- Provide a continuous supply of drinking water to meet agreed demands.
- Use efficient and effective asset management practices to maximise life of all assets to provide a resilient network.
- Demonstrate to customers that Council is managing the assets responsibly.
- Ensure that the levels of service required by customers is provided at the lowest long term cost to the community.
- Customers will be regularly consulted over the price/quality trade-offs resulting from alternative levels of service.
- Manage the impacts of land use change and growth.
- Advocate on behalf of the community where direct management of issues is not possible, e.g. impacts of regional plans/rules.
- Upgrade and renew water treatment facilities to meet new drinking water standards, resulting in a combination of improved and maintained levels of service.
- Theoretical backlogs of \$35 million and \$26 million for the Roothing and Footpaths and Three Waters activities respectively. For Roothing and Footpaths this apparent backlog is being addressed in the first three years of

the LTP through componentisation of assets such as bridges and footpaths, condition guided renewals and obtaining better supporting data to extend useful lives as appropriate. It is anticipated that the "real" renewal backlog will be completed by 2028. For the Three

Waters activity the nine year renewal programme is approximately \$28 million and therefore exceeds the theoretical backlog. Asset performance and failure rates are not reflective of assets that have reached the end of their useful life.

Capital delivery

Council plans to deliver 100% of all capital projects over the life of the Long Term Plan, with the financial forecasts based on completing all projects on time and on budget. There is a risk that capital projects will not be completed in any given year, and carried over to subsequent years. Any delay in

projects will impact the operational costs and depreciation expense. There could also be an increase in required budget to complete the delayed projects. Delays in implementing the planned Drinking Water Standards for New Zealand compliance projects will delay the levels of service increases.

Are our assets in good health?

The condition of our water reticulation network is good but is expected to be challenged as pipes near the end of their expected life. The condition of asset components at the treatment plants and pump stations is good to excellent. The wastewater reticulation network condition is adequate and is more frequently challenged as pipes near the end of their expected life. The existing wastewater treatment plant is relatively new, with the condition of the asset considered excellent.

There are no pipe condition ratings for stormwater pipe assets, but we consider the condition to be good. CCTV investigations in 2024/25, 2025/26, and 2028/29 will assist in better determining pipe condition. Performance of the network is monitored

through hydraulic modeling updates and maintained (and improved) through the Waimate Town Stormwater Management Plan. The stormwater network is relatively limited and proven to be inadequate for some locations during times of heavy rainfall. The most significant challenges have already been addressed. There is a focus on creating capacity within the existing infrastructure in the near-term as part of the Waimate town discharge consent requirements.

The roading network is in good order, and levels of service are structured around the One Network Road Classification approach. There is some deferral for roading renewals which are being addressed through works programmes.

How accurate is our data?

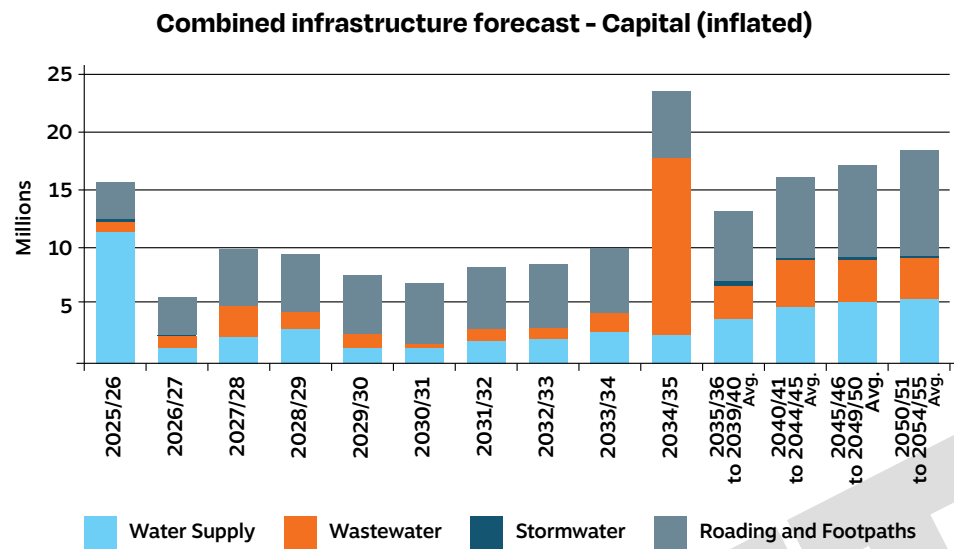
The asset data held for water supply and sewerage has been a focus for improvement over the last nine years. Positive comments from the 2017, 2020, and 2024 valuations have indicated adequate and appropriate accuracy.

Road and footpaths data continues to be sound, based on thirty years of RAMM use. An increase in data analysis as part of the One Network framework and capture of pavement performance data has improved knowledge of the asset further.

How much are we investing in our infrastructure?

We need to ensure that what we have now is well maintained and renewed as necessary to remain fit-for-purpose. Timely investment is the key to our strategy going forward,

therefore the below table shows the capital infrastructure investment varies from year to year as a result of our priorities.



Note: Years 2035-2055 represented as 5-year annualised average

Our plan

Council's strategic direction to ensure that its decisions address both the priorities and long and short-term issues are:

Water Supply

- The application of a prioritised approach to the replacement of aged water mains to ensure impacts on customer level of service are limited. Priority is given to those assets displaying poor condition, high failure rates, high criticality and those that have potential to affect a high number of consumers. Comprehensive asset management planning is required to maintain a satisfactory level of service. Hydraulic modelling findings are also being utilised for short term renewals as well as long-term investment for optimised renewals, levels of service and Growth project planning. Associated with the modelling work there will be initiatives to improve the asset data.
- Council will continue its programme of water scheme treatment plant upgrades in order to achieve compliance with the current NZ Drinking Water Standards and Drinking Water Quality Assurance Rules. Where the proposed water reform programme indicates that legislative change is likely and alternative compliance pathways become available,

Council will review the programmed upgrades to ensure that cost-effective compliance is achieved. For example, completion of enabling works early, followed later by alternative compliance methodology. Council remains committed to achieving compliance concurrently with the Local Water Done Well Reform process.

- Progressively renew and upgrade our rural townships water mains to address leakage and access to water services for growth.

Sewerage

- The application of a prioritised approach to the replacement of aged and poor condition sewer mains to ensure impacts on customer level of service are limited. Priority is given to those assets displaying poor condition, high failure rates, high criticality and those that have potential to affect a high number of consumers. Comprehensive asset management planning is required to maintain a satisfactory level of service.
- A combined approach to replacing aged and poor condition pipes alongside continuing inflow investigation to provide capacity and resilience in the wastewater network.

- The inflow investigation has highlighted the worst catchment for inflow and infiltration (I&I). This catchment is the focus of near-term efforts to reduce I&I through a comprehensive CCTV programme and physical investigation.

Stormwater

- Implementation of the approved Stormwater Management Plan as part of the Waimate town discharge consent. The discharge consent has conditions that will affect the future management of the stormwater activity.

Roading

- Increased traffic volume, heavier vehicles, and necessary asset end-of-life replacements means roading activities require more attention.

- Ongoing investment to maintain drainage to provide network resilience. Investigation required to study network capacity and deficiencies to cope with storm events.
- Key bridges, where cost benefit is demonstrated, to be considered for upgrade.
- Road Safety is a critical outcome. Removing deficiencies by intersection upgrades, providing guard railing, and increase carriage width to improve current inadequate level of service.
- Extend the useful life of key infrastructure by analysing assets at a component level, replacing individual parts where possible instead of undertaking costly full replacements.

Local Water Done Well

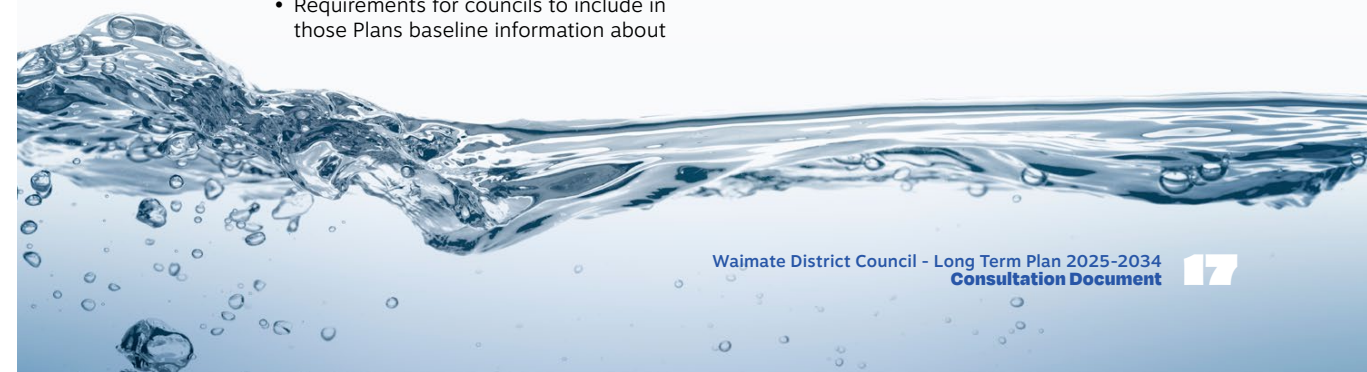
"Local Water Done Well" is the Coalition Government's plan for managing water services delivery and infrastructure following the repeal of Water Services Reform legislation (Three Waters) in February 2024. The "Local Water Done Well" policy framework aims to address concerns about New Zealand's water quality and water services' infrastructure investment, while keeping control over water services and assets local.

The new water services legislation includes:

- The Water Services Acts Repeal Act (enacted in February 2024) repealed the previous Government's water services legislation and restored continued council ownership and control of water services.
- The Local Government (Water Services) Preliminary Arrangements Act was enacted on 2 September 2024. Key areas included in this Act are:
 - Requirements for councils to develop Water Services Delivery Plans (within 12 months of the Bill being enacted).
 - Requirements for councils to include in those Plans baseline information about

their water services operations, assets, revenue, expenditure, pricing, and projected capital expenditure, as well as necessary financing arrangements, as a first step to future economic regulation.

- Streamlined consultation and decision-making processes for setting up council controlled organisations that deliver water services, and joint local government arrangements, both of which are currently provided for in the Local Government Act.
- Provisions to enable new, financially sustainable model for Watercare.
- Interim changes to the Water Services Act that means the Te Mana o te Wai hierarchy of obligations in the National Policy Statement for Freshwater Management (NPS-FM) will not apply when Taumata Arowai sets wastewater standards.
- The proposed Local Government Water Services Bill will establish the enduring settings for the new water services system.



At this time, Council has not made any substantive decisions regarding the future of water services but is responding to the new legislative requirements for the development of a Water Service Delivery Plan. Council will continue to monitor and respond to further changes in the Government's Local Water Done Well programme. In the development of our water service delivery plan, we will be performing an extensive review of several alternative water service delivery options with the goal of providing the best outcomes for the district while ensuring financial sustainability. We intend to keep the community involved through a consultation process that will clearly demonstrate the

options we are exploring and how those options affect them.

Our Consultation Document and the subsequent Long Term Plan are being prepared based on the most current information. However, our review of water service delivery is still in its early stages. As a result, the potential impacts, both financial and operational, are not yet fully understood. Given the scale of this review, the outcomes may result in significant deviations from our Long Term Plan 2025-2034. When this occurs, we will follow the appropriate amendment procedures to ensure that the Long Term Plan 2025-2034 accurately reflects changes in financial requirements and service delivery commitments.

or applying a pro-active approach and getting on with the job. These decisions are informed by factors such as criticality (how important they are), performance and overall risk.

Management of ageing infrastructure is closely aligned with the discussion of system resilience. The key aspect is the recognition of failure mechanisms for our assets, and initiation of a suitable response to minimise cost and

disruption to the community. Underground pipe networks represent the greatest risk because of their extent and inaccessibility.

Council's approach has been to collect data to understand condition and performance, as well as identify critical assets. In other words, it's important that we continue to focus effort and resource where it is needed most.

Resilience

Resilience is the ability to cope with and recover from adverse events. It requires active planning to cope with a disaster, restore functionality, and rebuild the societal and economic fabric. Communities that actively plan for resilience are less prone to disaster, recover faster and endure less hardship than those that do not.

recover the social and economic soul of the community is the next component in planning for resilience.

We understand there is a high expectation of continuing functionality and service delivery, and therefore resilience is based on a design philosophy which acknowledges that failure will occur. Resilience requires early detection and recovery, but not necessarily through re-establishing the failed system.

Planning for every disaster scenario is impossible, so the next step is to plan to contain damage. This planning involves understanding the chaos, pressure, and trauma involved in emergency response, then training, building redundancy, preparing, and improving for future events. Bouncing back to

Council is also considering the performance of its infrastructure and services in the face of climate change, including drought, severe storms, sea level rise and natural disasters.

Financial impact

Council faces the challenge of ageing pipe assets that are due for replacement and a roading network that is under constant pressure. This infrastructure is vital to the economy of the district and beyond, and impacts the wellbeing of the community.

On the infrastructure side, a focus on criticality and prioritisation is key to investing where it will provide the greatest benefit. Alongside this infrastructure strategy, the financial strategy outlines the options for funding these infrastructural challenges. The financial strategy details funding sources and differing rating methodologies. Council will also need to carefully consider how it funds growth in an equitable manner, alongside being focused on continuing to support the district and its residents. This means providing a fair balance of revenue methods and providing fit for purpose services.

We are mindful that the cost of all this infrastructure is significant. In fact, the combined forecast for operations and maintenance as well as capital identified is considerable. Core infrastructure costs (capital and operating) exceeding \$20 million per year is a challenge for a small community and that's why smart planning is vital.

Ageing infrastructure

Over the years, Council has focused on addressing the district's infrastructure needs, prioritising significant upgrades to ageing and outdated assets wherever possible.

We are now entering a vitally important timeframe to ensure our community's needs are met, with ongoing concentration and decision making centred around the deferral of renewals





Financial Strategy

Our Financial Strategy outlines how we will manage our finances over the next 9 years. The goal of our Financial Strategy is to ensure Council remains financially stable, while financing key priorities.

The Waimate District is comparatively small with a relatively limited number of ratepayers – and with that in mind we believe we have developed a low risk Financial Strategy, building on our conservative platform laid from a prudent past, to maintain a strong financial position.

The Financial Strategy complements our Infrastructure Strategy (refer to the summary in this document) and relies on our Significant Forecasting Assumptions and activity plans. Together, these provide the underpinning context for our Long Term Plan, our guiding

road map to achieve our key outcomes and address pressing challenges.

The ‘rubber is hitting the road’ with necessary upgrades and renewals building into an ambitious and significant capital expenditure programme – the largest we have seen. We need to undertake this investment to comply with legislation, and to also provide infrastructure that is safe and meets the community’s needs. This investment means we will be increasing debt to an extent that has not previously been seen by our Council.

What do we need to spend?

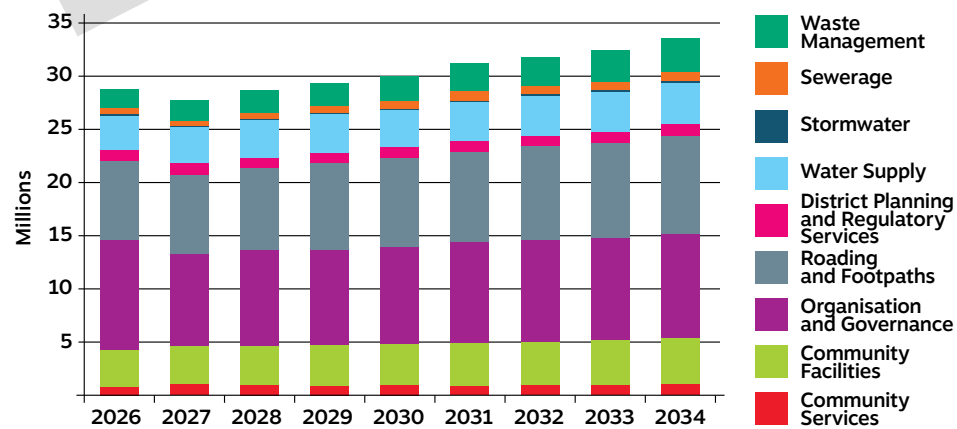
Council is forecasting that the annual operating costs to deliver its activities and services will increase from \$28.8 million in 2026 to \$33.6 million in 2034.

Many of the cost increases that your regular household bears are also felt by Council, along with those that are related to the specialised services that Local Government is required to provide. Cost increases are driven by price increases for goods and services, for example, contract fees, wage increases, price of materials used, insurance costs and inflation.

The requirement to externally loan fund the new capital initiatives, particularly in the Water Supply, Sewerage and Stormwater activities results in increased interest costs to Council. Council is constantly reviewing its costs and the way it delivers its operations to ensure it is undertaking the activities in a way that is most cost effective for its community.

The following graph details the total cost for each of the 9 years, categorised by activity group:

Operating expenditure (inflated)



Over the next 9 years, Council is forecasting capital expenditure of \$88.6 million.

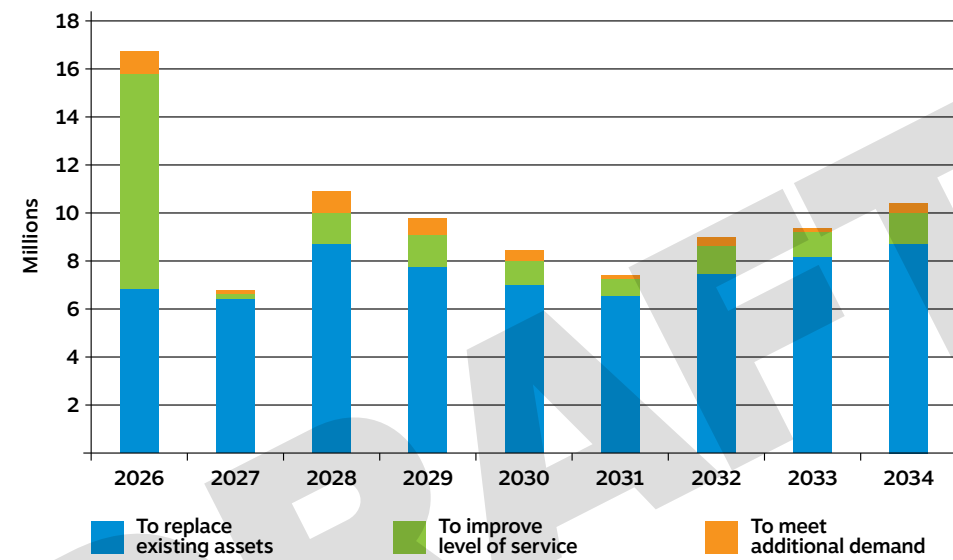
Capital spending commits the district to increased depreciation charges which require funding to ensure there are sufficient funds for the assets’ eventual replacement. New and additional projects which add to our infrastructure, adds to our costs. Our capital programme includes a number of planned

service improvements and maintenance of existing assets. Like other Councils throughout the country, we have aging assets, many of which are well through their expected useful lives to add to the challenge.

Our major projects are detailed in this consultation document.

The following graph details the capital expenditure planned for each of the 9 years:

Capital expenditure by type (inflated)

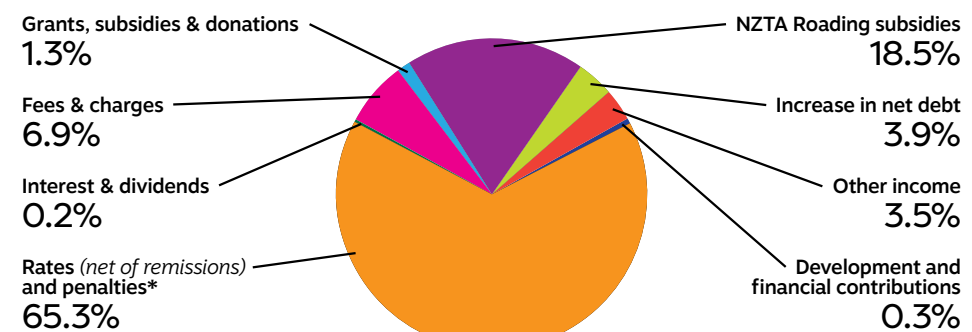


How will we pay for it?

While rates are the funding stream of last resort with all other funding sources explored as a priority, rates remain the major source of

funds for Council. The below graph illustrates the funding sources for the 9 years of this Long Term Plan.

Sources of funding



* includes Downlands water scheme rates

Rates

Rates differ from property to property, depending on things like the value of the property, the location and the services received and available to its occupants.

We like to think of rates as an investment in your community, supporting the provision of infrastructure and availability of services for our District's residents.

While it's not easy, Council aims to strike a balance between delivering on its legislated obligations, the demands and expectations of the district, and the rates required to fund this work.

We are mindful of the demographics of our Community and the significant income variation within the District. Council actively encourages low income ratepayers to apply

for relief through the Rates Rebate Scheme. We are also aware that rates in our District are generally lower than the NZ average.

For this LTP, Council is proposing (as per preferred option 1 on page 5) increases of:

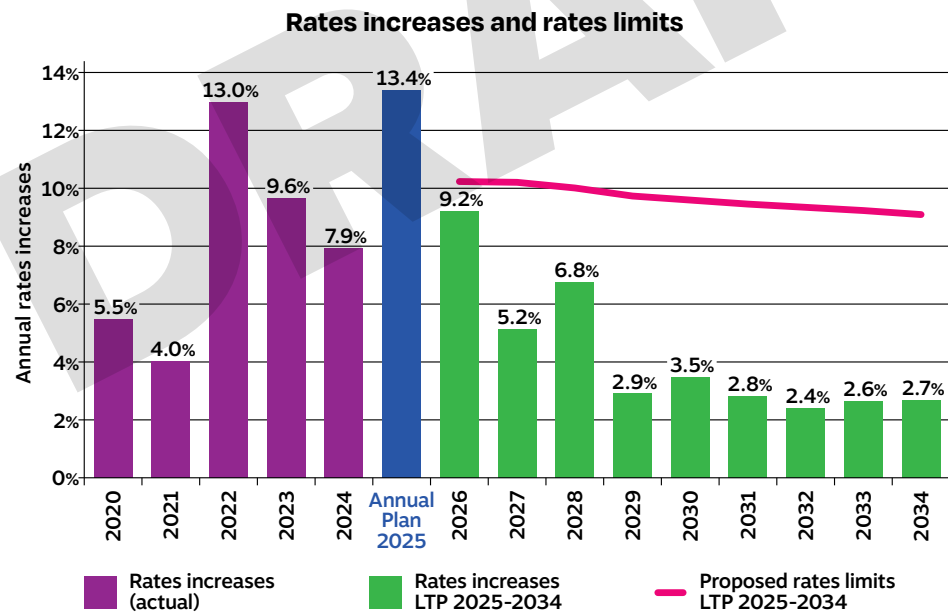
- 9.2% for 2026,
- 5.2% for 2027,
- 6.8% for 2028,
- an average of 2.8% per annum for the remaining 6 years of the LTP

We have set our rates increases limit as the Local Government Cost Index (LGCI) – Other Operational Expenditure BERL rate¹ plus 7.0% for each year of this 9 year plan.

Rates limits for each year of the plan

	2026	2027	2028	2029	2030	2031	2032	2033	2034
Rates limit	10.2%	10.2%	10.0%	9.7%	9.6%	9.4%	9.3%	9.2%	9.1%

Our anticipated compliance with the rates increases limit is illustrated below:



¹ Source: Cost Adjusters 2024 final update, BERL, October 2024

What does this mean for our debt?

Through careful financial management we have had a history of low borrowings and a strong financial position, meaning we have current capacity to increase debt. Through the development of our Financial Strategy, we have identified the need to increase our debt over the life of the LTP to deliver on our planned expenditure and to meet our community wellbeing outcomes. We recognize that the level of debt needs to be carefully managed, so we have set limits

on borrowing, which are used to guide the limitations of work programmes and budgets.

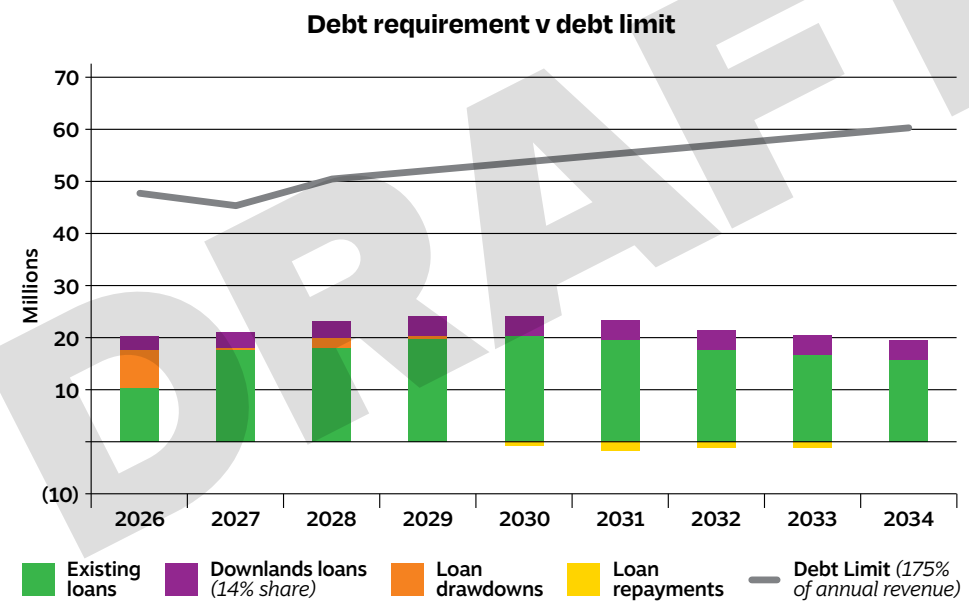
Over the next 9 years our external debt is anticipated to reach \$24.0 million in 2029 then reduce to \$19.4 million in 2034.

We have set our debt limit as: Net Debt shall not exceed 175% of total revenue (Net Debt is defined as external debt less cash and cash investments).

Debt limits for each year of the plan

	2026	2027	2028	2029	2030	2031	2032	2033	2034
Debt Limit (175% of annual revenue) \$ millions	48.0	45.7	50.8	52.4	54.1	55.7	57.3	58.8	60.6

Our anticipated compliance with this debt limit is illustrated below:



Note: Downlands is a Timaru District Council managed water scheme

Balanced budget

We are required by legislation to ensure that the operating revenue forecast is sufficient to meet our operating expenditure each year (a balanced budget) – unless we decide it's financially prudent not to do so. For this LTP we are proposing an 'unbalanced budget' for the first two years of the plan.

activities and a conscious decision to not fund all depreciation. Council considers it prudent to fund the roading capital program and the loan repayments for the Waimate Event Centre, instead of funding all depreciation, as this approach ensures this generation of ratepayers pay a fair share for the benefit they receive.

The full financial strategy and supporting information can be viewed at waimatedc.govt.nz/ltp

This is largely due to rates smoothing, reserve movements, forecasts for non-rateable

What does this mean for my rates?

To give you an idea of the impact of the rates increases for next year (1 July 2025 – 30 June 2026), we provide some examples of typical properties in our District. The following tables show the proposed rates for year 1 of the LTP, based on Council's preferred Option 1.

Please note that some of the services provided by Council are optional and for some the rate varies depending on the quantity of the service you receive (e.g. allocation of water). Environment Canterbury rates which we collect and pass onto Environment Canterbury are excluded from these values.

Rating zone: urban property

	Capital Value		
	\$350,000	\$500,000	\$800,000
Services included:			
→ Serviced Water	✓	✓	✓
→ Serviced Sewer	✓	✓	✓
→ Rubbish and recycling multi-bin service	✓	✓	✓
Current year rates (2024/25)	\$3,365	\$3,583	\$4,020
+ General rates increase	\$63	\$90	\$144
+ Civic amenities rates increase	\$75	\$75	\$75
+ All other targeted rates increases	\$115	\$118	\$124
Proposed total rates for 2025/26	\$3,618	\$3,866	\$4,363
Increase for the year	\$253	\$283	\$343
Weekly change \$	\$4.90	\$5.40	\$6.60
Change %	7.5%	7.9%	8.5%

Rating zone: urban commercial property

	Capital Value		
	\$400,000	\$600,000	\$800,000
Services included:			
→ Serviced Water	✓	✓	✓
→ Serviced Sewer	✓	✓	✓
→ Rubbish and recycling multi-bin service	✓	✓	✓
Current year rates (2024/25)	\$2,597	\$2,889	\$3,180
+ General rates increase	\$72	\$108	\$144
+ Civic amenities rates increase	\$30	\$30	\$30
+ All other targeted rates increases	\$116	\$120	\$124
Proposed total rates for 2025/26	\$2,815	\$3,146	\$3,477
Increase for the year	\$218	\$258	\$298
Weekly change \$	\$4.20	\$5.00	\$5.70
Change %	8.4%	8.9%	9.4%

Rating zone: rural 1 property

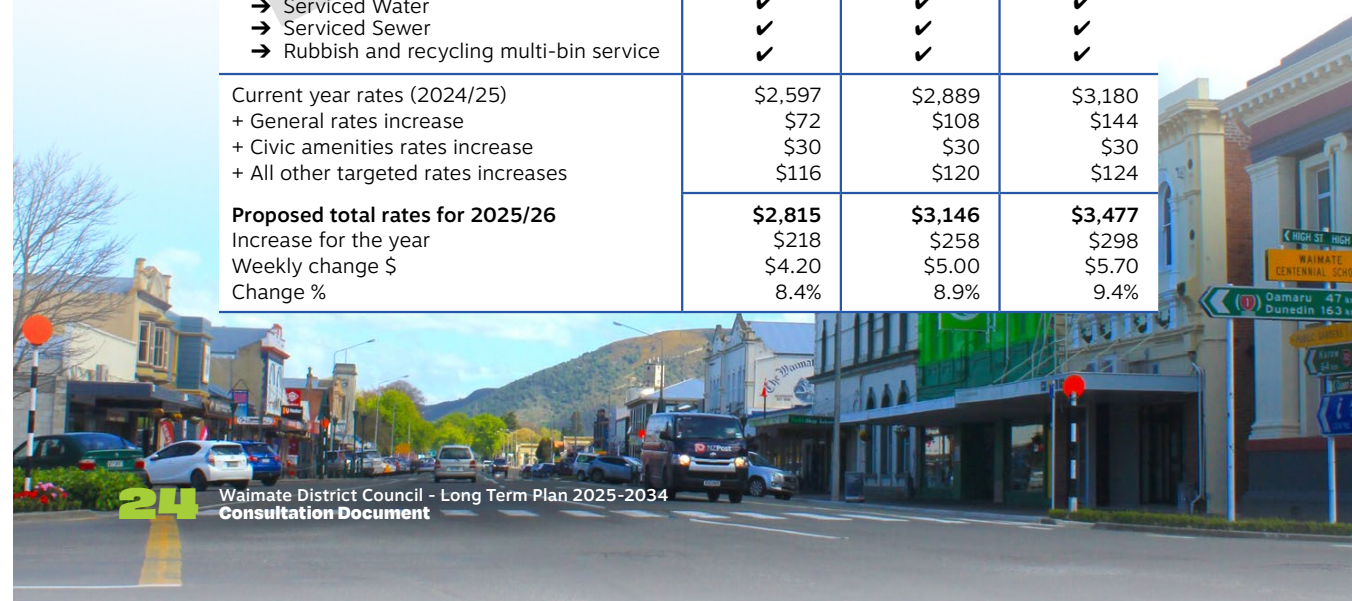
	Capital Value		
	\$500,000	\$2,000,000	\$5,000,000
Services included:			
→ Water - Otaio/Makikihi (litres)	2,000	10,000	18,000
→ Hall Rate - Makikihi	✓	✓	✓
→ Rubbish and recycling multi-bin service	✓	✓	✓
Current year rates (2024/25)	\$3,042	\$8,013	\$14,610
+ General rates increase	\$46	\$184	\$459
+ Civic amenities rates increase	\$75	\$75	\$75
+ All other targeted rates increases	\$108	\$406	\$755
Proposed total rates for 2025/26	\$3,270	\$8,677	\$15,899
Increase for the year	\$229	\$664	\$1,289
Weekly change \$	\$4.40	\$12.80	\$24.80
Change %	7.5%	8.3%	8.8%

Rating zone: rural 2 property

	Capital Value		
	\$800,000	\$2,000,000	\$5,000,000
Services included:			
→ Water - Cannington (litres)	2,000	10,000	18,000
→ Hall Rate - Maungati	✓	✓	✓
→ Rubbish and recycling multi-bin service	x	x	x
→ Recycling drop off service	✓	✓	✓
Current year rates (2024/25)	\$2,705	\$6,500	\$12,066
+ General rates increase	\$66	\$165	\$412
+ Civic amenities rates increase	\$72	\$72	\$72
+ All other targeted rates increases	\$193	\$883	\$1,626
Proposed total rates for 2025/26	\$3,036	\$7,619	\$14,176
Increase for the year	\$331	\$1,119	\$2,110
Weekly change \$	\$6.40	\$21.50	\$40.60
Change %	12.2%	17.2%	17.5%

Want to know the proposed rates for your property?

Find them online at waimatedc.govt.nz/ltp





What's Driving Rates Increases?

Urban water: +0.8%

Like many others across New Zealand, our district faces challenges relating to water service delivery. Our aging infrastructure requires increased maintenance needs and replacements as they reach the end of their useful lives. While work is being performed to assess the pipes and extend their usage before needing replacement, we want to avoid leaks and costly failures before they happen. Additionally, rising costs for material, labour, and energy are driving expenses higher than ever before. These combined pressures have created an urgent financial strain, necessitating significant rates rises to ensure that we can meet these critical demands.

At the same time, regulatory changes are imposing stricter requirements that demand additional resources. These regulations are positioned to enact strict economic oversight, ensuring that the costs of maintaining, operating, and improving water systems are fully accounted for. While this shift is designed to safeguard the long-term viability and quality of water services, it also means that ratepayers will face the true cost of water service delivery. This includes not only current expenses but also the investments needed to replace ageing infrastructure and meet new compliance standards.

Rural water: +1.8%

Rural water schemes will face a higher cost for implementing these new regulations compared to urban centres because many of the necessary upgrades to water infrastructure have already been completed in urban areas. These compliance requirements, alongside the planned maintenance and renewal of existing water infrastructure, account for the difference in urban and rural water cost drivers.

Sewerage and stormwater: +0.2%

Expansions to urban stormwater systems are necessary to help mitigate future flooding events. Ageing infrastructure requires the replacement of urban sewer pipes.

Waste management: +0.6%

The kerbside rubbish and recycling programme was introduced four years ago, and Council has received very favourable feedback from its implementation. In this time, there have been multiple factors that have contributed to the rising cost

of this service including contractor costs, government levies, and disposal costs.

Climate change remains a significant concern to central government and the need to reduce landfill waste has been a driving factor in efforts to reduce New Zealand's carbon footprint. One of these efforts is through the waste disposal levy which imposes a fee on waste disposal to fund recycling programmes. Since July 2021, the Ministry for the Environment has progressively raised the waste disposal levy by 550%. This means that the cost of the levy on disposing 1 tonne of household waste has increased from \$10 in 2020 to \$65 in 2025.

Roading: +1.0%

The costs of maintaining our roads are always increasing. The cost of building and maintaining transportation infrastructure has risen by as much as 40% since 2021 due to factors such as materials shortages, labour availability, and global economic turbulence. The need for usable and safe roads that are fit for purpose comes at a significant price as the cost of labour and materials rise. As our roads, kerbs, and footpaths age they require more frequent maintenance. The need for increased amounts of rehabilitation and renewal of our roads stems from years of under investment.

The cost of this maintenance has grown rapidly in the last few years due to factors like inflation, shipping costs, and the price of oil. Since 2020, most bitumen, a key material in road maintenance, has needed to be imported from countries like Australia and Malaysia. The significant volatility in the price of oil and international shipping costs has meant that acquiring bitumen for roading projects is increasingly more expensive. This is further compounded by the increased cost of contractors performing road maintenance. The increased cost of roading work illustrates the need to maximise our efforts in work that is partially co-funded by the New Zealand Transport Agency Waka Kotahi (NZTA). With increased co-funding we have the opportunity to receive additional funding crucial to our roading work by increasing our roading budget. This means that for every \$1 we spend on approved projects NZTA contributes \$0.68. However, changes in government can often lead to shifts in funding priorities, resulting in funding shortfalls. Our aim is to appropriately increase the roading programme to adequately fund its maintenance.

External interest: +1.8%

One of the key factors impacting the costs of Council's essential activities is the ongoing financial obligation of external interest on new and existing loans. These loans are necessary to fund critical infrastructure projects and maintain service delivery. Fluctuating interest costs represent a continuing cost for Council that must be carefully managed to ensure financial sustainability.

Rateable overheads: +0.9%

These ongoing expenses are necessary to support the day-to-day operation of Council and its delivery of essential services. Costs include staffing, utilities, office operations, and regulatory requirements.

Alpine dividend revenue reduction: +1.2%

For this LTP we are not anticipating any dividend income from our shareholding in Alpine Energy. Relying on this income is considered unwise, so funding through rates is necessary to offset the shortfall.

Alpine smoothing profile: -1.1%

In our 2021-31 LTP we told you we were used to receiving about \$750,000 in dividends per annum, with the vast majority helping to offset rates. Following the Commerce Commission's review on electricity networks which resulted in a cap being placed on the total revenue any lines company could earn at the time, dividends plummeted. We've been managing the impact of these significant dividend reductions over recent years, smoothing the impact for our ratepayers. Council has decided to use funds from a land sale reserve to clear the remaining balance so that the future impact on rates is eliminated.

All other items: +2.0%

The balance of 2.0% is made up of a number of smaller items, including insurance cost increases, building consent income reductions, and depreciation increases.

Total increase: +9.2%



Major Projects

Ever wondered what major projects we plan to carry out over the next 9 years throughout the Waimate District?

Our LTP has been developed with a strong focus on financial responsibility, guided by a maintenance directive that prioritises sustaining existing levels of service where appropriate and increasing them where necessary. This means that we are concentrating our resources on maintaining essential infrastructure, ensuring reliability, and addressing necessary upkeep in some areas while expanding services in areas where its needed most.

Drinking water compliance upgrades

- **Timeframe:** 2025/26
- **Proposed total budget:** \$6,620,000 (Hook Waituna, Cannington, Waihaorunga, and Waikakahi Rural Water Schemes)
- **Project description:** Water treatment plant upgrades and installation of backflow protection. Compliance monitoring improvements.

Rural water scheme renewals

- **Timeframe:** 2025/26 - 2033/34
- **Proposed total budget:** \$3,470,000
- **Project description:** Water treatment plant upgrades, programmed renewals and plant replacements.

Downlands rural water renewals

- **Timeframe:** 2025/26 - 2033/34
- **Proposed total budget for our 14% share:** \$3,474,000
- **Project description:** Replacement of infrastructural assets relating to Downlands Water Supply Scheme.

Hook/Waituna water supply link

- **Timeframe:** 2025/26
- **Proposed total budget:** \$2,391,000
- **Project description:** Project to interconnect Otaio Makikihi and Hook/Waituna rural water supplies.

Glenavy and Makikihi town water mains renewals

- **Timeframe:** 2025/26 - 2033/34
- **Proposed total budget:** \$1,056,000
- **Project description:** Renewal of water mains that have reached the end of their useful life.

Waimate urban water mains renewals

- **Timeframe:** 2025/26 - 2033/34
- **Proposed total budget:** \$5,285,000
- **Project description:** Renewal of water mains that have reached the end of their useful life.

Waimate urban water growth infrastructure

- **Timeframe:** 2025/26 - 2028/29
- **Proposed total budget:** \$1,918,000
- **Project description:** Extensions to the urban water networks for Bakers, Courts, Hunts and Fitzmaurice Roads and the top end of Point Bush Road.

Stormwater improvements

- **Timeframe:** 2025/26
- **Proposed total budget:** \$250,000
- **Project description:** Protect overland flow paths on Queen St and increase capacity within the existing infrastructure.

Urban sewer renewals

- **Timeframe:** 2025/26 - 2033/34
- **Proposed total budget:** \$9,399,000
- **Project description:** Renewal of sewerage piped infrastructure that has reached end of useful life.

Urban sewer extensions

- **Timeframe:** 2029/30 - 2033/34
- **Proposed total budget:** \$1,333,000

- **Project description:** Extension to the urban sewer network to extend service to new/existing developments on Allan St, Manchester St, and Hunts Rd.

Roading

- **Timeframe:** From 2025/26 to 2033/34
- **Proposed total budget:** \$43,105,000
- **Project description:** Continued investment in the roading and footpath network with the majority of funding attributed to road resealing and road pavement rehabilitation.

Forestry planting

- **Timeframe:** 2026/27 to 2028/29
- **Proposed total budget:** \$445,000
- **Project description:** Replanting and establishment of Waihao Forest.

For a full list of our major projects

→

visit waimatedc.govt.nz/ltp

Climate change

Climate change is expected to lead to more frequent and extreme weather events, from heavy rain, resulting in flooding and slips, to higher temperatures and increased drought risk in our district. We need to understand how the effects of climate change are likely to impact our future investment decisions and ensure that our infrastructure is more resilient and less likely to fail in an extreme weather event.

Since the previous LTP, Council has undertaken initiatives to build collaborative relationships with our neighbours in responding to the uncertainty we face in climate change. Joining the Canterbury Climate Change Partnership will help us share valuable information so that local decisions are informed by local data.

Council is also in the process of developing a climate change strategy for the district. This strategy is being built on the foundation of extensive engagement, education, and feedback to address the unique challenges faced by Waimate.

**Audit
Report**

DRAFT

DRAFT

Your Mayor & Councillors

Your Councillors are dedicated to addressing the issues we have discussed in this Consultation Document and want to hear your thoughts about our approach.

So if you have any questions get in touch!



Want to know more?

This consultation document covers our key issues and questions as we develop the Long Term Plan 2025-2034.

To read our supporting information go to waimatedc.govt.nz/ltp

- | | | |
|---------------------------|------------------------------------|-------------------------|
| → Assumptions | Policies: | Asset Management Plans: |
| → Financial Information | → Financial Contributions | → Roading |
| → Financial Strategy | → Investment | → Water |
| → Infrastructure Strategy | → Liability Management | → Sewerage |
| → Major Projects | → Rates Remission and Postponement | → Stormwater |
| → Performance Measures | → Revenue and Financing | |
| → Population Projections | → Significance and Engagement | |
| → Fees and Charges | | |



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Waimate Ward

Deputy Mayor Sharyn Cain

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Lower Waihao Ward

Councillor Lisa Small

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We're Out and About

Councillors and Council staff are out and about across the district to discuss the content in our draft Long Term Plan.

We invite you to help us map our future together so come and see us at one of our community chat sessions detailed below and let us know what you think.

We'll pop the kettle on – see you there!

Tell us what you think!

Online

Go to the Waimate District Council website to enter your submission: waimatedc.govt.nz/ltp

If you do not have access to a computer you can drop into the Waimate District Library on Queen Street where we have a computer set up to help you make your submission.

In person

If you have questions about our plans, you can always drop into one of our community chat sessions and speak to a Councillor.

Paper consultation documents and submission forms are also available upon request at the Waimate District Council Offices on Queen St.

If you wish to make your submission in NZ sign language or te reo Māori please contact Council to organise this.

Contact Us

→ Waimate District Council
125 Queen Street, Waimate
Phone: 03 689 0000

**Submissions close
12pm on Monday 5 May 2025**

Community chat sessions

Drop in within the set times, ask a question if you have one and join in the discussion.

Glenavy Hall → Wednesday 9 April, 7pm to 8pm

St Andrews Hall → Monday 14 April, 7pm to 8pm

Cattle Creek Hall → Wednesday 16 April, 2pm to 3pm

Maungati Hall → Tuesday 22 April, 7pm to 8pm

Waimate Event Centre → Wednesday 23 April, 12pm to 2pm and 7pm to 8pm

What happens when you submit?

When you complete your online submission you have the option of appearing at a hearing where you can speak to Council about your submission. If you state that you wish to speak to Council at a hearing we will get back to you with a time and other details about the hearing. This is not something that you have to do if you submit, it's up to you.

All submissions we receive are given due consideration. Once submissions close Council will consider all feedback when making their decision on the key issues and other matters raised throughout the submission period. We will then let you know the outcome of the decisions.

Council will adopt the Long Term Plan (LTP) 2025-2034 on Monday 30 June 2025.

Following adoption of the LTP Council will then be able to set its rates for the 2025/26 year and issue your rates assessments and invoices.

Submission Form

Personal details

First name _____ Last name _____

Organisation _____

Postal address _____

Home phone _____ Mobile _____

Email _____

Privacy

A full copy of all submissions will be made publicly available. Would you like your contact details withheld?

Yes No

Speak to your submission

Do you wish to speak to your submission at a Council hearing on Monday 26 May 2025?

Yes No

If yes, please tell us above your email address and daytime phone number and we will contact you to arrange a suitable time.

Your feedback

Key Issues

→ Key Issue 1: Managing the Impact on Rates

Which rates option do you prefer? Please select one.

Option 1 (preferred)

Option 2

Option 3

Unsmoothed

Smoothed over 2 years

Smoothed over 5 years

No additional borrowing or interest costs

Loan of \$230,000
\$19,067 of interest costs

Loan of \$1,150,000
\$195,548 of interest costs

Please comment on why _____

→ Key Issue 2: Roading Funding Shortfall

How should we proceed with our roading budget? Please select one.

- Option 1** *(preferred)*
Proceed with proposed budget
Includes \$952,475 of additional rates. This expenditure is not co-funded by NZTA.
- Option 2**
Increase roading budget for the next two years
Includes \$1,113,175 of additional rates. This expenditure is not co-funded by NZTA.
- Option 3**
Decrease roading budget for the next two years
Includes \$791,775 of additional rates. This expenditure is not co-funded by NZTA.

Please comment on why _____

→ Key Issue 3: Track Funding

Council has already committed \$100,000 towards the development of a multi-use track. Do you support the additional funding Council has proposed? Please select one.

- Option 1** *(preferred)*
Council contributes the full proposed amount of \$150,000 from the Subdivision Recreation Reserve
- Option 2**
Council contributes \$75,000 from the Subdivision Recreation Reserve
- Option 3**
Council declines to contribute any additional funding towards the project

Please comment on why _____

Fees and charges

→ Do you support our proposed changes to fees and charges including the Resource Management Act 1991 and Food Act 2014? Yes No

Please comment on why _____

Annual grants

→ Question 1: Do you support the continued application of our Community Support Grants to existing recipients? Yes No

Please comment on why _____

→ Question 2: Do you support additional grant funding of \$1,000 per annum to Bushtown Waimate Inc.? Yes No

Please comment on why _____

Policy changes

→ Do you agree with the proposed changes to the Rates Remission and Postponement policy? Yes No

Please comment on why _____

Do you have any other feedback on the draft Long Term Plan 2025-2034?

Need more room? You can add extra pages if there's not enough space on this form.

Submissions close 12pm on Monday 5 May 2025

DRAFT

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Web: waimatedc.govt.nz



MEETING CLOSURE