



AGENDA

Geraldine Community Board Meeting Wednesday, 21 May 2025

Date Wednesday, 21 May 2025

Time 6:30 pm

Location Geraldine Library/Service Centre

File Reference 1759691

Timaru District Council

Notice is hereby given that a meeting of the Geraldine Community Board will be held in the Geraldine Library/Service Centre, on Wednesday 21 May 2025, at 6:30 pm.

Geraldine Community Board Members

Jan Finlayson (Chairperson), Janene Adams (Deputy Chairperson), Wayne O'Donnell, Shane Minnear, Rosemary Woods, Andy McKay and Cllr Gavin Oliver

Local Authorities (Members' Interests) Act 1968

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

Nigel Trainor
Chief Executive

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- 1 Apologies**
- 2 Public Forum**
- 3 Identification of Items of Urgent Business**
- 4 Identification of Matters of a Minor Nature**
- 5 Declaration of Conflicts of Interest**

6 Confirmation of Minutes

6.1 Minutes of the Geraldine Community Board Meeting held on 16 April 2025

Author: Jessica Kavanaugh, Team Leader Governance

Recommendation

That the Minutes of the Geraldine Community Board Meeting held on 16 April 2025 be confirmed as a true and correct record of that meeting and that the Chairperson's electronic signature be attached.

Attachments

- 1. Minutes of the Geraldine Community Board Meeting held on 16 April 2025**



MINUTES

Geraldine Community Board Meeting Wednesday, 16 April 2025

Ref: 1759691

**Minutes of Timaru District Council
Geraldine Community Board Meeting
Held in The Parasol, 1202 Peel Forest Road, Peel Forest
on Wednesday, 16 April 2025 at 6:34 pm**

Present: Jan Finlayson (Chairperson), Janene Adams (Deputy Chairperson), Shane Minnear, Rosemary Woods

In Attendance: **Councillors:** Mayor Nigel Bowen

Officers: Andrew Dixon (Group Manager Infrastructure), Jessica Kavanaugh (Team Leader Governance)

Public: Jeff Powley, McGregor Simpson, Jenny Deans, Steve Deans, John Acland, Gregg Wilkinson, Liz Travis

1 Apologies

1.1 Apologies Received

Resolution 2025/210

Moved: Jan Finlayson

Seconded: Shane Minnear

That the apologies of Wayne O'Donnell, Clr Gavin Oliver and Clr Allan Booth be received and accepted.

Carried

2 Public Forum

Jenny Deans – Spoke to the Community Board, and asked when the walkway would be completed and questioned why the walkway between Geraldine and Woodbury would be done before the Peel Forest walkway is completed. Jenny also highlighted the long grass on the side of the road. There was also a question on the process of installing a community noticeboard and the location which would require the Councils permission.

Discussion included the early stage of the noticeboard and the potential of accessing the strategic fund for this. It was also highlighted the piles of shingle left on the side of the road by the roading contractor.

Steve Deans – Spoke to the Community Board regarding the walkway to the campground and the priorities of the Council. It was also raised the sump near the hall entrance is collapsing.

Discussion included the possibility of a broken pipe.

McGregor Simpson – Spoke to the Community Board regarding concerns about the Rangitata river and its eroding. A stream of the river breaking through the old Arundle dump. The road condition on Keen Road near Orari Bridge and the campground. The location of Upritchard Reserve was clarified. There was concern raised on the Blandwood residents in the event of a flood.

John Acland – Spoke to the Community Board and supported Jenny Deans comments. It was advised there are a number of logging trucks using the road and the number of people walking on that road. The maintenance of the roadsides on the roads to the Mount Peel Church and roadsides in various other areas.

It was advised that the Government is funding less for maintenance of roadsides and is a discussion for the Annual Plan.

Discussion included a washout at the cutting, the road up to the Holy Innocents Church, and the road from the camping ground to Te Wanahau flat.

Liz Travis - Spoke to the Community Board regarding the narrow sections of the roads in the scenic reserves, and questioned the Council's communications with the New Zealand Transport Agency in relation to the Orari Bridge.

Greg Wilkinson – Spoke to the Community Board as the Chair of the Blandswood Residents Association and highlighted the commemoration of the 50th anniversary of the flood which affected this area and the Tasker Family. The mowing at Blandswood is being undertaken by local residents.

Provided an update on Project Peel which included ongoing trapping and the extended network of exclosure zones. The Project Peel open day showcasing the work being done in Denniston bush.

Further comments included the road maintenance in the area and grading cycles.

3 Identification of Items of Urgent Business

No items of urgent business were received.

4 Identification of Matters of a Minor Nature

The following matters of minor nature were identified:

- Resource Management law reform
- Letter requesting funding from the Community Response Team for Woodbury and Tripp Settlement

5 Declaration of Conflicts of Interest

No conflicts of interest were declared.

6 Confirmation of Minutes

6.1 Minutes of the Geraldine Community Board Meeting held on 19 March 2025

Amendments included item 4 Yesteryear Project is part of the Strategic Framework, and the correction of Margaret Chapman's name.

Resolution 2025/211

Moved: Jan Finlayson

Seconded: Shane Minnear

That the Minutes of the Geraldine Community Board Meeting held on 19 March 2025 be confirmed as a true and correct record of that meeting and that the Chairperson's electronic signature be attached.

Carried

7 Schedules of Functions Attended

7.1 Schedule of Functions Attended by the Chairperson

Resolution 2025/212

Moved: Jan Finlayson

Seconded: Rosemary Woods

That the Schedule of Functions Attended by the Chairperson be received and noted.

Carried

8 Reports

8.1 Actions Register Update

The purpose of this report is to provide the Geraldine Community Board with an update on the status of the action requests raised by Community Board Members at previous meetings.

An update was provided on the directional signage, this included that the first location has been declined and the Land Transport Manager is having discussions on an alternative location.

Resolution 2025/213

Moved: Janene Adams

Seconded: Shane Minnear

That the Geraldine Community Board receives and notes the updates to the Actions Register.

Carried

8.2 Community Board Targeted Rate Funding Application Process

The Team Leader of Governance spoke to the report for the Community Board to adopt a documented process for when individuals or organisations apply for an amount from the Community Board's targeted rate.

Discussion included the involvement of the Geraldine Community Board members in the community. It was highlighted various projects that the Geraldine Community Board has supported in the past and the processes used to grant these funds from the Geraldine Targeted Rate fund.

The importance of good documentation for an audit trail, transparency, and officers' time was clarified.

It is also requested to follow up on the delegations of the fund and the formal name.

Resolution 2025/214

Moved: Rosemary Woods

Seconded: Janene Adams

That the Geraldine Community Board:

1. Provide feedback on the targeted rate funding application process; and
2. Approve the proposed application process.

Carried

9 Consideration of Urgent Business Items

No items of urgent business were received.

10 Consideration of Minor Nature Matters

Resource Management Reform

Jan Finlayson advised there was a report that went to the Environmental Services Committee. It is requested a report to the Geraldine Community Board on the Resource Management Reform with issues that impact the Geraldine Community.

Letter requesting funding from the Community Response Team for Woodbury and Tripp Settlement

Rosie Woods advised the Geraldine Community Board she has received a funding request from Rachel Scott the Community Response Team Leader for Woodbury and Tripp Settlement. This included what has happened since the last engagement with the Community Board. The additional resources required to ensure the safety of their community including a generator for Woodbury Hall, a portable Starlink System, and a large first aid kit.

It was noted that this request will complete the approved application form and a report will come to the Geraldine Community Board for the request.

11 Public Forum Issues Requiring Consideration

There were no public forum items requiring consideration.

12 Board Member's Reports

The Chairperson and Community Board Members discussed various organisations they have met within the community and meetings they have attended.

Shane Minnear advised on the discussion with a resident on the practicalities of a roundabout on the Talbot Street and Cox Street intersection.

Rosie Woods attended a Geraldine NZ meeting, assisted in the Woodbury Water Race Committee with discussions with the Land Transport Manager, and attended the Men's Friendship Group.

Janene Adams attended Geraldine Sculpture Trial Meetings.

Mayor Nigel Bowen provided a verbal update on the Mountain bike track for Woodells Reserve.

The Meeting closed at 7.41pm.

.....
Jan Finlayson
Chairperson

7 Schedules of Functions Attended

7.1 Schedule of Functions Attended by the Chairperson

Author: Jessica Kavanaugh, Team Leader Governance

Authoriser: Stephen Doran, Group Manager Corporate and Communications

Recommendation

That the Schedule of Functions Attended by the Chairperson be received and noted.

Functions Attended by the Chairperson for the Period 01 April 2025 and 07 May 2025.

<i>15 April 2025</i>	Standing Committees
<i>22 April 2025</i>	SJ Café feasibility meeting
<i>23 April 2025</i>	Geraldine Community Arts Council extraordinary meeting
<i>25 April 2025</i>	ANZAC services at Geraldine, Woodbury, Peel Forest, and Rangitata Island, and wreath-laying at Orari
<i>5 May 2025</i>	Meeting with Brendon Rope (Smartz and Recreation Aotearoa) and Anna Hargreaves about Geraldine Swimming Pool.
<i>5 May 2025</i>	Geraldine, Woodbury, Peel Forest, Orari, and Surrounds Strategic Framework 2023-2033 meeting
<i>6 May 2025</i>	Council meeting

Meetings were also held with various ratepayers, businesses and/or residents on a range of matters.

Attachments

Nil

8 Reports

8.1 Actions Register Update

Author: Jessica Kavanaugh, Team Leader Governance

Authoriser: Stephen Doran, Group Manager Corporate and Communications

Recommendation

That the Geraldine Community Board receives and notes the updates to the Actions Register.

Purpose of Report

- 1 The purpose of this report is to provide the Geraldine Community Board with an update on the status of the action requests raised by Community Board Members at previous meetings.

Assessment of Significance

- 2 This matter is assessed to be of low significance under the Council's Significance and Engagement Policy as there is no impact on the service provision, no decision to transfer ownership or control of a strategic asset to or from Council, and no deviation from the Long Term Plan.

Discussion

- 3 The actions register is a record of actions requested by Community Board Members. It includes a status and comments section to update the Community Board on the progress of each item.
- 4 There are currently four items on the actions register.
- 5 One item is marked as ongoing.
- 6 Three items are marked as completed and are proposed to be marked as removed at the next meeting.
- 7 No items are marked as removed to be taken off the list at the next meeting.

Attachments

1. **Geraldine Community Board Actions Register** [!\[\]\(ec6be8583b2c424584fcf21004c5fb12_img.jpg\) !\[\]\(6988d590ec1954742057541e56c28e41_img.jpg\)](#)

Information Requested from Geraldine Community Board

Key ■ = Completed, for removal ■ = 60+ Days ■ = 90+ Days ■ = Removed

Information Requested	Pole for directional signage with other towns called Geraldine				
Date Raised:	12 February 2025			Status:	Closed
Issue Owner	Group Manager Infrastructure	Due Date:		Completed Date:	02 May 2025
<p>Background:</p> <p>In the public forum of the Geraldine Community Board a member of the public spoke to advice that he is in contact with other towns called Geraldine and they have placed a directional sign with the distances. He is wanting to see if one can be placed outside the Museum. The Land Transport Manager was to follow up on this process.</p> <p>Update: Land Transport Manager has communicated with David and has approved in principle, pending Geraldine Museum's approval. TDC to install post. Geraldine Community to provide sign.</p> <p>Update April 2025: Geraldine Museum have declined placement of the sign outside their premises. Council are looking at alternative locations., sign will then need to be supplied by Geraldine Community.</p> <p>Update May 2025: TDC Officer (John Keenan) is working with requestor and arranging a pole installation. Likely to be near the public toilets. This action can be closed</p>					

Information Requested	Report on the Properties owned by Council in the Geraldine Ward				
Date Raised:	12 February 2025			Status:	Complete
Issue Owner	Group Manager Property	Due Date:	19 March 2025	Completed Date:	28 February 2025
<p>Background: At the 10 February Geraldine Community Board meeting it was discussed during the Property Acquisition, Management and Disposal Policy consultation to provide the Community Board with a list of current council properties within the Geraldine Ward.</p>					

Update: This briefing report is complete and will be presented on 19 March 2025.

Update April 2025 – An update on the property list and any land or buildings noted for divestment will be brought to the community board on the 2 July 2025.

Information Requested	Delegation and formal name for the Community Board Fund			
Date Raised:	16 April 2025		Status:	Complete
Issue Owner	Group Manager Corporate and Communications	Due Date:		Completed Date: 1 May 2025
<p>Background: The Geraldine Community Board requested to investigate the formal name of the Community Board Fund and what delegations it holds relating to that fund.</p> <p>Update May: As per the long term plan (page 135), the name of the Fund in reserves is ‘Geraldine Community Board’. Each community board area (for which targeted rates a levied) retains its own annual surplus of deficit which accumulates over the lifetime of each targeted rate board. Each individual reserve balance is only available for use by that board. As per Council resolution 2022/78 at the 27 October Inaugural Meeting the following delegations were approved for Community Boards:</p> <p>That pursuant to clause 32(6) of Schedule 7 of the Local Government Act 2002, the following delegations are approved:</p> <ul style="list-style-type: none"> • Where a community rate has been established, to determine how the monies so collected and provided for in the annual budget will be spent, in accordance with legislation and pursuant to formal written advice from officers presented to a meeting of the community board; and • In the case of the Temuka and Geraldine Community Boards, to make recommendations to the Public Trustee on Thomas Hobson Trust grant applications. <p>Council officers believe this satisfies this action request and that this request be closed out.</p>				

Information Requested	Resource Management Reform Report			
Date Raised:	16 April 2025		Status:	
Issue Owner	Group Manager Environmental Services	Due Date:		Completed Date:
<p>Background: The Geraldine Community Board requested a report on the Resource Management Act Reform, like the one presented to the Environmental Services Committee but include items specific to Geraldine including but not limited to: sites of significance to maori, zoning, SNAs.</p> <p>Update: In response to this request the 'Planning Manager – District Plan Review' has drafted a report to present at the 21 May 2025 board meeting.</p>				

8.2 Resource Management Reform and District Plan Review Update**Author:** Aaron Hakkaart, Planning Manager - District Plan Review**Authoriser:** Paul Cooper, Group Manager Environmental Services**Recommendation**

That the Geraldine Community Board receive and note the Resource Management Reform and District Plan Review Update.

Purpose of Report

- 1 At its meeting on 16 April 2025 the Geraldine Community Report requested a report on the Resource Management Act reform, with a specific focus on Geraldine, with reference to topics such Sites and Areas of Significance to Māori (SASMs) and Significant Natural Areas (SNAs). This report responds to that request.

Assessment of Significance

- 2 This report is for information and is not considered to be significant.

Discussion**Introduction**

- 3 The Government has recently made a further announcement on the Resource Management Reform. The key elements of this announcement focused on the shape of the replacement legislation as agreed by Cabinet. This paper outlines the key changes outlined in the announcement and provides an analysis of the impact on this announcement on Council's current resource management functions with a specific reference to the Proposed District Plan (PDP) and the Geraldine Community.
- 4 Governments Resource Management Reforms are divided into three phases:
 - 4.1 Phase 1 – repeal the Natural and Built Environment Act and Spatial Planning Act.
 - 4.2 Phase 2 – development of a Fast-Track Approvals Act (2A) and targeted amendments to the RMA (2B).
 - 4.3 Phase 3 – replace the Resource Management Act 1991 (RMA) with two new Acts.
- 5 Phase 1 and 2A are now complete.

Phase 2B

- 6 Phase 2B is the progression of targeted legislative amendments to the RMA. It has so far involved two RMA Amendment Bills. The first was passed into law on 23 October 2024. The second was introduced into Parliament on 9 December 2024.
- 7 The Bill amends the RMA in relation to infrastructure and energy, housing growth, farming and the primary sector, natural hazards and emergencies as well as system improvements.

8 The below table outlines these changes and their application to Timaru District Council:

Phase 2B Proposed Changes	
Proposed Change	Further Detail/ Application to Timaru District Council
<i>Option for councils to opt out of Medium Density Residential Standards</i>	<ul style="list-style-type: none"> Allows for councils to opt out, retain or alter these standards in their district plan. Because Timaru District Council is a Tier 2 Council, there is already no requirement for inclusion of these standards.
<i>Changes to resource consent compliance and enforcement</i>	<ul style="list-style-type: none"> Councils will be able to consider recent consent application. Histories of ongoing, significant, or repeated non-compliance would allow and application to be declined. Issuing abatement notices will be simplified. This relates directly to the administration of a proposed district plan rather than the drafting of its provisions.
<i>Changes to how resource consents are processed</i>	<ul style="list-style-type: none"> Streamlining consent granting by reducing required information for grants proportionately to the significance of the activity. Allowing decisions to be made without hearings where sufficient information has been offered. Maximum processing timeframes of one year. 35-year default durations for consents related to renewable energy or defined long living infrastructure. This relates to the application of a district plan and the issuing of consents rather than the drafting of a plan's provisions.
<i>Amendments to council obligations under section 70</i>	<ul style="list-style-type: none"> Discharges with significant adverse effects on aquatic life will be permitted in certain situations. This falls under regional council jurisdiction rather than district council planning.
<i>Rules relating to natural hazards will have immediate legal effect</i>	<ul style="list-style-type: none"> The PDP was notified prior to the Bill and will remain unaffected.
<i>Refusal of resource consents due to natural hazard risk</i>	<ul style="list-style-type: none"> Where an activity would create a new risk from natural hazards, the land use consent could be refused. This is related to the administration of a district plan rather than the drafting of its provisions.
<i>Extend powers for the Governor General</i>	<ul style="list-style-type: none"> A new provision will allow for the Governor General to make emergency response regulations for the purpose of reacting to a natural hazard event or emergency. This would not directly influence district planning, rather it would impact administration powers in certain circumstances.

<i>Changes to the classification of heritage structures</i>	<ul style="list-style-type: none"> • A streamlined process will be introduced which will enable councils and the Minister to list and delist heritage buildings in a district plan. • The PDP was notified prior to the Bill and will remain unaffected.
<i>Clarifying the role of the RMA in relation to fishing activities</i>	<ul style="list-style-type: none"> • Reducing the extent that councils can use the RMA to control fishing for biodiversity protection. • Relevant only to regional council functions.
<i>Creation of an approval pathway for freshwater planning</i>	<ul style="list-style-type: none"> • Introducing industry-wide farm plan programmes into the freshwater farm plan system. • Relevant only to regional council functions.
<i>Changing coastal permits/requirements for marine aquaculture farms</i>	<ul style="list-style-type: none"> • Enabling the alteration or cancellation of consent conditions for marine aquaculture farms. • Relevant only to regional council functions.

- 9 These proposals are not directly relevant to the PDP. The first reading occurred on 17 December 2024. A six month Select Committee reading process is now underway, pushing the implementation date into mid – late 2025.

Phase 3

- 10 Phase 3 will see the replacement of the RMA with two new Acts. On 24 March 2025 additional information on this stage of the reform was released by the Hon Chris Bishop.
- 11 Government had last year engaged an Expert Advisory Group (EAG) to develop a blueprint for reform. The EAG delivered this blueprint earlier this year. Cabinet has agreed that the EAG has delivered a blueprint that provides a workable basis for a new planning system. Key features of the new system include:
- 12 Two Acts: a Planning Act focussed on regulating the use, development and enjoyment of land, along with a Natural Environment focused on the use, protection and enhancement of the natural environment.
- 13 A narrowed approach to effects management: The new system will be based on the economic concept of “externalities”. Effects that are borne solely by the party undertaking the activity will not be controlled by the new system (for example, interior building layouts or exterior aspects of buildings that have no impact on neighbouring properties such as the size and configuration of apartments, the provision of balconies, and the configuration of outdoor open spaces for a private dwelling). Matters such as effects on trade competition will be excluded.
- 14 Property Rights: Both Acts will include starting presumptions that a land use is enabled, unless there is a significant enough impact on either the ability of others to use their own land or on the natural environment. This will reduce the scope of effects being regulated and enable more activities to take place as of right. There will be clear protection for lawfully established existing use rights, including the potential for the reasonable expansion of existing activities over time where the site is ‘zoned or owned’. There will be a requirement for regulatory justification reports if departing from approaches to regulation standardised at the national

level. Compensation may happen for regulatory takings in some circumstances. There will be an expansion in the range of permitted activities.

- 15 Simplified National Direction: One set of national policy direction under each Act will simplify, streamline, and direct local government plans and decision-making in the system. Direction under the Natural Environment Act will cover freshwater, indigenous biodiversity and coastal policy. Direction under the new Planning Act will cover urban development, infrastructure (including renewable energy) and natural hazards.
- 16 Environmental limits: A clearer legislative basis for setting environmental limits for our natural environment will provide more certainty around where development can and should be enabled, whilst protecting the environment.
- 17 Greater use of standardisation: Nationally set standards, including standardised land use zones, will provide significant system benefits and efficiencies. The new legislation will provide for greater standardisation, while still maintaining local decision making over the things that matter.
- 18 Spatial Plans: Each region will be required to have a spatial plan, focused on identifying sufficient future urban development areas, development areas that are being prioritised for public investment and existing and planned infrastructure corridors and strategic sites.
- 19 Streamlining of council plans: A combined plan will include a spatial planning chapter, an environment chapter and planning chapters (one per territorial authority district).
- 20 Strengthening environmental compliance monitoring and enforcement: To safeguard the environment, a national compliance regulator with a regional presence will be established – taking over a function currently done by regional councils.
- 21 Government intends to commence work immediately on working through the policy detail to allow for the introduction of the two new Acts into the House before the end of the year.

Implications for Timaru District Council and the Geraldine Community.

- 22 As the legislation has yet to be introduced into the House, the implications of the reform on Timaru District Council and the Geraldine Community are not certain. Based on the information currently available Council is continuing with the current District Plan Review process which has seen the completion of five of the scheduled seven hearings. Further hearings are scheduled for July and September, with the timetable then resulting in decisions being issued by the panel in March 2026 to meet the statutory requirements of having a decision issued no later than 22 March 2026.
- 23 The hearings have already heard submissions on topics such as SASM and SNAs, with the independent hearings panel to now complete deliberations and issue decisions on these topics in accordance with the timeframe described above. The proposed reform will therefore not impact on these topics in the short-term with the new legislation to potentially provide new direction as to how these are to be managed in the new planning framework.
- 24 It is important to note that Timaru District Council currently has a legal obligation to follow a regulatory process when developing a new district plan. The council is required to act in accordance with the RMA. The DPR process must be completed under section 79(1) of the RMA. Section 79 requires that local authorities must review the provisions of their district plans at least every ten years to ensure they remain relevant and up to date. This review process requires an assessment of whether there are any changes that need to be made to the district plan based on current environmental and community needs. The objective is to

create a current and relevant plan that allows the community to exercise their right to provide feedback on its developments.

- 25 The Council's legal obligation under section 79(1) to regularly review and update its district plan is crucial. This process ensures the plan remains relevant and aligned with current higher-level guidance such as national policy and regional policy statement. This also allows the community to have a meaningful opportunity to engage and contribute. By doing so, the Council upholds its responsibility to adhere to the public participatory principles of the RMA. The DPR process, and PDP upholds Councils obligations under the RMA. To stop the process would mean it would go back to the old plan, to pause would mean the PDP would have little effect and result in a scenario where the outcomes sought would still need to be tested through a future process in line with legislative direction. The government has not directed that Council's such as Timaru stop current review processes in light of the legislative reform.

Future Hearings

- 26 Hearing G which is scheduled to commence in the week starting the 7th of July 2025 will hear submissions that have sought for re-zonings to occur in relation to proving for growth. Several submissions have sought specific outcomes within the Geraldine context. Council Officer's and consultants supporting the project have meet with several submitters in the Geraldine context to discuss these submissions. Prior to the hearing Council will release a recommendation report in relation to these submissions and the submitters will have the opportunity to respond to that through attending the hearing and providing their own evidence to the panel. In assessing submissions things such as projected growth, site location and constraints and the provision of infrastructure will be evaluated.

Conclusion

- 27 The release of information on Phase 3 of the resource management reform work program is an exciting moment, as it provides additional direction as to what the future system will look like. This announcement provides some direction to Council as to what actions will leave Timaru District Council in the best position to respond.
- 28 Council has determined that completing the DPR process will provide a better foundation for Council in transitioning, whilst releasing the benefits of previous investment in the current process. Multiple topics have already been heard as part of the hearings process and the last substantial hearing which may impact on the Geraldine community will occur in July and relates to re-zoning for growth.
- 29 Overall, the reform will have little impact on the current District Plan Review process which is close to completion. As additional information becomes available there will be the opportunity for Council to engage in the statutory processes that will see this legislation implemented.

Attachments

Nil

8.3 Tabling of Annual Plan and Local Water Done Well Consultation Document

Author: Stephen Doran, Group Manager Corporate and Communications

Authoriser: Nigel Trainor, Chief Executive

Recommendation

That the Geraldine Community Board:

1. Receive and note the Annual Plan Consultation Document and the Local Water Done Well Consultation Document.
2. Notes that the consultation period for the Annual Plan Closes at 5pm on Friday 23 May 2025.
3. Notes that the consultation period for Local Water Done Well close at 5pm on Friday 6 June 2025.

Purpose of Report

- 1 To table the consultation documents for the Annual Report and Local Water Done well to enable Community Board Submissions on both consultations.

Assessment of Significance

- 2 The Annual Plan is of medium to high significance under the Council's Significance and Engagement policy. All councils are required to adopt an Annual Plan each financial year under section 95 and Part 2 of Schedule 10 of the Local Government Act 2002 (LGA).
- 3 Items in the Annual Plan can have high significance to the community. However, much of the Annual Plan 2025/26 represents Year 2 of the Long Term Plan 2024-34 (LTP), and was consulted on during the LTP development process. The significance focus is on the exceptions to Year 2 of the LTP. As a result, it is open to the Council to undertake some form of consultation with the community, but it does not require the special consultative procedure (SCP) to be followed.
- 4 While many of the projects in Year 2 of the Long-Term Plan (LTP) 2024-34 were consulted on during its development, there have been some changes since the LTP was adopted that has impacted on the overall position of Council and the status of these projects. Individual items in the Annual Plan can also have high significance to particular communities. The significance focus is on the exceptions to Year 2 of the LTP. As these changes are not considered significant or material, the special consultative procedure is not required. It is officers' recommendation to Council to undertake some form of consultation with the community on specific issues.
- 5 Changes to Council's water services delivery model is considered significant in regards to community interest, impact on Councils capability and capacity, cost to council and impact on ratepayers and potential changes to the control of a Strategic Asset.
- 6 The Significance and Engagement Policies of the Group of Councils and the requirements of the Local Government (Water Services Preliminary Arrangements) Act 2024 and Bill 3, require

the water services delivery model options to be presented for community engagement and feedback.

Discussion

Annual Plan

- 7 The Local Government Act 2002 (section 95(5)) requires Council to prepare and adopt an Annual Plan each financial year, the purpose of which is to:
 - 7.1 Contain the proposed annual budget and funding impact statement for the year in question; and
 - 7.2 Identify any variations from the financial statements and funding impact statement contained in the local authority's long-term plan in respect of the year; and
 - 7.3 Provide integrated decision-making and co-ordination of the resources of the local authority; and
 - 7.4 Contribute to the accountability of the local authority to the community.
- 8 Council is required to prepare and adopt an Annual Plan in the intervening years between LTPs. The plan contains the information prescribed in Section 95 and Part 2 of Schedule 10 of the LGA. The Annual Plan is an exceptions-based document and must include (as a minimum):
 - 8.1 Financial Statements (Forecasts, Funding Impact Statement, and Reserves - see Attachments)
 - 8.2 Rating Base information
 - 8.3 Any variations from Year 2 of the LTP – such as new proposals, delays in projects or decisions not to proceed with projects
 - 8.4 Reference to information in the LTP (e.g. Activity Statements) and relevant Fees and Charges information.
- 9 The Annual Plan process is not about revisiting issues already decided in the LTP. If there are significant issues to be considered, these may be subject to an LTP amendment process or targeted towards the next Long Term Plan review process.
- 10 Council is undertaking an informal consultation on its Annual Plan 2025/26, the document for which is attached, with supplementary information available at timaru.govt.nz/annualplan
- 11 From a rates perspective the average rates increase has been set at 9%. This is the overall amount of rates that the council will collect.
- 12 The sample property of a residential property in Geraldine with a land value of \$220,000 shows a 9% rates increase.
- 13 There has also been a proposal to raise most fees and charges by 10% unless they are set by legislation.
- 14 There are no current proposals to amend the targeted rate for Geraldine Community Board, which is currently set at \$7.00.

Local Water Done Well

- 15 The Water Services Preliminary Arrangements Act 2024, enacted on 2 September 2024, sets out the new requirements for water services delivery in New Zealand and requires councils to submit a Water Services Delivery Plan (WSDP) to the Department of Internal Affairs (DIA) by

3 September 2025. Each WSDP must define a financially sustainable delivery model with 10 years of financial information and undergo public consultation before formal adoption. The Government has introduced financial arrangements allowing CCOs to borrow up to 500% of their water revenue from the Local Government Funding Agency (LGFA).

- 16 On 10 December 2024, the Local Government (Water Services) Bill (Bill 3) was introduced to Parliament. The Bill sets out key details relating to the water services delivery system, the economic regulation and consumer protection regime for water services, and changes to the water quality regulatory framework and is expected to be enacted in June 2025.
- 17 Timaru District Council has been investigating various models to present for implementation, including an in-house model, a standalone CCO and a multi-council CCO with similar councils.
- 18 This developed further when the council was invited to investigate the options under the Southern Water Done Well collaboration with four southern provincial councils. Further investigation of this plan showed that the Timaru District and its water users would benefit more from collaborating with its immediate neighbour councils.
- 19 A formal project group of representatives from Mackenzie, Timaru and Waimate District council has been formed to investigate the option of a joint CCO for water provision.
- 20 Martin Jenkins Consultants were engaged to develop the options assessment and provided modelling of future costs associated with the options that have been included in the consultation document.
- 21 The options assessment considered in-house delivery, and two permutations of the joint WSO opportunity (being the 4 and 3 council options).
- 22 The options assessment was based on a 10-year outlook (FY34) but will comment on the longer-term challenges and opportunities beyond FY34.
 - 22.1 For the joint opportunity, the financial component of the analysis will be based on our prior work.
 - 22.2 The in-house option assessment will be based on the 10-year data supplied for whole of council as follows:
 - Timaru: DIA template information - 23 December 2024, TDC Infrastructure Strategy 2024-2054.
 - Mackenzie DC - data from the in-house model - 22 January 2025
 - Waimate DC - data supplied 16 October 2024.
- 23 This data has formed the basis of a consultation document which is attached to this report, with supporting information available at timaru.govt.nz/water

Attachments

1. **Annual Plan 25/26 Consultation Document** [!\[\]\(30a147af384f9f71632c2ff17bc706c8_img.jpg\)](#) 
2. **Local Water Done Well Consultation Document** [!\[\]\(8c93063dab026f10e159986b27c41c64_img.jpg\)](#) 

ANNUAL PLAN 2025/26

Our plan to meet the challenges ahead



The coming year will be a challenging one for a number of reasons, but I'm confident that the plan we're proposing to adopt is the best option for us to find the balance between cost savings and investment in community infrastructure and facilities to create a growth enabling environment in the Timaru District.

While some of the dual headwinds of high inflation and high interest rates are beginning to subside, changes to central government priorities, major reforms of core council services and one of the most unstable global environments we have seen in years has meant we've had to take a serious look at everything we do.

The issue we're having to start to tackle in this Annual Plan is that we have an operational deficit, this is that our day to day expenses outstrip the income that we generate through rates, fees and charges.

While we could raise rates to a higher level to help close this gap, it is our view the community isn't in the position to support the rates rises this would require.

We've heard the community clearly that they feel we have to 'cut our cloth' so have been working hard to cut costs and increase efficiency to counter the increasing costs we've faced.

While people understandably look at the large projects with large price tags like the Stadium and Theatre, they have a far smaller effect on your rates bills as they are paid off over a long period of time. This means the ratepayers of today aren't stuck paying the full cost of something that generations will benefit from.

The real savings are made at a smaller day-to-day level. Council staff have been working hard to reduce these costs by cutting spending where they can and looking at more efficient ways of doing things. While you may not see a lot of these savings, I can assure you that no stone has been left unturned through the organisation.

For example, we have undertaken a project looking at all the surplus land we own and putting everything we can up for sale. We've also been looking at all the services we use from printers to electricity to IT equipment to see if we're getting the best deal. Another cost saving is looking to minimise the use of contractors and consultants

where we can, and bringing services in house where it makes sense from a financial or service perspective.

This work by council staff is having a positive effect on our bottom line, and due to this we are proposing to bring the 12% planned rates rise in our Long Term Plan down to 9%.

In this plan we also detail some other savings options we have at our disposal. However, these would be more noticeable through reductions in services such as mowing and weeding, shorter operational hours for some of our facilities, and dropping levels of community funding.

We're putting our ideas out there and really want to hear what you think about them. Unfortunately, the only other lever we have when it comes to reducing costs at the council is to reduce its salary costs, so at the moment we're consulting with staff on a significant restructuring of nearly every department. This is a really difficult process for all the staff of the organisation, but unfortunately it's required for the long term sustainability of the council.

As we plan the year ahead, it is with some significant uncertainties in mind, and in an environment of major reform being pursued by central government. We'll be talking about how water services as provided shortly, as well as the future of the resource management act and how we deliver building services.

Local Government is in a period of major change, so it's critical that everyone takes an active role in council processes. Over the next few pages we'll lay out the challenges we face and our suggested solutions to help Timaru District continue to be a great place to live, we really want to hear what you think about them and we welcome any ideas you may have.



Nigel Bowen
Mayor Koromatua

WHAT'S INSIDE:

- Council's plan for 2025/26 and how we are looking to balance progress with affordability
- An update on our major projects and key changes to Year 2 of the Long Term Plan
- Financial and Rates Information

TIMEFRAMES

- **CONSULTATION**
Opens 5pm Thursday
1 May 2025
- **SUBMISSIONS**
Close 5pm Friday
23 May 2025
- **COUNCIL CONSIDERS SUBMISSIONS AT ANNUAL PLAN HEARING**
Tuesday 27 May 2025 (if required)
- **ANNUAL PLAN ADOPTED**
Tuesday 24 June 2025

Have your say!

at timaru.govt.nz/annualplan



Our 2025/26 Annual Plan challenges

THE CHALLENGES EXPLAINED

While the local economy appears to be turning a corner with a reduction in both inflation and now interest rates, there is still significant uncertainty on a global scale which has an effect on the equipment and raw materials that we use every day.

Council's key challenge is delivering what was planned for 2025/26 while closing our operating deficit and keeping any required rates rise reasonable.

Under current forecasts, delivering our \$78.8M capital work programme, funding our operating costs and providing similar levels of service for the community, will still leave an operating deficit of **\$5.5 million**. Once you add in assets vested in the council, this will give us a small overall surplus of \$109,000.

Although this 'bottom line' looks better than the forecast \$4.8 million accounting deficit we were forecasting for 2025/26, helped by the operating cost saving initiatives we put in place throughout 2024/25, we still have a substantial forecast operating deficit for 2025/26.

WHAT IS AN OPERATING DEFICIT?

An operating deficit is a little different to how we normally report any accounting surplus or deficit at the end of a year.

When we refer to our accounting surplus or deficit, this also includes things like subsidies and grants (like the Government funding we will get for the Theatre and Museum Project) and vested assets that are given to council (like CPlay or water infrastructure from developers).

Our operating surplus/ deficit figures only shows how much operating revenue we get, minus the operating expenses we pay, without the addition of subsidies and grants and value of the vested assets.

Are we striking the right balance?

The combination of challenges outlined above has created a funding shortfall or deficit, which means we need for more money to invest in, maintain and operate our services and assets into the future or we need to reduce our spending and investment.

Given this funding shortfall, Council is seeking to strike a balance between:

- maintaining the agreed levels of service to our community
- keeping within financial debt limits agreed in the Long Term Plan
- providing a prudent contribution towards depreciation to cover the cost of replacing community assets.

This Annual Plan and budget is being prepared against an uncertain background with the government's local water done well reforms, which will lead to significant structural change for water services, even if they remain in house. This will impact Council finances, but we are at this point uncertain of the total impact of this in the term of this Annual Plan.

Council is proposing a 9% overall increase in rates. This increase in rates revenue will be used to:

- Fund planned work programmes in Year 2 of the LTP
- Meet the increased costs of inflation, operational cost for delivering our services and contract escalations to enable provision of Council services at current levels
- Postage costs increase to facilitate the Local Government election and rates mailouts
- Fund increased renewal requirements (depreciation) with around 66% of the new requirements funded in 2025/26 and the remainder by loan
- Cost escalations across the three waters activity due to additional requirements associated with the Local Water Done Well reform.
- Assist in closing the funding gap for the roading activity.

So if this goes ahead, my rates increase will be 9%?

Not necessarily, rates are complex.

Remember the 9% is in the overall increase in the Council's income on all rates, not from any individual. Your individual property increase may be larger, or smaller depending on

- Where you live
- The services you receive, such as bins or water
- The type and value of your property

FEES AND CHARGES CHANGES

To help close the gap, Council is also proposing increases to fees and charges within the limits of current Council policy.

Fees and charges are used where a group or individual benefits from a Council service more than all residents.

Without fee increases, more of the cost of providing services would fall on the general ratepayer, rather than the user of the service.

WHAT ABOUT COUNCIL DEBT?

We are forecasting our net debt to total \$233 million at the end of 2025/26, compared with \$314 million in the LTP. This reduction is due to some of our big projects, that are debt funded, being behind schedule.

In 2025/26 our debt will be used to:

- Fund part of the increased cost of replacing our assets in future years (in accounting terms this is called providing for depreciation), rather than using rates funding to do all of this in 2025/26
- Fund our capital expenditure

Using debt responsibly to pay for long life assets such as pipes and building new facilities means each generation pays a fair share towards them. However, using debt will not address the underlying operating cost challenges each year and merely postpones the need for a longer-term solution to the ongoing budget gap. Greater use of debt also increases future interest costs. It also reduces our debt headroom available to address any unexpected financial shocks or issues such as natural disasters.

Are there options to just save costs to keep the rates down?

We are already working to reduce our day-to-day expenses while not affecting public services greatly, but there are further options we can take.

These options include:

1.

REDUCING ROADING SPEND TO MORE CLOSELY MATCH GOVERNMENT FUNDING PRIORITIES

A major change announced after the Long Term Plan was adopted were the new funding priorities from Government delivered through their Transport Funding Policy.

The cost of most road works in the district are subsidised by around half through the National Land Transport Programme,

A new focus on pothole prevention and road maintenance meant that other areas of safety and maintenance work that were previously funded was no longer eligible for subsidy, and need more rates funding to continue at current levels

However, there is the option to save cost by aligning our maintenance plan more closely to the Government priorities by reducing funding for certain areas, primarily footpaths, bridges and garden beds and the things that make the streets look tidy.

In the community, this would mean things such as:

- Less maintenance of green spaces alongside roads, less mowing and spraying.
- Less graffiti removal.
- Less footpath maintenance, or footpaths going significantly longer before replacement.
- Less street light maintenance.
- Less snow clearance and ice gritting in rural areas.
- Less maintenance of bridges, mainly in rural areas.
- Fewer Christmas Decorations.

However, these mean a more noticeable reduction in the quality of services we provide. You can tell us in your feedback if these are the kinds of changes that you can live with going ahead.

2.

REDUCING SERVICES

This could involve reduction of opening times for facilities, making seasons for summer pools or daily opening times shorter, reducing hours of customer services and increasing time to resolve enquiries.

3.

REDUCING THE AMOUNT OF FUNDING GIVEN OUT VIA VARIOUS FUNDING GRANTS

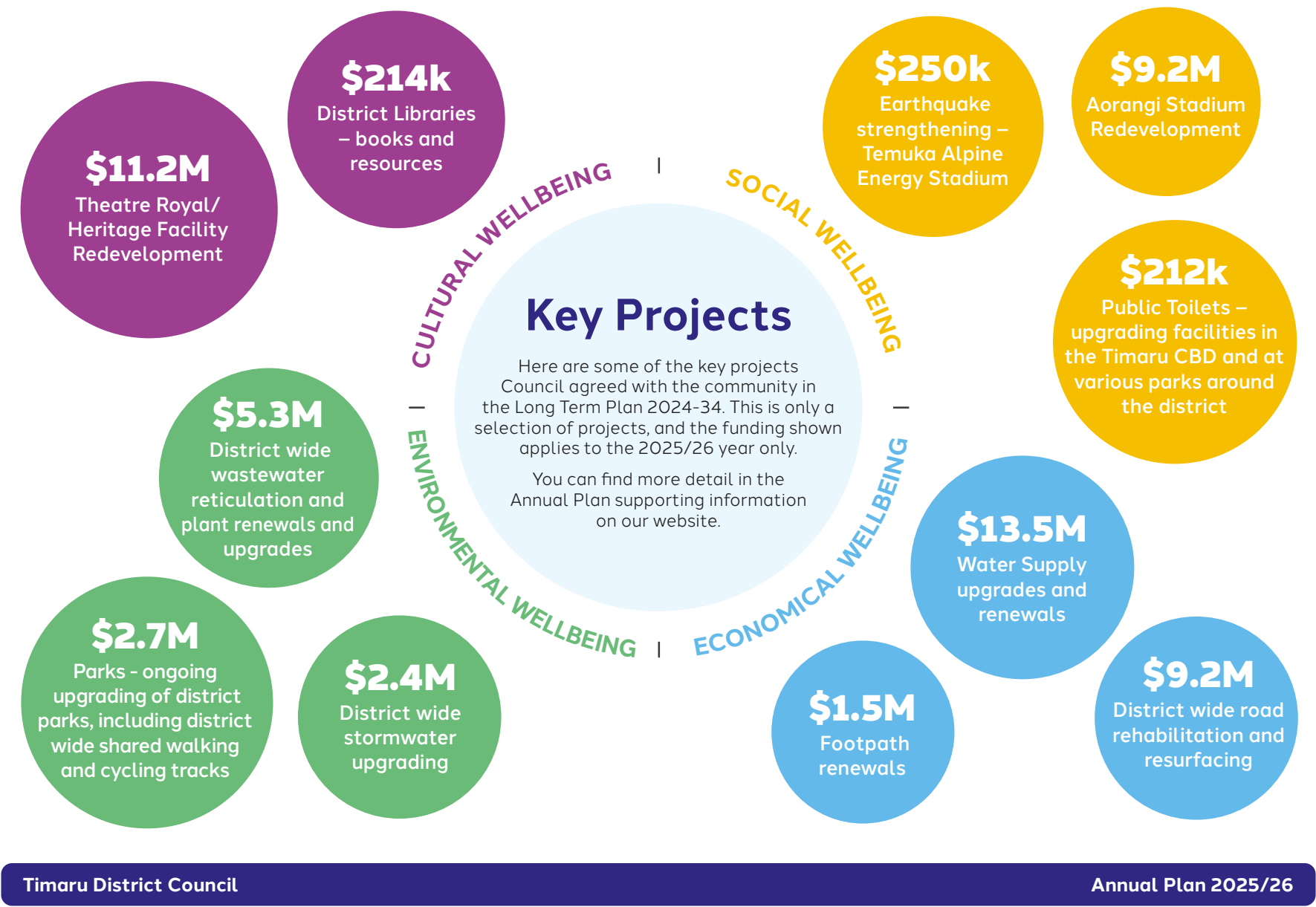
Each year we provide almost \$700,000 to community groups to support a range of activities from events to heritage and natural environmental protection, youth initiatives, support for traffic management and grants for cycleways.

A reduction in these would allow us to reduce our operating expenses each year but may affect the viability of a number of community events and organisations.

You can see a full list of these grants and their value at timaru.govt.nz/annualplan

Council welcomes your views on potential options it could use to reduce this impact for 2025/26 and in developing a longer term solution. Details of how to share your views are available on page 7 or online at timaru.govt.nz/annualplan

What’s planned for the 2025/26 year?



What’s changed

Key changes from Year 2 of LTP 2024-34

	Proposed 2025/26	Year 2 LTP
Capital projects programme (@100% delivery assumption)	\$78.8M	\$93.0M
Operating Costs	\$145.8M	\$150.8M

Changes to our capital programme

We’re changing some of our capital projects from what was published in the long term plan, this could be pushing some things back a little to the next financial year, reducing the cost or changing the scope. In most cases it doesn’t mean the project will cost less overall, just that some of the cost won’t arrive in this coming financial year.

These changes amount to a decrease of approximately \$14.1 million from \$93 million to \$78 million. While this this is a large amount, it doesn’t come

directly off the day to days cost of councils as capital projects are funded over a long time.

While changes in our capital programme have less of a direct effect on rates bills, better forecasting means we can more accurately calculate the interest and depreciation that’s funded through rates. This is why simply stopping any individual project doesn’t save the council the equivalent amount of money today.

HERE ARE SOME OF THE MAJOR CHANGES IN THE 2025/26 ANNUAL PLAN:

TIMARU THEATRE ROYAL AND MUSEUM (\$11.2 million ▼ \$13.4 million)

We’re moving some of the budget to the 2026/27 financial year to better reflect the staging of the project and when costs will be incurred. This reduces the amount of lending we’re forecasting to draw down.

TIMARU WATER TREATMENT UPGRADE – (2025/26) (\$6.8 Million ▲ \$250,000)

The multi-year Claremont Plant Renewal and Upgrades is a major project for the Timaru Urban water network and is planned to cost \$36.7M over 5 years. In 2025/26 we expect to finalise the design, undertake Geotechnical assessments, upgrade the sewer to the site, purchase the membrane installation and start site works which we are anticipating will cost \$6.8M.

GERALDINE WATER RENEWAL (\$200,000 ▼ \$3.8 million)

This has been rephased to a later year due to the additional consents required, and the time it will take to obtain these before physical works will begin.

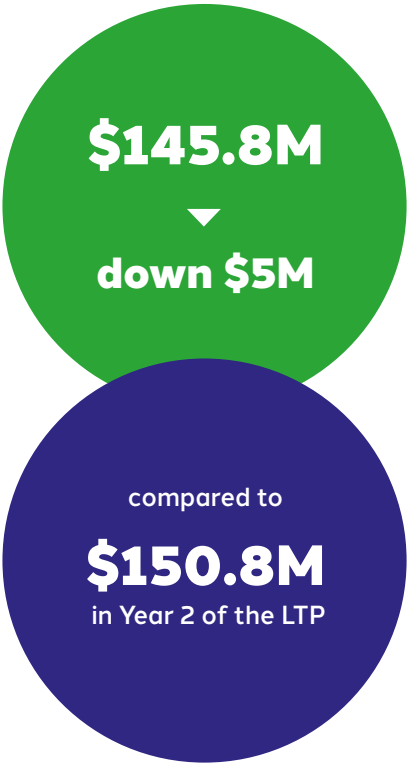
AORANGI PARK STADIUM UPGRADE (\$9.2 million ▼ \$1.8 million)

We’re moving some of the budget to the 2026/27 year to better reflect the staging of the project and when costs will be incurred.

IT SOFTWARE PURCHASE AND RENEWALS (\$2 million ▲ \$2 million)

This is the installation of an upgraded financial management system and associated council management tools to improve financial planning and reporting.

A full list of capital projects can be found at [Timaru.govt.nz/annualplan](https://timaru.govt.nz/annualplan)



Changes to Operating costs

Our operating budget provides for the day to day running of all the services council provides such as parks, swimming pools, libraries, waste management, finance functions, customer services, roading and footpaths and water services. It also includes financing costs such as interest rates and depreciation, and Council community funding grants.

These are the day-to-day costs that we meet directly from rates, this means that any increases or reductions that we make have a more significant impact on your rates bill.

- The most significant increases are:**

 - \$684k Timaru Stormwater monitoring and swale maintenance cost increase
 - \$401k District Plan Hearings carried forward into 2025/26
 - \$2.6M increase in provision for depreciation.
- The most significant savings we’ve made are:**

 - \$5M decrease in finance costs due to less borrowings for capital projects in 2024/25
 - \$1.4M savings in Theatre Royal operations due to the new facility not being open as planned
 - \$805k decrease in Parks contractor costs due to some maintenance now being done in-house
 - \$635k savings in the Roothing activity due to reduced maintenance spend on footpaths, bridges and vegetation control.

The Numbers – a summary

This is a summary of the key financial information for the proposed 2025/26 Annual Plan (based on Council’s preferred option of a 9% rates increase)

TOTAL OPERATING EXPENDITURE

(including depreciation) – What does Council spend

Activity	\$000’s	% of total
Democracy	\$4,575	3%
Community Services	\$ 12,024	8%
District Planning/ Environmental Services	\$10,413	7%
Recreation & Leisure	\$28,938	20%
Roading	\$36,468	25%
Waste Management	\$14,558	10%
Wastewater	\$12,209	8%
Stormwater	\$5,750	4%
Water	\$16,647	11%
Corporate	\$638	0%
Downlands	\$3,635	2%

*Percentages did not add up to 100% due to rounding.
You can see more details about what these activities cover in our Long Term Plan at [Timaru.govt.nz/ltpl](https://timaru.govt.nz/ltpl)

TOTAL OPERATING INCOME

- where does Council’s money come from?

Income type	\$000’s	% of total
Rates (excluding metered water supply rates)	\$ 88,688	60%
Fees, charges and metered water supply	\$ 25,558	18%
Subsidies and Grants	\$ 14,859	10%
Finance Revenue	\$ 3,752	3%
Other revenue (including dividend)	\$ 13,107	9%
Total	\$145,964	100%

Fees and Charges

While a substantial portion of our funding comes from rates, some funding comes from fees and charges for various services. In line with the community feedback to our long term plan, we have been working towards making these more ‘user pays’ rather than subsidised by all ratepayers.

Fees and charges are used for services where users directly benefit more than ratepayers as a whole (e.g. swimming pool charges, building and resource consents, waste disposal fees, dog registration fees, hall hire fees, lease charges

for fishing hut sites, and our social housing rents).

Council is proposing to increase some fees and charges where the cost of operating that activity has increased. If Council does not increase the fees and charges then the extra cost falls to the ratepayer and we need to increase the rates.

Most of the increase are around 10%, including things such as building consents and swimming pool charges. Some of the more significant

increases include halls and facility hire, and water, stormwater and wastewater connection fees.

Some of the fees associated with Council activities are set by legislation, a Bylaw, or require a special consultative procedure to amend them. Because of this some fees cannot increase in Annual Plan years and are amended during Long Term Plan every three years.

You can see a detailed list of the proposed fees and charges at timaru.govt.nz/annualplan



HOW DOES THIS ALL AFFECT RATES BILLS?

Rates are complex and every rates bill is different due to property valuation, location, and type of property. Due to this we can't give you an 'average' rates bill, but we can show you what a rates bill looks like for a typical property in our main centres.

The table below shows the proposed 2025/26 rates for a sample of typical residential properties in urban communities and sample rural and commercial/industrial properties. This is based on Council's preferred option of 9%.

What's the difference between UAGC, General Rates and Targeted Rates?

The **Uniform Annual General Charge** is a flat amount everyone pays (proposed to be \$1,170.52) and covers the cost of providing community amenities, such as libraries, roads, refuse disposal and footpaths.

General rates vary by your land value and property type and cover the things such as Public Responsibility, Arts and Community Amenities, Civil Defence, Environmental Health, Road and Street Landscapes, Economic Development and Promotion and Airport costs not covered by the UAGC.

Targeted rates pay for the services that individuals use, such as drinking water sewer and kerbside rubbish collection. If you don't get these services, you don't pay for them.

Why don't my rates go up by the amount you say?

When we say that we are putting rates up by 9%, this only refers to the overall amount of rates the council collects from everyone. When you split that out over all the different types of property, different land values and different services provided to each property some individual bills may be higher than 9%, some may be lower than 9%. Every rates bill is different.

Residential Property Samples

These samples are based on an individual property with a land value average for the town and that receives 'urban' levels of service such as wheelie bins, water, sewerage and stormwater. This is why the General Rates are similar to the targeted rates.

Land Value (2023 valuation)

General Rates (including UAGC)

Targeted Rates

Total Rates

Increase % over 25/26

Increase \$ over 25/26

Weekly Cost

Daily Cost

				
	Residential	Residential	Residential	Residential
Land Value (2023 valuation)	\$ 220,000 (average)	\$ 205,000 (average)	\$ 165,000 (average)	\$ 260,000 (average)
General Rates (including UAGC)	\$1,878.97	\$1,830.67	\$1,701.86	\$2,007.78
Targeted Rates	\$1,728.17	\$1,443.02	\$1,704.76	\$1,735.43
Total Rates	\$3,607.14	\$3,273.69	\$3,406.62	\$3,743.21
Increase % over 25/26	9%	8%	8%	4%
Increase \$ over 25/26	\$291.02	\$255.57	\$260.50	\$146.09
Weekly Cost	\$69.37	\$62.96	\$65.51	\$71.98
Daily Cost	\$9.88	\$8.97	\$9.33	\$10.26

Rural and Commercial Samples

Rural and commercial properties are a lot more complex to give examples of due to the wide range of different types of property. As rural properties get less 'urban' services they often pay a smaller amount of targeted rates. Commercial, Industrial and Accommodation pay a 'differential' (see box) to reflect the commercial gain they make from council services. They often also receive services that attract a targeted rate.

No ratepayer is the same!

Land Value (2023 valuation)

General Rates (including UAGC)

Targeted Rates





Total Rates

Increase % over 25/26

Increase \$ over 25/26

Weekly Cost

Daily Cost

				
	Primary	Primary	Primary	Commercial/Industrial Accom'n
Land Value (2023 valuation)	\$ 510,000 (sample)	\$ 550,000 (sample)	\$ 2,270,000 (sample)	\$ 630,000 (sample)
General Rates (including UAGC)	\$2,272.52	\$2,358.95	\$6,075.48	\$9,979.20
Targeted Rates	\$1,352.57	\$35.06	\$134.93	\$3,073.51
Total Rates	\$3,625.09	\$2,394.01	\$6,210.41	\$13,052.71
Increase % over 25/26	5%	15%	16%	12%
Increase \$ over 25/26	\$173.09	\$308.01	\$838.41	\$1,412.63
Weekly Cost	\$69.71	\$46.04	\$119.43	\$251.01
Daily Cost	\$9.93	\$6.56	\$17.01	\$35.76

What you pay in rates is worked out using a complex system. The key items that influence what you pay in rates are where you live, the services you receive, the property category you belong to and the land value of your property.

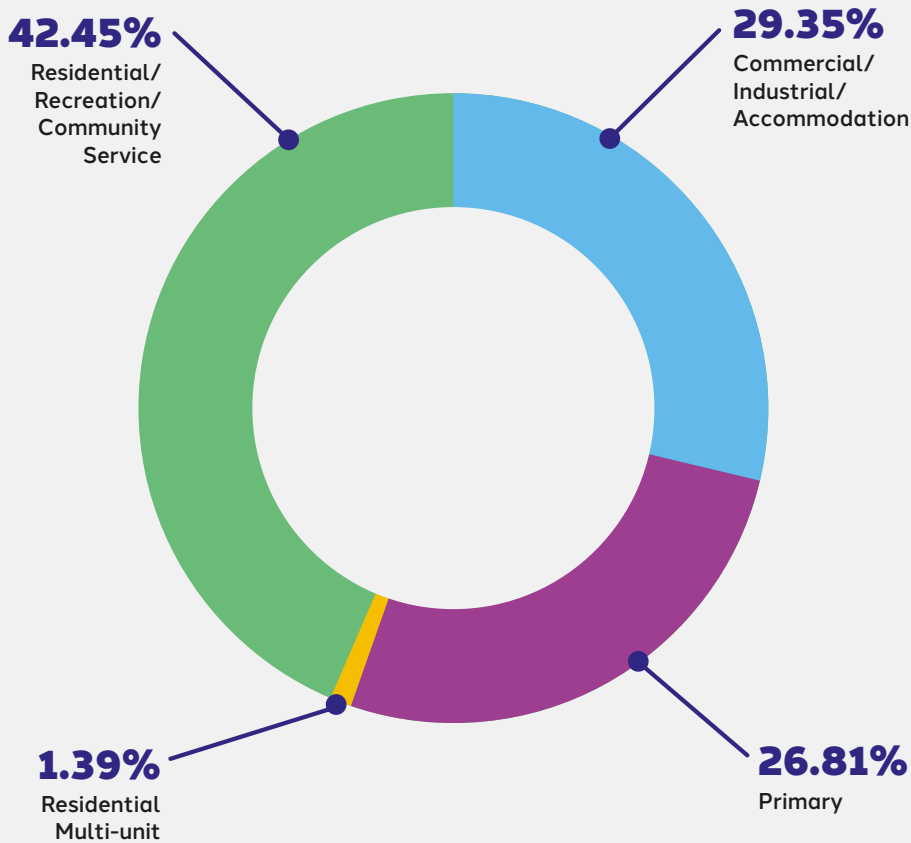
WHAT’S A DIFFERENTIAL?

Differentials are used to fairly allocate the General Rate to different property categories. Council’s policy is to ensure each property category pays about the same overall proportion of the General Rate every time a property revaluation occurs. Residential properties are the basis of these calculations, with different categories paying different multipliers of these.

The current differentials are:

<div></div> Residential 1	<div></div> Residential Multi Unit 1.93
<div></div> Commercial/Industrial/ Accommodation 4.35	<div></div> Primary 0.67

Using these multipliers splits the rates pie like this:



We want to know what you think

There are several ways you can have your say – it would be great if you could send your feedback online or by email as this means your views get to us quicker than via the post.

Go online

Go to www.timaru.govt.nz/annualplan and fill in the form.

Email

submission@timdc.govt.nz

Note: all email submissions must contain the submitters’ first name and surname.

Post or deliver

If you can’t do it online, please fill in the form at the back of this document and post it back to us for free!

FreePost Authority Number 95136

Annual Plan Submission
Timaru District Council
PO Box 522
TIMARU 7940

or drop it into the Council offices at 2 King George Place, Timaru or one of our Service Centres in Temuka or Geraldine.

Timetable

- **Consultation Opens**
9am Thursday 1 May 2025
- **Submissions Close**
5pm Friday 23 May 2025
- **Council considers submissions at Annual Plan Hearing**
Tuesday 27 May 2025 (if required)
- **Annual Plan adopted**
Tuesday 24 June 2025

We’ll email or phone you to confirm arrangements if you want to speak to your submission.

Even if you do not wish to speak at the Hearing, this is a public meeting, so you are welcome to attend. Details will be in the Courier and on our website.

REGIONAL RATES

We collect rates on behalf of Environment Canterbury so that you only have to pay one bill. They set their rates independently from Timaru District Council, so are not included here. For more details about their annual plan, visit ecan.govt.nz/annualplan

POLICY AMENDMENTS

Council is also seeking feedback on two proposed minor amendments to its Revenue and Financing Policy, which outlines how Council funds its activities and who pays for them.

The proposed changes are to clauses 6.7, 6.8 and 7.2, relating to how the proceeds of asset sales are utilised.

The full, current policy is available at www.timaru.govt.nz/policies. The full, proposed policy (highlighting changes from the current policy) is available on the Annual Plan consultation webpage on the Council website.

First change

The proposed changes to clauses 6.7 and 6.8 will give Council greater flexibility to reprioritise capital, as well as requiring reasoned decisions for any reprioritisation.

Currently, by default, the proceeds return to the activity associated with the asset. An example: if a road reserve is currently sold, the roading budget would likely receive the income. However, Council may consider that it would be a better use of the proceeds to invest that money in, for example, a water project or paying down debt. This decision will need to consider the decision-making requirements of the Local Government Act 2002.

Second change

The proposed change to clause 7.2 means that the proceeds of asset sales may not fund operational expenditure unless Council specifically resolves in each instance that it is prudent to do so.

The sale of assets to fund operational expenditure is not financially prudent and therefore requires a specific decision of Council to justify this departure. It is proposed that an \$80,000 threshold is set to distinguish between the use of proceeds from high value asset sales, for example property, and lower value asset sales, for example laptops.

Submission form

First name*

Surname*

Organisation (if applicable)

Phone (landline or mobile)

Email address*

Postal address*

.....

Do you want to speak to Council about your submission at the Council Hearing on 27 May 2025?

☐ Yes

☐ No

*If you do not indicate, we will assume you do not wish to speak
we require your name and email or postal address.

Submissions are public information

All submissions are public information and will be included on Council’s website and/or in public documents located at Council offices and Libraries/Service Centres. This will include your name and, if applicable, the organisation you represent.

The contact information (phone number and/or email address and/or postal address) that you provide will be accessible to and used by Council staff only for feedback administration purposes; it will not be made publicly available. However, the content of any attachments that you provide with your feedback – including any private and contact information – may not be redacted.

Please contact us via submission@timdc.govt.nz if you have any questions about this, before providing your feedback.

All information is held by Council in accordance with the Privacy Act 2020. You have the right to access and correct personal information.

Nothing in this Privacy Statement overrides, or will prevent Council meeting its obligations under, the Local Government Official Information and Meetings Act 1987, or any other relevant legislation.

Q1.

What do you think about changing our roading programme to better match Government policies, rather than directly fund a higher level of service (2025/26)?

☐ Proceed with the planned roading programme and directly fund a higher level of service.

☐ Reduce Council funding to match Government priorities reducing maintenance of green spaces alongside roads, mowing and spraying, graffiti removal, footpath maintenance, maintenance of bridges, mainly in rural areas, and Christmas decorations.

Tell us more about your choices above. If you think Council should reduce subsidised or unsubsidised activities, tell us what you think could be reduced.

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Q2.

How much funding should Council allocate to the Community Events, SNA, Heritage Protection, Youth Initiatives, Temporary Traffic Management and Cycleways Grant Funds?

☐ Keep the funding at the levels budgeted (\$700k)

☐ Reduce the funding by \$130K across all of the grants

☐ Push pause on all of the Community Funding for 2025/26

Tell us more about your preferred choices

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Q3.

Should we reduce services across council facilities such as pools, libraries and customer services?

☐ Keep things the way they are.

☐ Reduce service levels to save money.

☐ Increase service levels and cost to provide more services.

Q4.

Are there any options you think Council should not consider at all?

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Q5.

Do you have any thoughts on the proposed changes to the Revenue and Financing Policy?

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Any other comments or feedback?

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Timaru District Council

Annual Plan 2025/26

Item 8.3 - Attachment 1

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**Have
your say!**

**15 May - 6 June
2025**

Our Water Done Well

Consulting with our community on the future
of water services in our district.

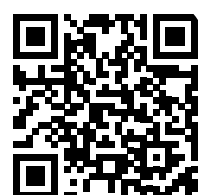
This guide explains what the Government's Local Water Done Well reforms require all councils in Aotearoa New Zealand to do, and it sets out the options that are available to our district.

No matter what we do and which option we choose, changes are coming and we want you to be a part of them.

Tell us what you think.



timaru.govt.nz/water



What does the future of water services look like for our district?

It's time to have your say on water

Welcome to our consultation document on the long term future of how we deliver water services in the Timaru District, and possibly beyond.

This is one of the most important consultations that we'll undertake as it will have a critical and long lasting influence on how we deliver one of our core services.

Timaru was one of the lead campaigners against the original 'Three Waters' plan through Communities 4 Local Democracy, and we're pleased that through the Local Water Done Well policy that we are able to shape our own ideas for delivering sustainable water services that continue to be **locally owned and locally controlled**.

It's been a long road in enabling you to have a say in this matter, and I'm really pleased that you're now able to today.

While Timaru District is in a good position as far as water is concerned, we face long-term challenges for affordability and ensuring that water remains a priority in the face of many other competing services.

This is one of the reasons that we're proposing moving to a Council Controlled Water Services Organisation as part of this consultation.

In this scenario, we create a professionally run council owned organisation solely focused on delivering high quality and affordable water services for urban, rural, commercial and industrial customers. One that is led by a professional board, but still owned by and accountable to the community through your elected council.

Affordability is one of the key measures of the success of our proposal. Independent modelling has shown that in the long-term water rates will be less expensive if services come from a CCO, and even cheaper if we combine services with our neighbours.


This efficiency, and the ability to share scarce staffing resources, is the reason that we're proposing to work with neighbouring councils on a joint company that will provide services across the Central South Island region. I feel that together we're a lot stronger than the sum of our parts.

As you read through this document I hope you keep an open mind to the possibilities that it presents.

We're not proposing selling off any assets or removing local control. This isn't a pathway to privatisation or amalgamation. Our proposal is to create a council owned organisation that will be solely focused on benefiting our community and, hopefully, our neighbours as well.

Our councils have a history of working together well, whether that's through our existing arrangements on water through the Downlands Rural Scheme to smaller collaborations on waste, roads, liquor licencing and environmental health.

As a council we fought hard for communities all over the country to have their say, so please take the time to have a read of this document and then tell us what you think.



Mayor Nigel Bowen

Snapshot of the reforms

Local Water Done Well is a government initiative to help ensure that communities have safe, reliable, and resilient water services.

We will be required to make changes to how we manage drinking water, stormwater, and wastewater. But we have choices about how we make these changes, and we want you to take the opportunity to help shape those choices.

We've looked closely at the options the Government has provided to all councils, and we believe there are three options available to us that will work for our communities today and into the future.

Option 1

Keeping water services in-house and overseen by our Council, but with changes to ensure we meet new government requirements.

Option 2

Setting up our own separate water organisation, to be responsible for the day-to-day operation of water services but 100% owned by the Council.

Option 3

Joining with neighbouring councils to set up a new water organisation to manage our water services across three or four districts, based on what communities need and want, jointly owned by the partner councils.

Regardless of which option is chosen, water services will continue to be delivered to our community and water services and assets will continue to be owned by the Council or a group of councils, either directly, or via a council owned organisation.

We're asking you to tell us which option you think will best serve our community in the long run.

This is your chance to help influence real change.

Want to find out more?

This consultation booklet has the key information you need, but you can find more information, including technical reports and council reports, on our Council's Local Water Done Well webpage timaru.govt.nz/water

What is Local Water Done Well?

Water Services Policy and Legislation

What is financial sustainability?

Financial principles for water service providers

How did the Council arrive at its preferred option?

How would a water services organisation borrow?

Financing water services delivery through establishing new water council-controlled organisations

How to have your say

Have your say on the best option for our district

Please read through this consultation document carefully.

We'll also be holding information sessions where you can ask questions: keep on eye on timaru.govt.nz/water for more information.

Give us your feedback

You can read more information and have your say online. Scan the QR code or visit timaru.govt.nz/water

You can pick up a copy of this document, complete the form on the back page, and drop in a hard copy form to any of your libraries or service centres, or post to:

Freepost Authority number 95136

Water Consultation
Timaru District Council
PO Box 522
TIMARU 7940



What is Local Water Done Well?

Local Water Done Well is the Government’s plan to address long-standing problems it sees with water services.

This plan keeps water assets locally owned and recognises the importance of local decision making, so that communities and councils have the flexibility to choose the best way to deliver their water services.

The Government is putting a strong emphasis on keeping water services financially separate from other local services, and introducing economic regulation of water service providers to ensure they’re efficient and charging fair prices. It is also strongly emphasising environmental and water-quality requirements.

The Government has placed emphasis on meeting economic, environmental and water quality requirements. Some things will not change for our district, regardless of the way we move forward:

- Water services and assets will continue to be owned by the Council, either directly, or via a council owned organisation as the Local Water Done Well legislation prevents them being privatised.
- Our drinking water will be safe.
- The environment will be protected.
- Our community’s needs will be met.
- Work to adapt to climate change will continue.



What will change?

The Government has introduced new rules and strengthened some existing ones.

No matter which option we choose for delivering water services, we must make sure we:

- Meet legal requirements to keep drinking water safe and protect the environment.
- Manage our water services efficiently and effectively.
- Invest in maintaining and upgrading important infrastructure like pipes, pumps, and treatment plants, so they stay in good condition and can handle risks like natural disasters and climate change.

The Government will also be keeping an eye on prices and investment through a process called “economic regulation”. This is designed to protect customers by making sure that prices are fair and that enough money is invested to provide safe, reliable water services.

If councils choose to continue delivering water services themselves (instead of joining a new water organisation), there are extra requirements to make things more transparent.

Councils running in-house services must:

- Keep money for water services separate from other council funds (this is called “ring-fencing”), meaning money collected for water can only be used for water.
- Prepare separate plans and public reports on how water services are managed and funded.

We need to show the Government how we will deliver these changes

Like all councils across the country, we must prepare a **Water Services Delivery Plan** and submit it to the Government by **3 September 2025**.

The plan must set out:

- how we are currently delivering our water services
- how our preferred option will deliver water services in a financially sustainable way
- how we will meet future economic, health, and environmental regulations
- what we will need to do to meet regulatory requirements and address future growth

- where we will invest to meet service and regulatory requirements
- how we will finance these investments.

We also need to guarantee that the funds we allocate to our water services will be ring-fenced, as explained above. Depending on which option we choose, we can borrow more to invest in the infrastructure we need.

As we develop our **Water Services Delivery Plan**, we will also make sure we:

- Meet community expectations for water services
- Honour our Treaty of Waitangi commitments
- Continue providing the other council services our communities rely on.

You can find out more about the Government’s Local Water Done Well programme on the Department of Internal Affairs website:
dia.govt.nz/Water-Services-Policy-and-Legislation

What the changes will mean for you.

If the Council currently provides your water services:

- Your water services will continue to be safe and reliable.
- After the changes, you will have a better understanding of what it costs to provide water services as there will be specific reports on this from either the Council or the water organisation, if one is set up.
- Prices might need to increase over time, but you will have more information and independent checks on the quality and cost of your water services.

If you have a private supply:

- There will be no immediate changes to your arrangements.
- However, you will still have a stake in the choice of options, and your feedback on the options is still important, as you may need help from the water services provider (whether it’s the Council or a new water organisation) if there are any big problems in your supply in the future.



More information on the following pages...

Timeline and next steps

Thursday
MAY
15

Consultation opens

Friday
JUNE
06

Submissions close 5pm

JUNE-JULY

We will summarise submissions and draw out themes for our elected councillors to consider when they make their decisions, which is expected to happen in early July 2025.

Wednesday
SEPT
03

By 3 September 2025, the Council needs to provide a **Water Services Delivery Plan to the Government**. This Plan must identify the Council’s preferred model for delivering water services and should also include a plan for implementing this preferred approach.

2026 ONWARDS

2026 onward
The Council will implement its preferred approach.

Our water services

Water services delivery includes services for the “three waters” – water supply, wastewater, and stormwater. It includes the networks of pipes and other infrastructure that allow water to be treated, transported, and disposed of.



Water Supply

To provide safe, reliable and sustainable water supply to the district.



Wastewater

To provide services to collect, treat, and dispose of wastewater in a safe and sustainable way that protects public health and doesn't compromise ecosystems.



Stormwater

To protect people and property from the effects of flooding, and safeguard public health and the environment from the adverse effects of stormwater run-off.

\$1,500 per year

The average cost in 2025 of water services for connected properties paid through your rates.

Based on the Council's Long-term Plan, this was expected to reach about \$1,900 a year in 2034 as we invest to meet our needs.

How are we doing, and what lies ahead?

We expect to be able to meet the new financial sustainability test for our water services, but like many councils across the country, we face some longer-term challenges in meeting the new requirements.

We need to keep renewing our water infrastructure, as some of this will be coming to the end of its life in the next 30 years. Some of our treatment plants will need to have their consents renewed over the next 30 years, and new standards may mean we need to invest more. This could mean we need to make some bigger investments in the next few decades, and these will add up. We are currently expecting to invest nearly \$1 billion over the next 30 years.

- Climate change is putting pressure on our stormwater and wastewater networks – they need to be resilient against the effects of climate change such as sea-level rise and more frequent and severe weather events..
- Tougher requirements for water services need to be met to protect health and the environment – this includes our responsibility to help community suppliers if they have significant problems, and to report more on how we are performing.
- We have large industrial and commercial users – these users consume roughly 50% of our water supply, and we need to think about how we continue to support these users.
- We must also make sure that water continues to be affordable for our communities.

As a council we must also make sure we meet our Treaty commitments, and that changes to water services don't mean we stop providing other services such as parks, roads, and rubbish.



Things to think about

All options would meet the new requirements.

Any option would mean changes in the way we operate, to meet the new requirements from the Government. The differences between the options come down to differences in how much direct control our Council will have over water services, and whether we will have access to efficiencies through economies of scale, a dedicated focus on water services, and alternative ways of financing water services.

A water organisation would face similar borrowing costs to councils

Water services require big investments, which most councils fund through a combination of borrowing and rates.

As a council we can borrow relatively cheaply and affordably, through an organisation known as the Local Government Funding Agency (LGFA). New water organisations would be able to access the LGFA too, which would keep borrowing costs similar to ours. However, there are some differences in how a council borrows and how a water organisation would borrow.

- Councils have borrowing limits, based on rules set by the Local Government Funding Agency. The limits are expressed in terms of the ratio of a council's borrowing compared to its revenue. Our debt-to-revenue ratio under the LGFA rules is 280%, but our own rules also mean we keep debt below 250% to give us a buffer for a rainy day.

- Water organisations aren't like councils – they're more like utility companies (electricity lines companies for example) in that they would borrow in a different way. Most investment would be funded by debt rather than a combination of debt and water rates (which is how councils fund works). This means investment is paid back over a longer period, and by those who benefit from it.
- A water organisation would be able to borrow to much greater levels than councils, at around 5 times their income vs 2.8x for councils, while still being financially healthy and sustainable.

Item 8.3 - Attachment 2

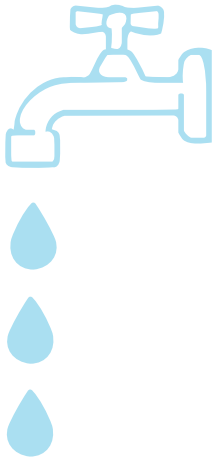
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Your options for water service delivery

The Government has provided councils across the country with five options for delivering water services in their districts.

None of the options would result in privatising water services. Councils have been evaluating the options to work out which is best for their communities. We have been looking closely at the options available to us, including discussing the options with our neighbouring councils and getting some expert advice. We think there are three viable options, all of which are expected to meet the Government's requirements.

It's important to note that under all the options considered below, the water assets remain in public ownership, either directly in the council or in a council owned organisation. The amounts quoted are estimates based on future costs and projected savings and efficiencies.



All figures below are estimates of residential water price in 2034 **and are not harmonised across districts**

Option 1

Keeping water services in-house and overseen by our Council

Water services would continue to be delivered through the Council, but with some changes to meet the Government's new requirements. We would probably set up an internal water services unit within the Council to help us meet these requirements.

\$1,900 per year

Option 2

Establishing our own separate water organisation

This new water organisation would be separate from our Council, but we would own 100% of it and appoint its directors. The new organisation would be fully responsible for all day-to-day operations, maintenance, planning for future water needs, and repaying any water-related debt.

\$1,860 per year

Option 3

Joining with neighbouring councils to set up a new water services organisation

The new joint organisation would own, operate, and maintain water services for all the shareholding councils. We would own part of this organisation with the partner councils. We would also give it direction through a special "Statement of Expectations", which the councils would develop jointly, and which the organisation would need to give effect to.

We've modelled two potential combinations:

3a.

Waimate, Mackenzie & Timaru districts.

\$1,670 per year

3b.

Waimate, Mackenzie, Timaru & Waitaki districts

\$1,640 per year

We think Option 3 would best support our community

Option 3 is our preferred option because it provides us with the best long-term benefits. We think it would enable more investment, better spread out fixed costs such as compliance, and joining with others would create efficiencies that would help to drive down prices.

There is potential for a different mix of councils to join in this water organisation, and we have outlined the two options that we think are more likely to happen. If we do continue with this option, who we work with will also depend on the outcomes of their consultation.

Other options considered

We also considered the option of establishing a consumer trust organisation, either partly owned by the Council and partly by a trust, or wholly owned by a trust.

We decided these options weren't right for us as the organisation would probably have to borrow money from banks, which would be more expensive than borrowing through the Local Government Funding Agency. Under these options, we would also have less control over critical decisions affecting water services compared with the other options.



More about our preferred option on the next page...



Our preferred option

Option 3

Joining with neighbouring councils to set up a new water services organisation

\$1,500

2025

\$1,670

2024

This is what ratepayers could expect to pay on average for water (drinking water, stormwater, wastewater) under the proposed option.¹

Our preferred option would see our Council join with others to form a new water services organisation. This organisation would handle water services across all participating districts and take on each council’s water-related assets and debt. The Company would be owned jointly by the partner councils.

A professional board of directors, appointed by the councils, would run the organisation day to day. While we and the other shareholding councils could guide the board and continue to make some key decisions, we wouldn’t control every aspect of the organisation’s work. Over time, we expect this new organisation would bill customers directly for its services, but in the meantime, we expect that councils would continue to collect water revenues through rates bills, similar to how we bill on behalf of Environment Canterbury.

How would it be setup?

Multi-council water organisation

Shareholders*

TDCWDCMDC

Shareholder council

Responsible for jointly setting shareholder expectations

Issues Statement of Expectations

Appoints / removes water organisation Board members

WSO including WSO Board

Responsible for water services, delivery including strategy

\$1,670

Indicative average cost per connection in today’s dollars

Jointly owned by councils

*A four council variation could include Waitaki District

¹This is an indicative average cost in today’s dollars, and has been calculated by excluding commercial supply and trade waste revenues to make it more representative of costs to a typical residential customer and rural ratepayer. There will be individual differences between communities as the cost is not harmonised.

How would our district have a say in a joint water organisation?

If we do decide to join up with others, we will still get to make decisions about how the arrangement could work.

There are ways for us to monitor and direct the organisation to make sure that your water services are being delivered well and that our district’s needs are being met. This would include:

- Appointing the board of directors, jointly with the other councils, so we can make sure the board has the skills and experience we want.
- Jointly issuing a Statement of Expectations, to set priorities for the organisation and specify how progress against them would be measured. The Statement would guide the organisation’s decisions and actions, and the organisation would need to give effect to the Statement and report against it.
- Requiring regular reporting from the water organisation on how it’s performing, including through an annual report on progress, service standards, and financial performance.
- Negotiating a number of additional protections to include in the organisation’s constitution, such as consulting with our community.

Key advantages

- Lower prices:** This option would probably be cheaper than if we continued to deliver water services on our own – potentially reducing the costs to customers by around \$230 a year by 2034.
- Specialist oversight:** A professional, expert board can make informed decisions and respond quickly to changing needs.
- Greater capacity:** A larger combined organisation can hire more specialised staff and manage assets and new projects more efficiently.
- Delivering our investment plans:** The organisation would probably adopt the Council’s current investment plans, which have been independently reviewed. These plans may need further investment over the next 10-30 years.
- Long-term efficiency:** By combining resources (such as maintenance services) across multiple councils, having a bigger investment need, the organisation can drive down costs over time.
- Efficient borrowing:** The organisation can borrow at similar rates to councils but takes a different borrowing approach that makes it easier to invest in the long term in infrastructure and maintain quality standards affordably.
- Better financial flexibility for the Council:** With significant water debt removed from its books, the Council can redirect its financial capacity to other priorities as needed.

Key disadvantages

- Less local control:** We would share decision-making and control with other councils. This decision-making may feel distant to residents in smaller communities.
- Transition challenges:** Establishing the new water organisation is a big task, and coordinating the transition of water services, staff and debt could be complicated. We would also need to manage any impact on other council activities (like planning or customer service).
- Stranded costs:** Some costs that are currently shared with water services may not be able to be transferred to the organisation meaning the Council could be left with some ongoing obligations.
- Risk of the council being less effective:** There is a risk that the transfer of waters staff and assets could weaken the Council’s ability to function effectively.

You can find out more about each Council’s consultation options on this issue on their own websites.

Waimate Council	waimatedc.govt.nz
Mackenzie Council	mackenzie.govt.nz
Waitaki Council	waitaki.govt.nz

Who could we partner with?

We can’t confirm which councils we would partner with as they need to make their decisions too, but we’d work alongside them to establish clear governance arrangements and a unified plan for delivering water services – so that all participating communities benefit in the long run.

If we decide to move forward with a new water services organisation, we’d join forces with one or more of our neighbouring councils. Two groupings we have been investigating include:

- A four-council option,**
Timaru District working together with Waimate, Mackenzie and Waitaki districts.
- A three-council option,**
Timaru District working together with Waimate and Mackenzie districts

Whichever option we proceed with, it will need to be a balanced arrangement that serves our district’s interests.

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Alternative options

Option 1

Keeping water services in-house and overseen by our Council

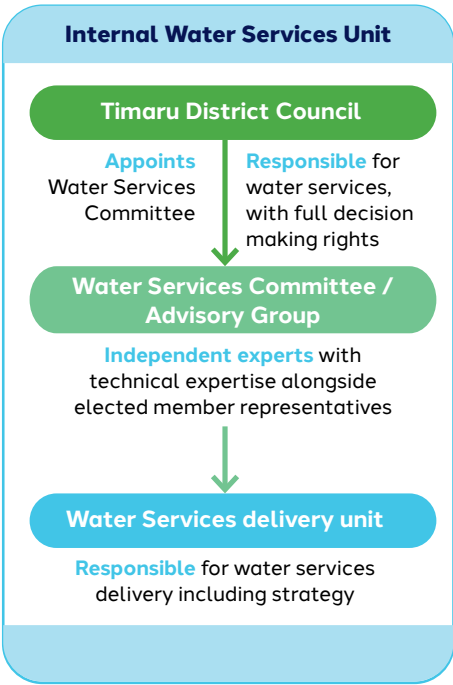
\$1,500
2025

This is what ratepayers could expect to pay on average for water (drinking water, stormwater, wastewater) under the proposed option.¹

\$1,900
2034

Under this option, we would continue to manage and deliver water services on our own, without partnering with other councils.

We would be fully responsible for all day-to-day operations, maintenance, planning for future water needs, and repaying any water-related debt. To help meet new government requirements, we would probably set up a dedicated water services delivery unit within the Council. We could share certain services with neighbouring councils or contract some operations to an external water services organisation. However, that would not provide the same cost savings as being part of a joint water services organisation.



Key advantages

- Local decision-making
Our Council, which is familiar with local conditions, would decide on services and investments.
- Seamless integration
Water services can be easily coordinated with our other responsibilities (such as district planning and transport).
- Community accountability
Communication with our community would continue to be straightforward, with us engaging directly with residents on water issues.
- Familiar structure
Day-to-day operations would continue largely as they are now, which can help minimise transition costs and confusion.

Key disadvantages

- Highest Cost Option
This option would probably be more expensive than if we joined a water services organisation – potentially costing customers an extra \$230 a year more.
- Longer-term challenges need to be funded
We would need to fund major water infrastructure investment over the next 15 to 30 years, and those costs are likely to become more expensive over time. Council debt is limited to 2.8 times its income, so substantial borrowing for water limit our ability to invest in other important areas like roads, parks, and playgrounds..
- Increasing requirements
We would need to meet tougher government regulations on our own, and this could lead to higher rates or more borrowing.
- Limited opportunity for efficiencies
We wouldn't benefit from economies of scale that might come from partnering with other councils, potentially increasing our long-term operating costs.
- Competition for staff and contractors

Option 2

Setting up our own separate water organisation

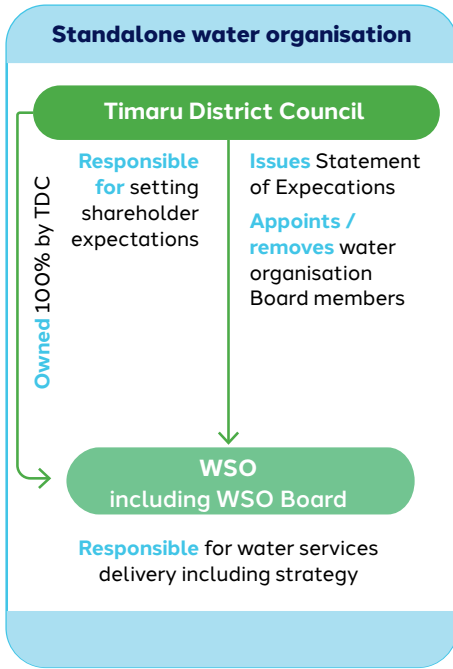
\$1,500
2025

This is what ratepayers could expect to pay on average for water (drinking water, stormwater, wastewater) under the proposed option.¹

\$1,860
2034

Under this option, we would set up our own water organisation, which would be separate from our Council, but 100% owned by us.

The organisation would be fully responsible for all day-to-day operations, maintenance, planning for future water needs, and repaying any water-related debt. We would be able to directly appoint the organisation's directors and issue a Statement of Expectations to guide the organisation.



Key advantages

- Local decision-making
The water organisation would be focused solely on our district.
- Seamless integration
The organisation would be able to easily coordinate with our Council and share services.
- Accountability to Timaru only
Reporting and accountability would be to the Council and to you as customers, through a combination of mechanisms.
- Easing of the Council's debt burden
Water-related debt would move to the water organisation. However, the same community would be responsible for this borrowing.

Key disadvantages

- More expensive option:
This option would probably be more expensive than if we joined a water services organisation – potentially increasing prices by around \$190 a year.
- Limited opportunity for efficiencies
We wouldn't benefit from economies of scale that might come from partnering with other councils, potentially increasing our long-term operating costs.
- Competition for staff and contractors
The organisation would need to compete with other larger water organisations for staff and contractors with expertise in water services.

Local
Water
Done Well

Tell us what you think! →

Tell us what you think!

What is your preferred option?

Please tick the drop next to the option that you prefer.

Option 1

Keeping water services in-house and overseen by our Council

Option 2

Establishing our own separate water organisation

Option 3

Joining with neighbouring councils to set up a new water services organisation (preferred option)

Tell us what’s important to you

We’d like to know which factors were the most important for you when you chose your preferred option. Please rank the following factors by putting a number, 1 to 4, in the circle next to each factor, with 1 being the most important and 4 the least important.

Affordability

Ensuring that water services are delivered safely and sustainably, while managing prices to consumers.

Community influence

Your ability to shape water services decisions.

Cultural input

Hapū and iwi input into water decisions.

Access to finance

More access to financing for water services and other Council activities.

Any other comments?

How to return this form

Complete the form, and drop in a hard copy to any of your libraries or service centres, or post to:

Freepost Authority number 95136

Water Consultation

Timaru District Council

PO Box 522

TIMARU 7940

Give us your feedback online

You can also read more information and have your say online.

Scan the QR code or visit
timaru.govt.nz/water

Common terms used in Local Water Done Well

Borrowing: Obtaining loans to pay for infrastructure upgrades or new facilities, with repayment spread over time. Because water infrastructure (such as pipelines and treatment plants) is very expensive but long-lived, it is often funded through debt that is paid back over decades out of rates or user charges. New Zealand councils typically borrow through the Local Government Funding Agency (LGFA), which gives councils access to loans at lower interest rates. Responsible borrowing allows current and future users to share the costs of big projects, a principle often called “intergenerational equity”.

Drinking water / potable water: Water that is safe to drink. Potable water has been treated or is naturally clean enough to meet drinking water standards. Our Council uses the term “potable water supply” to refer to the reticulated (piped) drinking water delivered to homes and businesses after treatment. Ensuring water is potable means treating the water to remove or kill harmful microbes and contaminants.

Drinking Water Standards: The official standards that set safe limits for drinking water across New Zealand. Issued by Taumata Arowai under the Water Services Act 2021, these standards specify the maximum allowable levels of contaminants (like bacteria, nitrates, and heavy metals) in drinking water. All registered drinking water suppliers must ensure the water they provide meets these standards. The official standards also specify how suppliers can show they are meeting the standards.

If water fails to meet a standard, suppliers must take action and notify the regulator and the public (for example, issuing a boil water notice).

Economic regulation: Oversight of the economic performance of water service providers to ensure they are efficient, financially prudent, and charging fair prices. Because water services are natural monopolies (consumers can’t choose another provider), an economic regulator steps in to protect consumers from unfair charges and poor service. New Zealand is setting up an economic regulation system for water that’s modelled on the system used for electricity lines and gas pipelines. This will be administered by the Commerce Commission. Economic regulation will probably include controls or monitoring of water pricing, requirements for transparent accounting, and service quality measures. The goal is to make sure water providers invest adequately in infrastructure and operate efficiently, delivering safe and reliable services at the lowest feasible cost to ratepayers.

Financial sustainability: This means ensuring the water system can cover its costs now and in the future. A financially sustainable water service has enough income (from rates or user charges) to pay for day-to-day operations, for maintenance, and for replacing or upgrading long-term assets.

Ring-fencing: A financial practice where funds are reserved for a specific purpose and cannot be used for other purposes. With water services, “ring-fencing” means that revenue from water rates or charges must be used only for water-related costs and investments.

Under the new economic regulation system for water, the Commerce Commission will monitor compliance with ring-fencing rules to guarantee that there is transparency and reinvestment in water infrastructure.

Price harmonisation / non-harmonisation: Price harmonisation means all customers served by a water services organisation would pay roughly the same rate for water services, regardless of which district they live in. Non-harmonisation means prices are different in each area, often reflecting the local cost of providing services.

Stormwater: Stormwater is rainfall run-off that is channelled through drains and pipes to prevent flooding. Stormwater picks up contaminants from roofs, roads, and land (like sediment, heavy metals, and oils) and often flows, untreated, into streams, rivers, or the ocean. Managing stormwater is part of the water services that councils provide.

Good stormwater management includes networks of drains, culverts, and detention basins, as well as green infrastructure (like swales or wetlands) to slow and filter run-off. Unlike wastewater, stormwater is not usually treated, but stormwater systems must comply with environmental regulations to minimise pollution.

Taumata Arowai: A dedicated water services regulator, established by the Water Services Act 2021. Taumata Arowai took over the job of regulating drinking water from the Ministry of Health in late 2021, after some serious water safety failures (like the 2016 Havelock North outbreak). It sets and enforces the Drinking Water Standards and rules to ensure suppliers provide safe drinking water.

Taumata Arowai also oversees environmental performance standards for wastewater and stormwater. In practice, this regulator monitors compliance (through audits and reporting), can issue directions or fines for breaches, and provides guidance to water suppliers.

Wastewater: Also known as sewage, this is used water that goes down drains from homes and businesses (from toilets, sinks, showers, and so on). Wastewater contains organic waste, microbes, and chemicals that must be treated before it is released back into the environment.

Under Local Water Done Well, a single national standard for wastewater environmental performance is being introduced, so that all discharges would meet a consistent high standard across New Zealand.

timaru.govt.nz/water

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8.4 Woodbury Yesteryear Sculpture

Author: Rosie Oliver, Development Manager

Authoriser: Andrew Dixon, Group Manager Infrastructure

Recommendation

1. That the Geraldine Community Board decide whether or not to approve the costed proposal for the Woodbury Yesteryear Sculpture at a value of \$58,935 plus installation costs of up to \$10,000.
2. That the Geraldine Community Board confirms the location of the proposed sculpture.

Purpose of Report

- 1 The purpose of this report is to:
 - Present Alison Erickson's costed proposal for the Woodbury Yesteryear Sculpture; and to
 - Obtain a decision from the Geraldine Community Board on whether or not they wish to approve the proposal and proceed with the sculpture.

Assessment of Significance

- 2 This matter is of medium significance in terms of the Timaru District Council Significance and Engagement policy as the sculpture would be an iconic addition to the Woodbury township and, as such, attracts considerable (local) public interest.
- 3 It is not of high significance however as there is no change to funding or level of services is proposed, the sculpture is not inconsistent with the Geraldine, Woodbury, Peel Forest, Orari and Surrounds Strategic Framework, and sufficient funding is available under the Long Term Plan 2024 – 34.

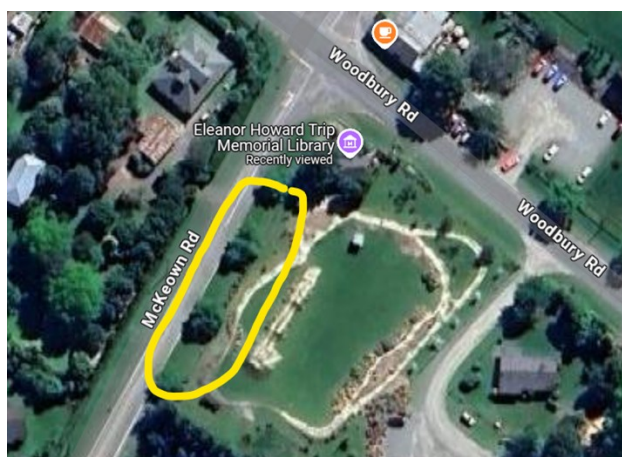
Background

- 4 In late 2023 the Geraldine Community Board adopted the Geraldine, Woodbury, Peel Forest, Orari and Surrounds Strategic Framework and Year 1 – 3 Action Plan, together with a suite of community projects leveraging FY2024-25 funding of \$200,000. In the Long Term Plan 2024-34 deliberations on 29 May 2024, Council resolved to confirm further capital expenditure funding of \$70,000 per annum over the next ten years.
- 5 On 2 October 2025 the Geraldine Community Board met to confirm project opportunities aligned with the Strategic Framework for FY 2024- 25. Projects confirmed for funding included those not completed during FY2023 – 24 with associated reprioritisation of carry forward funding to a total value of \$100,000.
- 6 At this time the board identified and approved funding for a project to instal a yesteryear sculpture at Woodbury. The value of the funding was to be determined by the cost of other projects completed, ie was limited to the total residue, a sum estimated to be anywhere between \$15k and \$60k depending on whether or not the board decided to incorporate tree

removal in their project to upgrade the Cox Street reserve. In the event the board determined not to remove the trees, and residual funding is currently forecast as \$70,991.

Discussion

- 7 The board chair has obtained a costed proposal from sculptor Alison Erickson, which was previously circulated to and discussed by board members in March 2025. Attachment 1 details the Woodbury Yesteryear Sculpture by Alison Erickson costed proposal.
- 8 Council officers have reviewed the proposal and estimate that the cost of installation (transportation, foundations, concreting, plinth etc) could be up to \$10,000. The Board must allow further funding allocation for the installation costs from the available budget of \$70,991.
- 9 It is also noted that this project will create an ongoing maintenance liability for the Timaru District Council as the asset owner, Specifically, the annual cost to insure the sculpture will be \$800 per annum, if insured.
- 10 A suitable site for the installation of the sculpture has been identified on McKeown Road, adjacent to the site of the Eleanor Howard Trip Memorial Library. To satisfy traffic safety requirements for a road reserve location, the statue would need to be situated between existing trees and back towards the existing boundary line.



- 11 The advantage of this site is the alignment with the board's Strategic Framework Key Objective 8, Protect the rural and small-town economy and ensure sustainability, by distributing expenditure on public art to one of the smaller townships.
- 12 An alternative location is the Cox Street Reserve in Geraldine, with the sculpture to be located at the top of the keyhole path behind Speechleys Gates.



- 13 Both locations align with the board's Key Objectives to protect and enhance amenities for residents, community lifestyles and opportunities, recreation and tourism opportunities, and creative activity and connections across the ward area.
- 14 At the meeting in October 2024 the Geraldine Community Board it was resolved to delegate this project to the Board chair. This delegation was further confirmed at the March 2025 meeting to progress decision making on the project independently of further governance processes in order to facilitate greater efficiency in delivery.
- 15 However, subsequent public interest in the project has now made it desirable that the board formally confirm or withdraw their approval of the costed proposal, collectively. This will address any public concern about the level of influence of individual board members in the decision making process, and provides a further opportunity for members of the community to provide feedback on the proposal.

Options

- 16 Option 1 is that the Geraldine Community Board approve the costed proposal from Alison Erickson, confirming that this project should proceed. The Board also must confirm the location, and allocate the additional funding required for installation.
- 17 Option 2 is that the Geraldine Community Board does not approve the costed proposal from Alison Erickson. In this scenario the board may choose to nominate an alternative project or project/s to which the funding could be reapplied, however funding for any such alternative projects could not be confirmed until officers brought a subsequent report to the board outlining scope and costs for a formal decision.
- 18 In accordance with the limitations of the LTP 2024-34 strategic projects funding, any alternative project/s would also need to be capital projects to develop or enhance Timaru District Council assets. This funding cannot be applied to community projects or operational/maintenance programmes.
- 19 It is unlikely that any new project could be actioned within the present financial year and there is no commitment from Council to carry forward the funding.

Consultation

- 20 The Strategic Framework has been developed through community consultation however the details of individual projects remain of interest to community users and groups.
- 21 Engagement about the proposed Woodbury Yesteryear Sculpture has been led by Board Chair Jan Finlayson and Board Member Rosie Woods. Targeted conversations have been held with the Geraldine Historical Society, the Geraldine RSA, the Geraldine Community Arts Council, the Eleanor Tripp Memorial Library committee, the Geraldine Academy of Performance and Art, and G.nz. Feedback from these agencies has been constructive while conversations with community members in Woodbury have indicated local support for this sculpture.
- 22 Wider public opportunity for comment has also been provided via both the Woodbury newsletter and the Geraldine News (contact details for feedback were provided). A drop in session was offered at the Woodbury Store Cafe on 26 February 2025, while a social media post on the Geraldine Community Board Facebook page was made on 13 March 2025 to raise community awareness of this and other community board projects.

Relevant Legislation, Council Policy and Plans

- 23 Timaru District Council Long Term Plan 2024-34 and 2025/26 Annual Plan (yet to be adopted).
- 24 Geraldine and Surrounds Strategic Framework.

Financial and Funding Implications

- 25 Sufficient capital expenditure funding of \$70,991 excluding GST remains available in the current financial year 2024/25, being the funding allocated to this project and the remaining uncommitted project funds.
- 26 Given the project delays to date, the Geraldine Community Board may need to request that this funding be carried forward to FY2025 – 26, subject to Council approval.
- 27 Subject to the adoption of the 2025/26 Annual Plan, a further \$50,000 is available in FY2025-26 which could in due course be accessed to offset these and other project costs.
- 28 The annual cost of the insurance is estimated to be \$800.

Other Considerations

- 29 There are no other considerations.

Attachments

- 1. **Woodbury Yesteryear Sculpture Alison Erickson costed proposal** [!\[\]\(e548a391c65118ac2476924cdb5db38c_img.jpg\)](#) 

Woodbury Sculpture Proposal 2025

Alison Erickson

Dimensions of Sculpture: Bronze: height 160cm x width 67.5cm x depth 50cm

Concrete base: 1m³ (yet to be decided)

This is a quote based on pricing of materials on this date 3/03/2025).

Plaster of Paris Sculpture Construction:

Steel Armature Construction: \$300.00 (steel rod)

Labour: measuring up from maquette and welding armature:

8 hours x \$75/h = \$600 +GST = \$690.00

..... Total= \$990.00

Sculpting of Mother and Child

Plaster of Paris: \$250.00

Labour: 28 days x 8 hours a day = 224 hours

224hours x \$75/h = \$16,800.00+ GST= \$19,320.00

..... Total= \$19,570.00

Mould Making:

Materials: Plaster of Paris: \$300.00

Wax: \$300.00

Labour: 8 days x 8 hours a day =64 hours

64 hours x \$75/h=\$4800+GST= \$5520

..... Total: \$6120.00

Spruing Waxes:

Wax: \$50.00

Labour: 8 hours x \$75/h = \$600.00+GST = \$690

Total: \$740.00

Refractory Mould Making:

Plaster of Paris: \$200.00

Brick powder: \$300.00

Time: 6 days x 8 hours a day = 48 hours

48 hours x \$75/h = \$3600.00+GST = \$4140.00

Total: \$4640.00

Casting metal:

LPG gas: \$500.00 (burning out moulds)

Diesel: \$300.00 (furnace)

Bronze: 200kgs x \$22/kg = \$4400.00

Labour: 8 days x 8 hours a day = 64 hours

64 hours x \$75.00/h = \$4800.00 x two people = \$9600.00+GST = \$11,040.00

Total: \$16,240.00

Construction of Bronze:

Welding Gas: \$400.00

Silicon bronze welding wire: \$700.00

Grinding/cutting discs/bastard file: \$85.00

Stainless Steel rod \$200.00 (reinforcing inside bronze)

Labour: 10 days x 8 hours a day = 80 hours x \$75/h = \$6000 +GST = \$6900.00

Total: \$8085.00

Patina and final wax polish:

Copper nitrate acid: \$150.00

Labour: 4 hours x \$75/h = \$300.00 +GST = \$345.00

Total: \$495

Bronze plate for base:

Bronze plate 70cm² x 7mm thick: \$700 +GST =\$805.00

Concrete for base:

Concrete: \$150- \$250/m³

Construction of boxing + labour = \$800- \$1000.00

Total: \$1250

Total Cost for Cast Bronze Woman and Child = \$58,935.00

I will be recording my hours as I work. I will also keep all receipts for materials. I have charged out on the most time a certain stage will take and the highest cost for certain materials, such as bronze, which changes all the time. Consequently, the total cost may come in less than quoted and will not exceed \$60,000.00. Each sculpture project is different, the labour is estimated based on similar scale projects that I have done before. The concrete base of the sculpture has not been finalized as to size and shape etc. I have quoted based on a cubic meter of concrete, but this may change depending on what you want.

I would suggest that the payments are made in three installments. The first when the contract is signed, the second when the plaster sculpture is complete and approved and the third after the sculpture has been installed.

If you want to get my Quote checked, I suggest you contact Matthew Williams at Crucible Arts. He casts most of the large bronze sculptures for Artists around New Zealand. For a valuation of a life sized bronze by myself you could contact Gill Hay who ran Sculpture on the Peninsula for 20 years and now runs the Artbroker Gallery in Christchurch.

His details are:

Mathew Williams

cruciblearts@gmail.com

Phone: 0210 298 9721

For a valuation of a life-sized bronze contact:

Gill Hay

ArtBroker Gallery, Christchurch

enquiries@artbroker.com

Phone: 0210 227 1157

- 9 Consideration of Urgent Business Items**
- 10 Consideration of Minor Nature Matters**
- 11 Public Forum Issues Requiring Consideration**

- 12 Board Member's Reports**