



Timaru Airport

Activity Management Plan

2027-37

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Part 1: Strategic Management

About this Activity

What does it deliver to our community?

The purpose of this plan is to provide a framework for management of Timaru Richard Pearce Airport over the next ten years to ensure that it is compliant with the requirements of the Civil Aviation Act and other key legislation. The airport works with several parties to ensure the facilities continue to satisfy stringent safety requirements.

As a Council strategic asset and gateway to the Timaru District and the wider Aoraki Region there is also a focus on promoting the ongoing use and strategic development of the airport.

Council works with key stakeholders, including Air New Zealand, local businesses, tourism and visitor-sector partners, government agencies, and other aerodrome users, to support confidence in the service, grow passenger throughput where achievable, and pursue development opportunities which support social and economic wellbeing in Timaru District and the wider region.

The service we provide

- The Council manages the Timaru Richard Pearse Airport, located approximately 10 kilometres northwest of Timaru. The airport provides a key business and community link from the district to Wellington, with daily return scheduled passenger flights.
- The Council owns and manages the asset – the main airport facility, including the terminal building and runway.
- In addition to ensuring the airport is run to legislative and Civil Aviation rules, Council provides other services such as car parking and land for lease to commercial and private aircraft hangars and aviation-orientated industry.
- Recent investment in the apron has provided for a second aircraft stand. This has been invaluable with regular private jet use and emergency service support.

Other activities supported by the airport include:

- Pilot training
- Aircraft maintenance
- Commercial aircraft operations
- South Canterbury Aviation Museum
- Glider activity
- An Emergency Lifelines support facility
- Recreational aviation activities

Future growth and demand

The airport has an important role in maintaining South Canterbury's air connection with Wellington and the wider national network. Future development planning should recognise that Air New Zealand is continuing to investigate lower-emission regional aircraft options, but no confirmed aircraft replacement or up-gauging decision has been made for Timaru at this stage nor are any announcements expected in the short to medium term.

While passenger and freight demand from local businesses, government agencies and visitor activity is difficult to predict, the short to medium-term development pressure is lower than previously assumed. Current scheduled services are operated by Air New Zealand Q300 aircraft, and the current planning assumption is that there are no confirmed plans to replace the Timaru service with larger aircraft in the near term.

Air New Zealand's focus is understood to be on consolidating operations and rebuilding balance sheet strength, while continuing to operate and plan around its existing regional fleet. Average loadings on AirNZ scheduled flights for the 2025-26 year are currently 67.5%.

The key short-term growth challenge is therefore not only infrastructure capacity, but passenger confidence and market demand. On-time performance pressures associated with strain on the Q300 fleet have affected community trust in the reliability of the Timaru service.

Air New Zealand's wider fleet changes, including the increased use of jets on other regional or trunk routes, may reduce pressure on the Q300 fleet over time. Air New Zealand has also indicated that better on-time performance data will be made available.

This creates an opportunity for Council to work with Air New Zealand and local partners to communicate reliability improvements, rebuild confidence, and encourage higher passenger throughput on the existing service before committing to major infrastructure expansion.

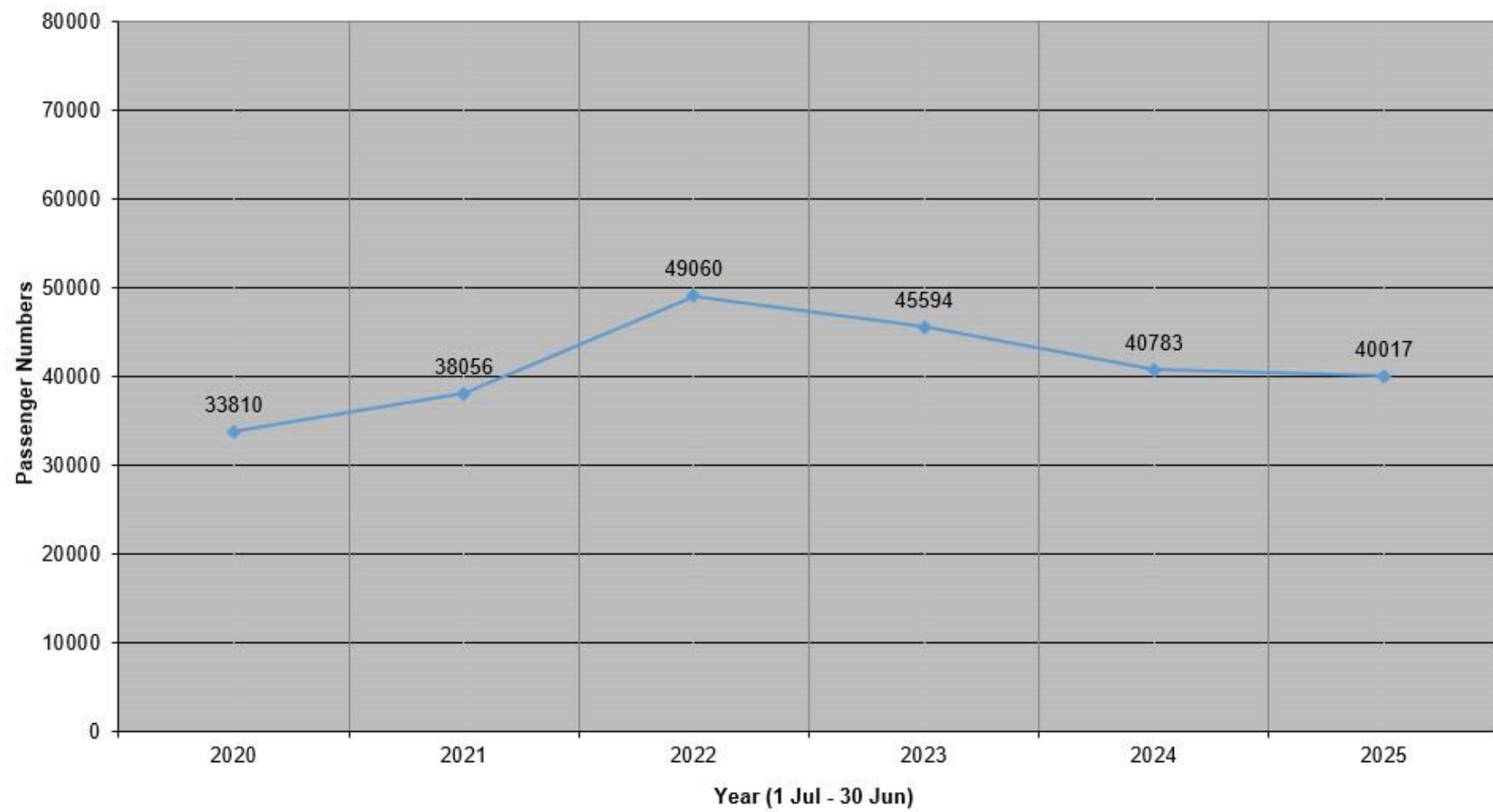
There is also a regulatory risk that aviation security settings may tighten over the life of the plan, which could require passenger screening or separated passenger flows. However, there are currently no firm regulatory or airline plans requiring passenger screening at Timaru Airport. Although the existing terminal can be tight during the single daily arrival and departure window, this current congestion does not by itself justify committing to terminal extension at this stage. Terminal expansion should therefore remain a conditional future option, triggered only by confirmed security requirements, airline operational requirements, sustained passenger growth, or a robust business case.

Airways New Zealand has indicated a national direction to exit ownership of airfield power and lighting assets at airports. Council may therefore need to take ownership and responsibility for maintaining the runway lighting at Timaru Airport during the life of this plan. The timing, transfer terms, asset condition, renewal requirements and whole-of-life costs are not yet confirmed and will require further due diligence before any budget provision is finalised.

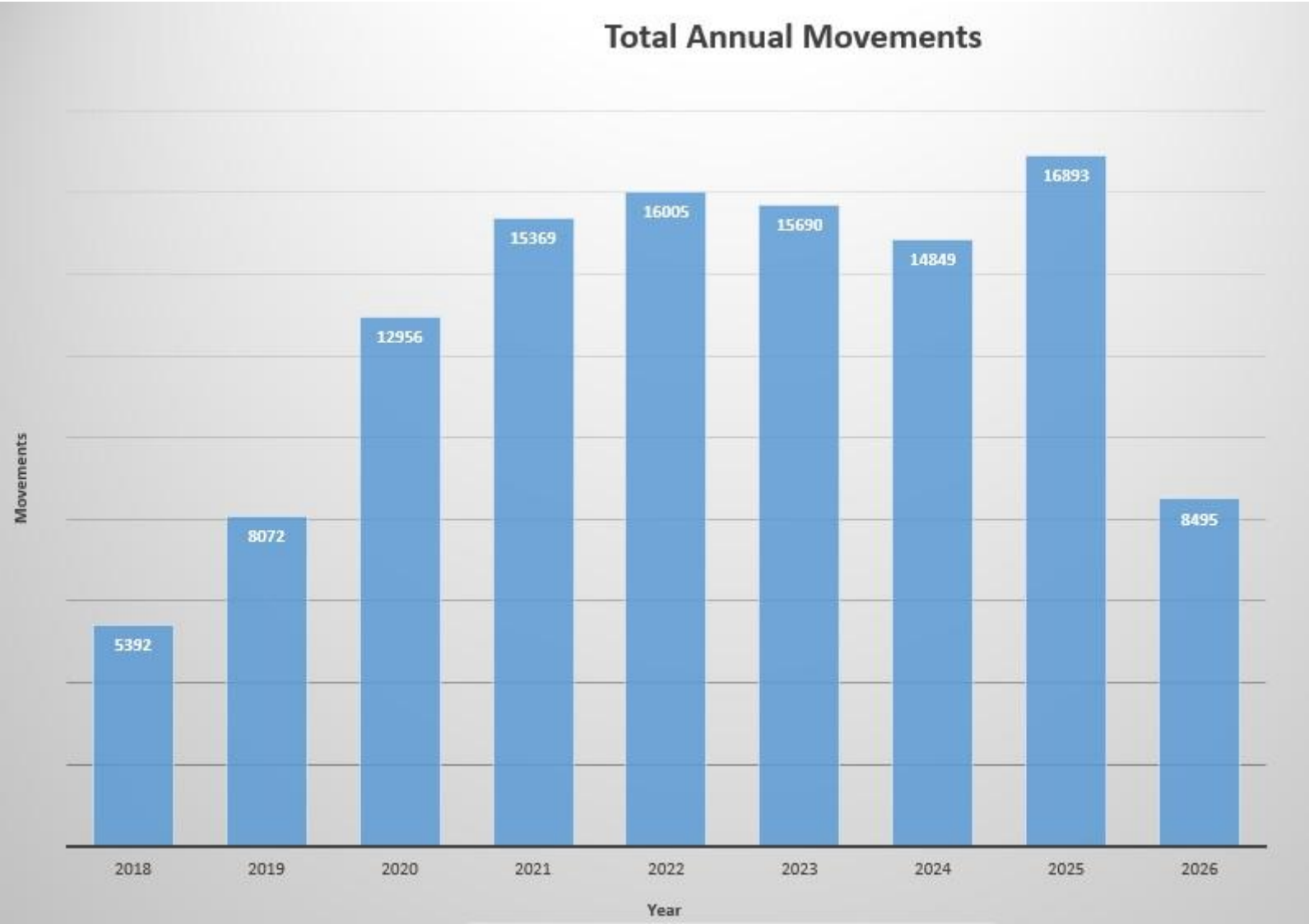
Demand is shown in the tables below:

Air New Zealand Passenger numbers (1 July – 30 June annually)

Annual Passenger Numbers



Annual aircraft movements at Richard Pearse Airport (1Jan-31Dec annually)



Growth remains possible in the following areas, with the immediate focus shifting toward rebuilding demand and confidence in the existing service before committing to major infrastructure expansion:

- Rebuilding community and business confidence in the reliability and value of the Timaru-Wellington service, supported by clearer on-time performance information and targeted marketing.
- Increase in the number of scheduled flights by AirNZ, potentially adding a return afternoon flight, if passenger throughput and airline confidence support additional capacity.
- Larger aircraft servicing Timaru, if confirmed by an airline operator and supported by demand, regulatory and business case evidence.
- Another operator using Timaru as a destination.
- On-going development of commercial enterprises based at the airport.
- Expanding use of the airport to include freight and other logistics options.
- Inclusion of new infrastructure to support electric and/or hydrogen powered aircraft.
- Development of visitor gateway partnerships, including a potential “Shortcut to the Alps” proposition with campervan or rental vehicle providers to support central South Island touring routes from Timaru Airport.

Other factors that may impact future demand are:

- Economic trends – an expanding local economy may require expansion of commercial operations and tenancies.
- Introduction of larger aircraft requiring infrastructure improvements, including for Regular Transport Operations or emergency/civil defence use, if confirmed by operator requirements or regulatory change.
- The future introduction of electric, hydrogen or other low-emission aircraft, noting that timing, infrastructure requirements and suitability for Timaru remain uncertain.
- Changes in aviation legislation.

Demand recovery will require a coordinated marketing and relationship management approach, not only asset planning. This should include regular engagement with Air New Zealand on performance data and service reliability, targeted promotion of the convenience and economic value of the Timaru-Wellington service, and partnerships with local employers, government agencies, tourism bodies and regional organisations to encourage use of the local airport where it is a practical travel option.

A specific tourism and commercial opportunity is to position Timaru Airport as a convenient fly-in gateway for central South Island touring routes. Council could explore a “Shortcut to the Alps” proposition with campervan or rental vehicle providers, enabling visitors to fly into

Timaru and collect a vehicle for travel to the Mackenzie Country, Aoraki/Mount Cook, Tekapo, Twizel, the Waitaki Valley and wider South Island itineraries. The proposition could also highlight access to alpine recreation, including ski-field options such as Mount Dobson, which is approximately one hour from Timaru by road in favourable conditions. This would support passenger throughput, create potential new commercial activity at or near the airport, and strengthen the airport's contribution to regional tourism and economic development.

The airport is also affected by global uncertainties, including the impacts of climate change. It is not known how this will impact on passenger and freight movements in the future.

The assets we own

Council owns approximately 200 hectares of land with a significant asset located on the land that provides airport operations and other business opportunities. The airport was built in 1957 that included terminal buildings for scheduled passenger flights. The airport terminal has since been expanded and improved with the last significant upgrade to the terminal building and car park being completed in 2018.

The sealed runway 02-20 was resurfaced in 2021 and the apron expanded to cater for two aircraft in 2022.

The assets are generally categorised as 'airside' and 'non-airside'.

The main airside assets are:

- Main runway, 02-20 of 1280 metres, 45 metres width and sealed with asphalt surface. This is the runway used by larger aircraft, AirNZ scheduled flights, charter passenger aircraft, medical flights and military aircraft.
- Two Secondary grass runways, 02-20 grass parallel to the seal runway, which is 1,188 meters length and 60 meters width. Runway 11-29 runs perpendicular to 02-20 and is 1293 metres length and 150 metres width. These are used for light aircraft, microlights and gliders.
- Taxiway and apron sealed surfaces to airport terminal.
- Airport terminal building.
- Airside equipment storage buildings.
- The runway lighting and related airfield power systems which are currently owned and operated by Airways New Zealand, which may be divested to Timaru Airport in the life of the plan.

There are non-airside assets that include:

- Car park and control equipment

- Airport roads
- Former crash fire building (used for storage)
- Former observation tower (closed)
- A hanger used for storage and another storage building.
- Security cameras and monitoring system
- Lighting
- Fencing
- Farm and irrigation system

Future Development

Timaru Airport is currently serviced by Air New Zealand Q300 aircraft, which have a 50-seat passenger capacity. Air New Zealand has been investigating next-generation regional aircraft options, including low-emission technologies, but there is no confirmed decision at this stage to replace the Timaru service with larger aircraft or to up-gauge the route. On that basis, the development need associated with larger aircraft is lower in the short to medium term than previously assumed. The more immediate priority is to protect and rebuild patronage on the existing service by improving public confidence, monitoring on-time performance, and promoting the value of the local air connection.

Future investment to accommodate ATR-72 aircraft, next-generation aircraft, aviation security separation, passenger screening, materially higher passenger volumes, terminal expansion or runway extension should therefore be treated as conditional. Such projects should only proceed where supported by confirmed operator requirements, regulatory obligations, robust demand evidence, affordability assessment and a clear strategic business case. While the terminal can be constrained during the single daily arrival and departure window, there are currently no firm plans requiring passenger screening or terminal expansion. In the meantime, the appropriate planning response is to maintain the existing level of service, ensure ongoing Civil Aviation compliance, renew and protect core assets, preserve strategic options, and actively support demand recovery through marketing, stakeholder engagement and transparent performance information.

A separate issue is the potential transfer of runway lighting and airfield power assets from Airways New Zealand to Council. This would shift asset ownership, maintenance, renewal and compliance responsibility to Council. The financial impact is not yet known and should be treated as an emerging asset management and funding issue until detailed condition, valuation and renewal information is available.

Work programme and financial summary

Work programs within Timaru Airport are funded through a combination of airport-generated revenue (approx. 50%) and general rates (50%). However, the airport revenue is highly variable, therefore budgets can vary from prediction to actual. The main sources of revenue are:

- Airport landing fees
- Car parking charges
- Terminal and hangar rents
- Ground leases

Full details are included in the Financial Summary, Section 6 of this plan.

Description	2023/24	2024/25	2025/26
Total operating expenditure	1,106,424	1,063,465	1,234,887 (budget)

Management of the Activity

Airport activities are managed according to Civil Aviation rules and other relevant legislation. These activities are managed by the Airport Manager who is responsible for managing the airport in accordance with Aerodrome Certification Exposition Manual

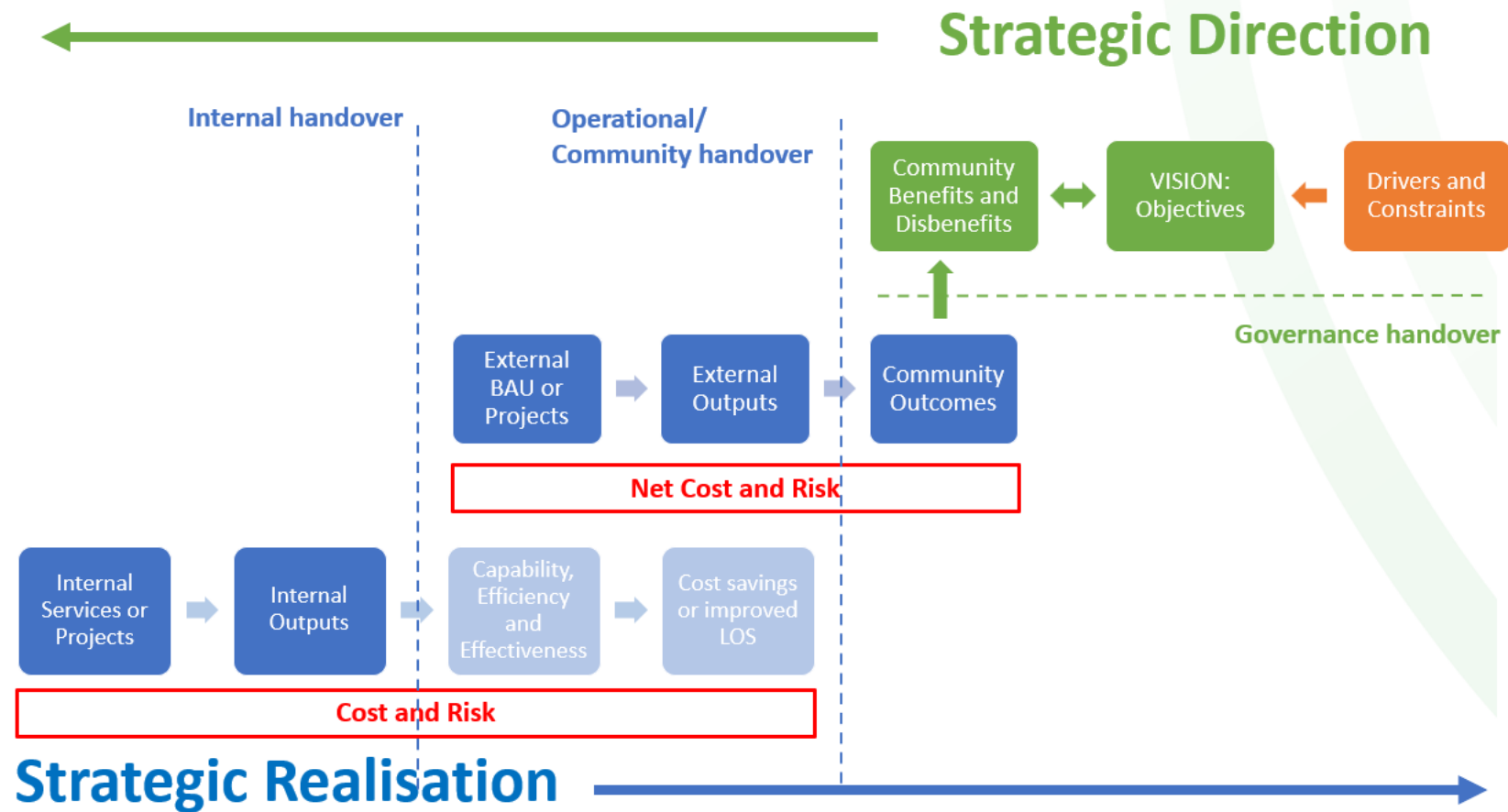
Improvement programme

Over the next three years, the improvement programme will be focused on:

- Works to ensure the aerodrome meets Civil Aviation and other key legislative requirements.
- A stronger commercial and marketing focus. This recognises that passenger confidence has been affected by recent reliability issues linked to wider Q300 fleet pressure. Council will work with Air New Zealand and regional partners to use improved on-time performance information, promote the convenience and regional economic value of the service, and support initiatives that encourage higher passenger throughput.

- Marketing, communications and stakeholder activity to rebuild confidence in the Timaru-Wellington service, including use of improved on-time performance data, local business engagement, passenger promotion, and regular dialogue with Air New Zealand on service performance and demand trends.
- Exploration of tourism and ground-transport partnerships, including a potential “Shortcut to the Alps” campervan or rental vehicle trial that positions Timaru Airport as a convenient gateway to central South Island touring routes.
- Capital projects to expand airport capability, including any terminal or runway extension, will be considered only where supported by confirmed operator requirements, regulatory obligations, robust demand evidence, affordability assessment or a clear strategic business case. Potential future passenger screening requirements will be monitored, but terminal extension is not proposed at this stage because there are no firm regulatory or airline requirements for screening at Timaru Airport. The programme will also investigate the potential transfer of runway lighting assets from Airways New Zealand, including ownership terms, condition, compliance obligations, renewal timing and whole-of-life cost implications.

Strategic Alignment



NB Note that Outcomes and Benefits for *internal* services or projects will *also* be internal in the form of enabling capability, efficiency or effectiveness in *other* business units who can then improve or maintain a LOS or realise cost savings. Outcomes and Benefits for internal services or projects should therefore describe the opportunities they enable *across other business units*.

How does this activity contribute towards Council/your key stakeholders' stated strategic priorities for 2027-37?

BAU Activities →	Outputs →	Outcomes →	Benefits →	Strategic Priorities →	← Drivers
Operate and maintain Timaru Richard Pearce Airport, including runway, apron, terminal, car parking, leases and supporting airport facilities.	Safe, available and compliant airport facilities that support scheduled passenger flights, general aviation, emergency services, private aviation, commercial leases and airport users.	Community, commercial and industry members use Timaru as an aviation gateway and an operational base for business, community, emergency and recreational aviation needs.	Maintains essential connectivity, supports regional accessibility, enables emergency response and lifeline functions, and protects existing public investment in airport assets.	Enhanced Lifestyles; Connected Citizens; Resilient Infrastructure.	Civil Aviation compliance, community connectivity, asset stewardship, emergency management resilience, and maintaining level of service.
Maintain scheduled passenger service relationships, monitor passenger numbers, load factors and service performance, and work with Air New Zealand and local partners to rebuild confidence in the Timaru-Wellington service.	Regular airline engagement, performance information where available, passenger and stakeholder communication, and demand recovery activity.	Community and business confidence in the local air service is rebuilt, passenger throughput improves, and the existing service is better positioned for long-term sustainability.	Improves use of existing infrastructure, supports airport revenue, strengthens airline confidence, and reduces pressure for premature major capital investment.	Connected Citizens; Diverse Economy; Enhanced Lifestyles.	Q300 fleet reliability pressures, on-time performance concerns, need to rebuild passenger trust, and opportunity to increase throughput on the existing service.
Manage airport commercial activity, including ground leases, hangars, terminal-related	Lease management, revenue collection, commercial engagement, and testing of	Airport land and facilities are used productively and the airport contributes to economic activity	Diversifies revenue, supports local business activity, improves asset utilisation, and	Diverse Economy; Enhanced Lifestyles; Connected Citizens.	Need to improve airport financial sustainability, support regional economic

revenue, car parking and opportunities for new aviation or tourism-linked services.	opportunities such as campervan or rental vehicle partnerships.	beyond core passenger flights.	creates opportunities for tourism and visitor-sector growth.		development, and make better use of existing airport assets.
Support tourism, visitor access and regional promotion by exploring the “Shortcut to the Alps” proposition and wider visitor gateway partnerships.	Market testing with campervan and rental vehicle providers, tourism partner engagement, and promotion of Timaru as a lower-congestion gateway to central South Island itineraries and nearby alpine recreation.	Timaru Airport is better positioned as a visitor gateway and a contributor to regional tourism and economic development.	Potentially increases passenger throughput, supports visitor spend, creates new commercial partnerships, and differentiates Timaru from larger airport gateways.	Diverse Economy; Enhanced Lifestyles; Connected Citizens.	Visitor-market opportunity, proximity to Mackenzie Country and alpine recreation, need to grow passenger demand, and interest from tourism or rental vehicle providers.

Project / Programme	Strategic contribution	Key stakeholders supported	2027-37 strategic priorities supported	Outcome / benefit enabled
Airport service confidence and demand recovery programme	Rebuilds community and business confidence in the Timaru-Wellington service by using improved performance information, targeted communication and partner engagement to encourage greater use of the existing air connection.	Air New Zealand, passengers, local businesses, government agencies, elected members, ratepayers and the wider community.	Connected Citizens; Diverse Economy; Enhanced Lifestyles.	Increases use of existing infrastructure, strengthens airline confidence, supports airport revenue, and reduces the risk of premature capital investment by proving demand first.

“Shortcut to the Alps” visitor gateway and rental vehicle partnership	Positions Timaru Airport as a convenient fly-in gateway to central South Island touring routes, linking aviation, visitor-sector promotion and ground-transport partnerships.	Tourism operators, rental vehicle providers, airport passengers, local businesses, visitor-sector partners and regional economic development interests.	Diverse Economy; Enhanced Lifestyles; Connected Citizens.	Supports visitor spend, creates potential commercial partnerships, grows passenger throughput and differentiates Timaru from larger airport gateways.
Potential transfer of runway lighting and airfield power assets	Ensures Council can maintain safe, compliant and resilient airfield operations if asset ownership and responsibility transfers from Airways New Zealand.	Airways New Zealand, Civil Aviation Authority, Air New Zealand, emergency services, aerodrome users, passengers and ratepayers.	Resilient Infrastructure; Connected Citizens; Enhanced Lifestyles.	Maintains core aviation safety and compliance, protects service continuity, and clarifies future renewal, funding and whole-of-life cost responsibilities.
Conditional terminal, runway or capacity upgrades	Preserves future development options while ensuring major investment is only progressed where supported by confirmed operator requirements, regulatory obligations, sustained passenger growth or a robust business case.	Air New Zealand, Civil Aviation Authority, passengers, airport users, emergency services, ratepayers and future users of the airport.	Resilient Infrastructure; Connected Citizens; Diverse Economy; Sustainable Environment.	Provides a prudent, evidenced pathway for future growth, larger or lower-emission aircraft, security requirements or increased service frequency without overcommitting ahead of need.
Decision over future commercial status of airport	Opportunity to reduce operational expenditure of the airport, but at cost of scheduled services.	Air New Zealand, Civil Aviation Authority, passengers, airport users, emergency services, ratepayers	No specific strategic alignment	Is a periodical check in that it is a service that council values and wants to continue providing.

		and future users of the airport.		
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What are the key constraints, dependencies and assumptions for this activity for the next ten years?

Constraints	What are the implications?	How is this being managed?
Civil Aviation and airport policy parameters	The activity must be delivered within Civil Aviation Act, Civil Aviation Rules, Aerodrome Certification Exposition Manual, safety management, emergency management, security, health and safety, district plan and Council policy requirements. These parameters limit flexibility in how the airport is operated and maintained.	Maintain certification, operational manuals, inspection regimes, safety management processes, audit readiness, staff and contractor competency, and regular engagement with Civil Aviation Authority and aviation-sector partners.
Affordability and funding capacity	Airport revenue is variable and only partly offsets operating costs. Major capital investment, such as terminal expansion, runway extension, screening-related changes or lighting asset renewal, could place pressure on rates and debt affordability if advanced before need is confirmed.	Use staged, evidence-led investment decisions; prioritise renewal and compliance of core assets; require business cases for major upgrades; monitor revenue, passenger numbers and load factors; and test commercial and tourism partnerships before committing to major capital expenditure.
Physical site and peak-period capacity constraints	The existing terminal can be constrained during the single daily arrival and departure peak, but current	Manage current constraints operationally, preserve future development options, monitor passenger flows and airline requirements, and only progress design or construction where

	evidence does not justify immediate terminal expansion. Any future security separation, screening or larger aircraft requirements could increase pressure on the existing layout.	supported by confirmed operator, regulatory, demand or business-case triggers.
Dependencies	What are the implications?	How is this being managed?
Air New Zealand service decisions and operational performance	The airport's scheduled passenger role depends on Air New Zealand continuing to operate the Timaru-Wellington service, the performance of the Q300 fleet, airline commercial decisions, and any future aircraft type or frequency changes.	Maintain regular relationship management with Air New Zealand, monitor passenger numbers, load factors and on-time performance information where available, and focus on demand recovery and community confidence in the existing service.
Aviation regulators and national security settings	Changes to aviation safety, certification, security, screening or passenger-separation requirements could create new operating costs or capital works requirements that are outside Council's direct control.	Monitor regulatory signals, participate in sector updates through aviation networks, maintain dialogue with relevant agencies, and keep future terminal and operational options open without committing to premature investment.
External asset ownership decisions by Airways New Zealand	If runway lighting and airfield power assets transfer to Council, Council may inherit maintenance, renewal, compliance and whole-of-life cost responsibilities. Timing, asset condition and financial implications are not yet confirmed.	Undertake due diligence before accepting transfer, including condition assessment, valuation, renewal forecasting, compliance review and negotiation of transfer terms. Treat any budget provision as provisional until confirmed.

Tourism, commercial and partner-market response	Visitor gateway opportunities, including the “Shortcut to the Alps” proposition, depend on interest from rental vehicle, campervan, tourism, airline, business and regional promotion partners.	Test market interest through low-cost pilots or seasonal trials, coordinate with tourism and economic development partners, and only scale commercial initiatives where demand and partner commitment are demonstrated.
Assumptions	What are the implications?	How is this being managed?
No confirmed near-term aircraft up-gauging or screening requirement	Planning assumes continued Q300 scheduled operations in the short to medium term and no confirmed requirement for passenger screening or terminal separation. Major terminal or runway expansion is therefore not treated as an immediate committed project.	Review assumptions through ongoing airline and regulatory engagement, maintain conditional project options, and update the programme if confirmed operator, regulatory or demand triggers emerge.
Passenger confidence and demand can be rebuilt over time	The plan assumes there is scope to improve passenger throughput through better reliability information, local promotion, business engagement and service confidence. If this does not occur, revenue and airline confidence may remain constrained.	Implement demand recovery activity, track passenger numbers and load factors, use on-time performance information where available, and adjust marketing or stakeholder activity based on observed trends.
Core assets remain serviceable with planned renewals	The activity assumes existing runway, apron, terminal, car park, airside and non-airside assets can continue to support the current level of service, subject to inspection, maintenance and	Maintain asset condition monitoring, renewal forecasting, inspections, maintenance programmes and compliance checks. Update budgets and renewal timing as asset information improves.

	renewal. Unexpected deterioration could require reprioritisation.	
Climate change and low-emission aviation timing remains uncertain	Future climate impacts, emissions expectations, and electric, hydrogen or other low-emission regional aircraft infrastructure needs are uncertain. Premature investment may create stranded costs, while inaction may reduce readiness if technology or requirements mature faster than expected.	Monitor airline technology pathways, sector guidance, climate-risk information and infrastructure requirements. Preserve flexibility in future planning and only invest where requirements, benefits and affordability are clear.

Who are the key stakeholders for this activity?

This activity has a significant or strategic relationship with the following:

Group/Organisation	Nature of relationship
Air New Zealand – Airline service provider	Professional
Civil Aviation Authority	Regulator
New Zealand Airports Association	Professional
MetService	Professional
Airways	Professional
Airport employees and contractors	Professional
Aerodrome users	Professional

Timaru District ratepayers	Customer
Airport passengers and visitors	Customer
Lessees	Landowner
Emergency medical transfers	Customer
Other airport users	Customer

Strategic Priorities

How does this activity contribute towards Council's stated Strategic Priorities for 2024-34?

Strategic Priority	Activity Responses
1. Enhanced Lifestyles – Facilities & Services	Connects South Canterbury residents to the rest of New Zealand and the world; Also important as a base for recreation and South Canterbury participation in government activities in Wellington.
2. Connected Citizens – Enabling Community	The airport connects the South Canterbury community with friends and family around the country
3. Resilient Infrastructure – Invest for the Future	Contributes to the resilience of South Canterbury, providing an alternative transportation linkage in natural disaster
4. Diverse Economy – Leveraging Local Strength	Provides an essential transportation link enabling local businesses to build relationships and provide goods and services to the rest of New Zealand and internationally; Provides a base for aeronautically linked businesses; Supports South Canterbury government activities in Wellington.
5. Sustainable Environment – Clean Environment	The airport is working with Air NZ to support more sustainable travel into the future with electric/hydrogen powered

Legislative Drivers

The following legislation and planning documents are significant to this activity:

- Local Government Act 2002
- Reserves Act 1977
- Health and Safety at Work Act 2015
- Airport Authorities Act 1966
- Civil Aviation Act 2023
- Civil Aviation Regulations 1953
- Timaru District Plan
- Timaru Aerodrome Emergency Management Plan
 - Timaru Aerodrome Operations Manual
 - Timaru Airport SMS Manual
 - Timaru Airport by-law

Strategies and policies

Rules for the operation of the airport and compliance with Civil Aviation requirements are set out in the Aerodrome Certification Exposition Manual, which includes:

- Air Traffic Management
- Description of Aerodrome and Facilities
- Emergency Plan
- Inspection and Maintenance
- Notification of Aerodrome Data and Information
- Operational Area Management
- Public Protection and Security
- Requirement for Certification
- Rescue and Fire Fighting
- Safety Inspection and Audits
- Staff Organisational Structure
- Wildlife Hazard Management
- Works on Aerodrome Land

- Safety Management System

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Part 2: Performance Management (Levels of Service)

Levels of service for 2027-37

Performance Measure	Levels Of Service	Community or Technical LOS (C/T)	Benchmarks (Targets)	Future Performance		
				Year 1 2024/25	Year 2 2025/26	Year 3 2026/27
Passenger confidence and service use	The airport service is understood, valued and used by the community, businesses and regular travellers.	C	Baseline to be established	Establish baseline	Monitor and report	Implement

Levels of service are measurable qualities or attributes of an activity that relate to the way people experience the service.

Performance measures are the indicators that are used to determine whether levels of service are being delivered.

Benchmarks relate to your performance measures – for example, are there benchmarks set by industry standards for your activity?

Performance targets are the desired levels of performance against the performance measures.

Proposed Changes to Activities, Projects and Levels of Service

(Note for any changes that the Investment Summary in Part 7 must be completed for EACH proposed change)

What changes are being proposed for this activity for the LTP 2027-37 (cf LTP 2024-34 LTP)?

Proposed Activity Change or Project	Change from 2024/34 LTP (New or Amended)	Impact on Level of Service (Start, Stop, Change higher/lower)	Reason/Rationale	Options for consultation	Project Brief or Business Case Completed?
Conditional airport capacity upgrades, including terminal expansion and runway extension	Amended	No immediate change. Potential future improvement only if operator, regulatory or demand triggers are confirmed.	Near-term development pressure is lower because there is no confirmed Air New Zealand decision to up-gauge the Timaru service from Q300 aircraft and no firm regulatory or airline requirement for passenger screening. While the terminal is tight during the single daily arrival/departure peak, investment should be deferred or staged until there is confirmed demand, regulatory requirement or operator commitment.	Consult on maintaining current level of service, managing peak-window constraints operationally, and protecting future options, rather than committing to major expansion ahead of confirmed need.	No
Potential transfer of runway lighting and airfield power assets	New	Maintain level of service and compliance. May increase Council	Airways has indicated a national direction to divest airfield power and lighting assets. Council may need to	Consultation approach to be determined once transfer terms, condition	No

from Airways New Zealand		asset ownership, maintenance and renewal responsibilities.	assume ownership and responsibility for runway lighting at Timaru Airport. Costs, timing, asset condition and renewal requirements are not yet confirmed.	assessment and cost implications are known.	
Airport service confidence and demand recovery programme	New	Change higher. Adds a stronger community, customer and commercial focus to support increased passenger throughput.	On-time performance issues associated with Q300 fleet pressures have affected confidence in the Timaru service. Jet up-rating elsewhere in the wider Air New Zealand network may ease pressure on the Q300 fleet, and improved on-time performance data will support more transparent monitoring and communication. A targeted confidence and demand recovery programme is needed to rebuild trust and grow passenger use before major infrastructure expansion is considered.	Consult on a proactive service-promotion approach, including business and community engagement, transparent performance reporting where data is available, and partnerships to encourage use of the local airport.	No
"Shortcut to the Alps" visitor gateway and campervan/rental vehicle partnership	New	Change higher. Supports passenger growth, commercial activity and tourism-linked airport use without requiring major aviation	Timaru Airport could be marketed as a convenient fly-in gateway for central South Island touring routes. A campervan or rental vehicle provider trial could support visitor demand,	Consult on whether Council should actively test market interest and partner with tourism, economic development and rental vehicle	No

		infrastructure investment upfront.	grow passenger throughput, and create commercial opportunities at or near the airport.	providers to trial the proposition.	
Decision on commercial position of airport	New	Council must review service delivery arrangements under s.17A and consider whether the current structure (direct council operation) remains appropriate. A decision to go commercial could prompt consideration of a CCO or other structure.	Does Council intend to operate Richard Pearce Airport as a commercial undertaking (seeking to recover all operating and capital costs from airport users, ideally generating surplus) or as a community service (accepting a rates contribution as legitimate public subsidy)?	Would be good to test if this is a service the community continues to value to the amount it is subsidised.	No

Part 3: Activity Management

Overall Management

How is the activity managed, including roles, staffing levels, accountabilities, monitoring, evaluation, and reporting processes including key delegations?



Workflow Management

How does the activity intersect with other activities and workflows across the business?

Other business unit	Other business activity	Point of intersection	Workflow solution	Relationship owner this unit (role)	Relationship owner other unit (role)
Land Transport	Parking	Parking systems and Equipment	As Required	Airport Manager	GM Land Transport
Communications	Communications	Communications in emergency and/or for marketing	As required, no specific solution.	Airport CEO, Airport Manager	C+E Manager
Civil Defence	Civil defence transport availability	Requirement for logistics support in an emergency.	As required, no specific solution.	Airport CEO, Airport Manager	Emergency Management Officer
Property	Leasing and rates of leased land	Support in Lease arrangements for airport land	As required, no specific solution	Airport CEO	Property Manager
Legal	Legal matters around airport and leaseholdings	Support on legal matters, primary on land leases at Airport	As required, no specific solution	Airport CEO, Airport Manager	Legal Services Manager
IT	IT issues resolution and maintenance at airport	Support of critical systems at Airport	Ongoing support and help as required.	Airport Manager, Airport Compliance Officer	CIO
Water	Customer of Seadown Scheme	Is a customer of the Seadown Scheme	Standard support	Airport CEO, Airport Manager	GM Drainage + Water

Systems Management

What different management systems are used for this activity?

Include accounting or financial systems, any IT licensed software or specified hardware for this activity, and customer service support systems for the activity.

- Standard council packages. Office, authority, Teams etc.
- OneReg – CAA Compliance Management (SaaS Tool)
- Specialist Aerodrome Hardware (Radios, RF Systems for landing charging)
- Parking equipment and software

Information Management

What are the key information sources used for decision making in this activity, including for asset management/replacement/renewals (as appropriate), and for determining priorities for this activity?

Include how the information is collected, monitored, used, kept up-to-date, and stored.

As part of CAA accreditation an improvement plan is undertaken, there is also a regularly scheduled inspection and maintenance cycle with feeds into the overall asset management plan. The Aerodrome exposition documents are the one source of truth about the airport, this is held in a controlled version in OneReg, with any amendments tracked and controlled.

Commercial Management

What are the key considerations for procurement and contract management in this activity?

Due to the size and limited schedule of the airport and the security requirements, some contracts are best tendered as an 'all of airport' services contract shared between the council and Air New Zealand, rather than breaking it down into components. While some minor savings

could be realized through this, the flexibility of the current contract around schedules and the all of airport view of the contractors brings a level of flexibility and reactivity that standard contracts would struggle to recreate.

What are the key estimation and forecasting tools/methodologies relevant to this activity?

Describe how this activity estimates/forecasts budgets or price envelopes for BAU activities and projects (both internal resource and external costs)? For example QS, Engineer's Estimate, Quotes, Proposal/s, Comparison projects, industry rates and estimated measures, schedule of quantities etc We use activity estimates and engineers estimates for any major capital work. Due to any future capital spend being primarily in the operational area of the airport, one could expect to see cost of work to be higher due to specialist contractors and operational requirements.

Communication Management

How does this activity ensure effective communication and engagement with governance and the community?

Communication and engagement for this activity will be managed as a core part of sustaining the airport service, not only as project communication. Council will maintain regular engagement with Air New Zealand, airport users, local businesses, government agencies, tourism and visitor-sector partners, elected members and the wider community. The focus will be on providing clear information about the value of the airport, monitoring and sharing service performance information where available, rebuilding confidence following recent on-time performance issues, and encouraging use of the Timaru-Wellington service where it is a practical travel option.

Priority communication actions include agreeing a performance data-sharing approach with Air New Zealand, developing simple community-facing updates on service reliability and usage trends, targeted engagement with major employers and frequent-travel organisations, promotion of the airport's convenience and regional economic value, and coordination with economic development and tourism partners to grow passenger throughput over time.

Marketing activity should also test visitor-market propositions that differentiate Timaru Airport from larger gateways. The "Shortcut to the Alps" concept would promote Timaru as a lower-congestion, closer-starting-point option for travellers heading to the Mackenzie Country, Aoraki/Mount Cook, Tekapo, Twizel, nearby alpine recreation and wider South Island routes. This could include messaging around being

approximately one hour from ski-field access, including Mount Dobson, subject to seasonal road and weather conditions and interest from campervan, rental vehicle and tourism partners.

Part 4: Asset Management

Asset Management Overview

How will the assets be managed to deliver the service?

Asset Summary

The largest value assets are the terminal building and the runway, taxiway and apron. There are also a number of smaller assets of lower value. The total book value of all airport assets is \$8.2mil.

Asset condition

The terminal building is in sound condition, following recent completion of a significant upgrade. While the sealed pavements are good condition following a pavement overlay in 2022. Although both are in good condition, they both need to be enlarged for future growth of the airport. This is in the scheduled program.

Asset	Current Condition	Ownership	Estimated Useful life (inc. underlying assumptions)	Current Book Value	Date of Last Valuation and Value
Terminal Building	Sound condition	Council	10 years (terminal will be too small if uprating of aircraft of growth or CAA requirement change)	\$1.8 mil	2017

Runway 02-20, Taxiway A1	Sound condition	Council	10 years	\$1.332 mil	2021
Apron	Average	Council	8 years	\$800k	
Standby Generator	Sound condition	Council	17 years	\$28k	2018
Parking	Sound condition	Council	37 years	\$288k	2017
Roads	Below average	Council	5 years		2018
Fencing	Below average	Council	8 years	\$131k	2005
Trees /Shrubs	average	Council	20 years	\$100k	2005
Water Supply	Sound condition	Council	15 years	\$154k	2005
Rescue Fire Garage	Sound condition	Council	20 Years	\$23688	2013
Total book value of airport assets				\$8.177 mil	

Asset Management Plan (if relevant)

Please refer to the Asset Management Plan [here](#). (hyperlink to Asset Management Plan if activity has one) <- **ACTIVITY WILL HAVE FULL ASSET MANAGEMENT PLAN TBC**

Part 5: Financial Management

Ten Year Operating and Capital Budget

What financial resources are needed?

Row Labels	Sum of 2026/27 Full Year Budget	Sum of 2027/28 Year 1	Sum of 2028/29 Year 2	Sum of 2029/30 Year 3	Sum of 2030/31 Year 4	Sum of 2031/32 Year 5	Sum of 2032/33 Year 6	Sum of 2033/34 Year 7	Sum of 2034/35 Year 8	Sum of 2035/36 Year 9	Sum of 2036/37 Year 10
Airport	545,163.00	553,385.28	659,037.14	667,831.06	676,925.34	686,330.12	696,055.86	706,113.36	716,513.79	727,268.70	738,389.99
Airport	545,163.00	553,385.28	659,037.14	667,831.06	676,925.34	686,330.12	696,055.86	706,113.36	716,513.79	727,268.70	738,389.99
Revenue	(586,816.00)	(601,486.40)	(616,523.56)	(631,936.65)	(647,735.07)	(663,928.44)	(680,526.65)	(697,539.82)	(714,978.31)	(732,852.77)	(751,174.09)
Fees & charges	(586,066.00)	(600,717.65)	(615,735.59)	(631,128.98)	(646,907.21)	(663,079.89)	(679,656.88)	(696,648.30)	(714,064.51)	(731,916.13)	(750,214.03)
User Charges	(586,066.00)	(600,717.65)	(615,735.59)	(631,128.98)	(646,907.21)	(663,079.89)	(679,656.88)	(696,648.30)	(714,064.51)	(731,916.13)	(750,214.03)
Other revenue	(750.00)	(768.75)	(787.97)	(807.67)	(827.86)	(848.56)	(869.77)	(891.51)	(913.80)	(936.65)	(960.06)
Lease Revenue	(750.00)	(768.75)	(787.97)	(807.67)	(827.86)	(848.56)	(869.77)	(891.51)	(913.80)	(936.65)	(960.06)
Rates revenue											
Rates General											
Rates UAGC											
Expenditure	1,131,979.00	1,154,871.68	1,275,560.70	1,299,767.71	1,324,660.41	1,350,258.56	1,376,582.51	1,403,653.18	1,431,492.10	1,460,121.47	1,489,564.08
Depreciation expen	194,297.00	194,297.00	291,445.50	291,445.50	291,445.50	291,445.50	291,445.50	291,445.50	291,445.50	291,445.50	291,445.50
Finance costs	109,686.00	109,686.00	109,686.00	109,686.00	109,686.00	109,686.00	109,686.00	109,686.00	109,686.00	109,686.00	109,686.00
Other expenses	633,276.00	652,274.28	671,842.51	691,997.78	712,757.72	734,140.45	756,164.66	778,849.60	802,215.09	826,281.54	851,069.99
Contracts	295,414.00	304,276.42	313,404.71	322,806.85	332,491.06	342,465.79	352,739.77	363,321.96	374,221.62	385,448.27	397,011.71
Internal charges	17,888.00	18,424.64	18,977.38	19,546.70	20,133.10	20,737.09	21,359.21	21,999.98	22,659.98	23,339.78	24,039.98
Internal Overhead	138,231.00	142,377.93	146,649.27	151,048.75	155,580.21	160,247.61	165,055.04	170,006.69	175,106.90	180,360.10	185,770.91
Materials	27,018.00	27,828.54	28,663.40	29,523.30	30,409.00	31,321.27	32,260.90	33,228.73	34,225.59	35,252.36	36,309.93
Other Expenses	154,725.00	159,366.75	164,147.75	169,072.19	174,144.35	179,368.68	184,749.74	190,292.23	196,001.00	201,881.03	207,937.46
Personnel costs	194,720.00	198,614.40	202,586.69	206,638.42	210,771.19	214,986.61	219,286.35	223,672.07	228,145.51	232,708.42	237,362.59
Grand Total	545,163.00	553,385.28	659,037.14	667,831.06	676,925.34	686,330.12	696,055.86	706,113.36	716,513.79	727,268.70	738,389.99

Under current forecasts the cost of providing this service will remain reasonably consistent aside from inflationary change. Any improvements in passenger numbers or other commercial expansion would help reduce the rates requirement.

Planned Capital Expenditure for Key Capital Projects

How much capital expenditure will be spent, on what asset, and what are the key capital projects for this activity for the next ten years?

(Insert Magiq table here of capex projects. Include whole of Life costs/future operating projections if different from above, and consider NPV. Remember to include officer resource requirements where time will be capitalized, and assets that will be created with corresponding depreciation values).

As noted in the document, the main capital investments regarding the terminal update and the runway extension are forecast not to be needed in the next 10 year period. Primarily any investment will be in meeting CAA standards for commercial operation.

How much capital expenditure will be spent, on what asset, and what are the key capital projects beyond the next ten years?

(Insert Magiq table here of capex projects. Include whole of Life costs/future operating projections if different from above, and consider NPV. Remember to include officer resource requirements where time will be capitalized, and assets that will be created with corresponding depreciation values).

Decisions past the 10 year mark are challenging to make as there is a significant dependency on decisions by Air New Zealand and government. There is also the decision in 2030 whether or not to continue to operate as a commercial airport. If it was decided to not continue this it is assumed that operational costs would reduce significantly.

Funding Considerations

LGA s101 Funding Considerations

Funding Policy

Funding Principles

User-pays	Exacerbator-pays	Inter-generational equity	Separate funding
Med	Med	High	Low

This table shows how Council has considered the funding in relation to the activity, using a simple high to low scale. The categories are:

- User-pays – the degree to which the activity can be attributed to individuals or identifiable groups rather than the community as a whole;
- Exacerbator-pays – the degree to which the activity is required as a result of the action (or inaction) of individuals or identifiable groups;
- Inter-generational equity – the degree to which benefits can be attributed to future periods, and;
- Separate funding – the degree to which the costs and benefits justify separate funding for this activity.

When an activity is paid for through a number of funding mechanisms, Council's practice is to meet its operating costs in the first instance through fees & charges and grants & subsidies (subject to the considerations outlined above). If the activity requires further operational funding, this remainder is funded through rates.

Capital Cost Funding Policy

This capital programme will be funded in accordance with the following principles:

Investment type		Initial funding		Serviced and/or repaid by	
- Renewal/replacement - Service improvement and other assets - growth		- rates and debt - debt - debt		- rates - rates - rates	
Rates	Borrowing		Financial Contributions		Grants and other funds
Medium	High		Not Applicable		Low

Operating Cost Funding Policy

This table below shows Council's broad funding target for the activity (i.e. how much is paid by individuals/groups versus the community as a whole), and the associated funding mechanism used (i.e. general rates, targeted rates, user charges etc.). Because there are variations in the balance between individual/group and community funding, the funding target is expressed in broad terms rather than specific percentages.

These broad ranges are:

- Low = this source provides 0%-25% of the funding for this activity;
- Medium = this source provides between 26% and 75% of the funding for this activity, and;
- High = this source provides between 76% and 100% of the funding for this activity.

	Funding Target	Funding Mechanisms
Individual/Group	Medium	Fees & Charges/Targeted rates (Low, Medium, High)

Community	Medium	General rates/Grants & Other (Low, Medium, High)
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Part 6: Risk and Opportunity Management

What specific risks are identified for this activity, and what controls and mitigations are planned or in place to address these? **Consider impacts on climate change**/community outcomes in addition to the risk categories signaled below.

Description	Triggered by	Resulting in	Risk Level*		Controls and/or Mitigations	Residual Score
			Likelihood	Consequence		
Loss of passenger confidence and reduced use of scheduled service	Poor on-time performance, limited public information about reliability, fleet constraints, or perception that the service is unreliable.	Lower passenger throughput, reduced airline confidence, weaker airport revenue, and increased risk to the long-term sustainability of the scheduled service.	4	4	Regular engagement with Air New Zealand on service performance, use of improved on-time performance data where provided, targeted communication to rebuild confidence, business and community engagement to promote service use, and monitoring of passenger numbers and load factors.	Medium
Aviation security rules tighten requiring passenger screening or	Regulatory change, airline requirements, national security settings, or	Potential requirement for passenger screening, separated passenger	2	4	Monitor aviation security settings and airline requirements; maintain dialogue with relevant aviation agencies and Air New Zealand; manage current terminal peak constraints operationally; preserve future terminal expansion options; and	Medium

terminal separation	changes in aircraft type or passenger volumes.	flows, terminal modification or expansion, increased operating costs, and possible disruption to current terminal operations.			only progress design or investment if a firm regulatory, airline or demand trigger emerges.	
Environmental	Secondary emissions generation	Air travel facilitated by the airport is a creator of greenhouse gases	4	4	Airlines and aircraft manufacturers are constantly looking for more environmental ways to provide air travel. However, no lower carbon solutions are proposed at this time.	High
Temporary loss of CAA Aerodrome operating certificate	Poor management Deviation of aerodrome operator certificate requirements that is not an emergency e.g. change in exposition	Airport closed in the immediate short term Loss of reputation Disgruntled community Negative media attention Economic loss to the region	5	2	Renewal application submitted not less than 60 days before the certificate expires to the Director Timaru Aerodrome Certification Exposition CAA audits (every 5 years) Safety Management System Certification (Civil Aviation Rule Part 100 Safety Management) External audit CAA SMS audit Fit and proper person verification	Medium

	Failure to apply for a new certificate after its expiry date Failure to notify the Director of intention to construct or alter layout of airport Loss of fit and proper person	Air carrier unable to land				
Leasee's not paying monthly rent on leased property	Reduced Income No AP systems in place Rent is not a priority for leasee's Banks stop/dishonour leasee direct payments Discrepancy with lessor	Revenue loss Reduced maintenance funds Litigation Resource intensive in following up Legal fees	4	4	Active management of debtor balances Bad debt provisioning Lease agreement T&C's Disputes resolution process Insurance cover Consultation with leasee's when required Backup air carriers identified (consulted internally) Legal advice/support as required	Low
Loss of data and telemetry ability	Overhead and underground lines/fibre	Temporary loss of terminal operations	3	5	Standby generator (for lighting and terminal) Ability to work remotely IT support	Low

	struck/damaged • Loss of power • Cyberattack • Loss of IT services • Lack of maintenance	• Restricted Air NZ operations			Lifeline support e.g. EDB B4UDig BWOF requirements	
Wildlife interferes with aircraft operations	• Bird strike • Large open grassed areas (birds attracted for feeding, resting and nesting) • Water lying in drains and spillways • Flat roof buildings (nesting areas) • Neighbouring farm land being ploughed	• Damage to aircraft • Loss of life • Inconvenience to travelling public in and out of Timaru • Regulatory intervention • Cost to airline • Negative social commentary • Higher bird strike percentage compared to other airport operations • Temporary loss of CAA	4	5	Environmental management programme (Wildlife hazard management) Grass height maintained Reduce amount of water lying around Bird control techniques Infrastructure maintenance e.g. stock fencing, field inspections Communications with neighbouring owners or leasee's Wildlife Management Group CAA Wildlife statistics (wildlife incident reporting)	Low

		Aerodrome operating certificate				
Loss of terminal building	● Natural events ● Arson ● Loss of BWOF ● Negligent maintenance ● Loss of utility services e.g. power, water ● Wilful damage	● Loss of infrastructure ● Loss of life ● Negative social commentary ● Revenue loss ● Increase in OPEX and CAPEX costs ● Reduction in service capability	3	5	PI, BI and Material damage insurance Security measures e.g. CCTV, locked front gate after hours Building inspections Fire detection and prevention systems Terminal maintenance Earthquake building standards Temporary construction of a terminal building Standby generator Reservoir with water pumps Air NZ emergency backup process documentation Temporary infrastructure support from Air NZ	Medium
TDC does not meet carrier operational requirements	● Terminal unsuitable for increased capacity ● Runway not suitable for chosen aircraft operations ● Apron unsuitable for aircraft type	● Loss of service ● Negative economic and social impact ● Negative social commentary ● Loss of reputation ● Reduction in employment	2	4	Continued relationship with Air New Zealand Maintaining regulatory requirements Third party support with supply e.g. alternative fuel types Airport growth captured in LTP	

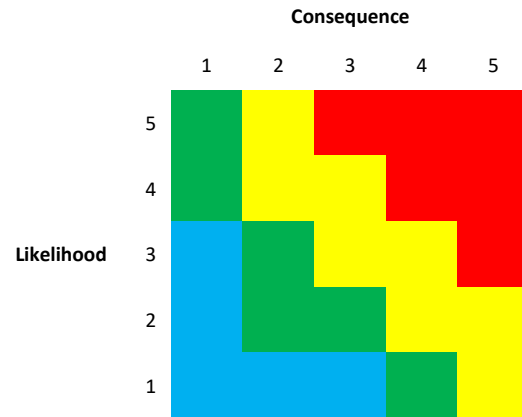
	● Infrastructure does not accommodate future demands e.g. new fuel type	● Reduced revenue ● Increased subsidisation to keep airport running				
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What specific opportunities are identified for this activity, and what measures are planned or in place to exploit these?
Consider climate change and community outcome opportunities in addition to the categories signaled below.

Description	Triggered by	Resulting in	Risk Level*		Controls and/or Exploitation (incl climate adaptation and mitigation)	Residual Score
			Likelihood	Consequence		
Rebuild confidence and increase passenger throughput on existing service	Improved reliability, clearer on-time performance data, coordinated local marketing, and engagement with frequent-travel organisations.	Higher service confidence, increased passenger use, improved airport revenue, stronger case for future service frequency or capacity improvements.	3	4	Develop a demand recovery and marketing plan with Air New Zealand and local partners; track passenger numbers, load factors and on-time performance data; promote the convenience, reliability and economic value of the service; and align messaging with any observable improvement in fleet performance.	High
Develop Timaru Airport as a	Demand for convenient	Increased passenger	3	3	Test market interest with campervan and rental vehicle providers; align with regional	Medium

“Shortcut to the Alps” visitor gateway	access to central South Island touring routes and interest from campervan, rental vehicle or tourism partners.	throughput, new commercial tenancy or service opportunities, stronger tourism linkages, and improved airport visibility as a regional gateway.			tourism promotion; explore a seasonal, trial or on-demand collection model; and promote Timaru as a convenient lower-congestion gateway to the Mackenzie Country, Aoraki/Mount Cook, Tekapo, Twizel, nearby alpine recreation including Mount Dobson, and wider South Island itineraries. Messaging could cautiously reference being approximately one hour from ski-field access, subject to seasonal road and weather conditions.	
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Risk Matrix



Key (as per Risk Management Policy):

Likelihood

1. Rare
2. Unlikely
3. Possible
4. Likely
5. Almost Certain

Consequences

1. Less than minor
2. Minor
3. Moderate
4. Major
5. Extreme

Risk Categories

- Political
- Environmental
- Social
- Reputational
- Financial
- Operational
- Health & Safety
- Legislative/Regulatory
- Levels of Service

Part 7: New Projects or Programmes Investment Summary

Business Justification and Scope	
Project/Programme	- Name - Scope (what will be delivered, what won't be delivered)
Purpose	Purpose (drivers, problem or opportunity statement)?
Level of Service	Impact per Activity Management Plan ie Achieve compliance, Maintain LOS, Improve LOS, Meet demand/growth (select all that apply)
Business Justification	- Implications of Current State/Status Quo Option - Options Considered and Preferred Option, reasons - Outcomes (what changes – business or community) - will successful delivery enable? (per above section, Strategic Alignment) - Benefits (what advantages – internal or community) – are enabled by the outcomes? (per above section, Strategic Alignment) - Evidence to support the case for investment – attach Project Brief, Business Case or Optioneering Assessment if completed
Risks, Opportunities	Most relevant only, describe key risks/opportunities and mitigations/exploitations – attach supporting evidence if available
Assumptions, Constraints and Dependencies	- Statutory and Regulatory context (compliance parameters, requirements or conditions) - External decision makers or approvals required - Affordability and funding availability - Sustainability, climate change impacts - Coordination with other agencies/projects/activities (internal or external, public or private) - Previous consultation/stakeholder perspectives - User Acceptance Criteria (UACs) or stakeholder requirements - Minimum Viable Product (MVP) for technical parameters

Cost Summary	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Internal Resource to be capitalised	\$									
CAPEX (excl internal resource)	\$									
OPEX	\$									
Revenue	\$									
Project Total (excluding GST)	\$									
Detailed cost breakdown attached Y/N?										

Investment Summary – Critical Success Factor evaluation

Notes for users

- These criteria are intentionally generic. The terms in **bold** — such as ‘compliance’, ‘strategic priorities’, ‘LOS’, ‘growth/demand’, and ‘other strategies, programmes and projects’ — are placeholders. You will need to define these terms for your activity (using the details populated in Parts 1 and 2 of your Activity Management Plan above) before evaluating the investment proposal. Level of Service’ (LOS) refers to the agreed performance standard for a given activity per Part 2 above.
- Scoring by the activity/project manager should be reviewed by at least one other person (eg Team Lead, Manager or PMO) to reduce subjectivity. Supporting reasons should be provided.
- This tool operates within Council’s Procurement Policy and Procurement Manual and the Procurement Lead must be engaged if/when progressing to formal procurement planning.
- Scoring does not determine funding priority but is one input into decision making to be read alongside the relevant Investment Summary above and any supporting evidence (Project Brief, Business Case, or Optioneering Assessment).

Critical Success Factor (CSF)	Rating	Does Not Meet/Poorly Meets (DNM/PM)	Partially Meets/Mostly Meets (PM/MM)	Fully Meets/Exceeds (FM/E)
Strategic fit and business needs		Non-compliant, poor compliance , medium compliance risk Not at all aligned to strategic priorities Not required to maintain LOS or for growth/demand Disrupts other strategies, programmes and projects No/limited stakeholder or community support	Not required for compliance /low compliance risk Somewhat aligned to strategic priorities Not required to maintain LOS but may improve LOS or meet growth/demand Doesn’t disrupt other strategies, programmes and projects Some stakeholder /community support	Required for compliance , fully compliant Fully aligns with agreed strategic priorities Required to maintain LOS or will improve LOS or meet demand Fits well with other strategies, programmes and projects Considerable stakeholder /community support
Potential value-for-money		Low value/improbable benefits, insufficient evidence High costs or costs unknown, insufficient evidence High risk or risks unknown, insufficient evidence	Moderate value/possible benefits, limited supporting evidence Moderate costs and reasonable cost confidence Moderate risk and reasonable confidence in risk analysis	Compelling evidence supports investment, high benefits probability and value Low cost and/or costs well understood and acceptable Low risk and/or risks well understood and manageable
Supplier capacity and capability		No suppliers available to deliver required services Risk of diminishing value for money or unsustainable terms	Non-local suppliers can deliver required services Acceptable contract terms/value for money anticipated	Local suppliers can deliver required services Value-for-money arrangement over contract term is anticipated
Potential affordability		Cannot be met from likely available funding, does not align with activity or corporate priorities Funding gap/other funding constraints Other funding opportunities are more appropriate	Can be met from likely available funding, aligns with either but not both activity and corporate priorities Matches/no other funding constraints Does not leverage any other funding opportunities	Can be met from likely available funding, aligns with both activity and corporate priorities Matches/no other funding constraints Leverages other funding opportunities
Potential achievability		Skills and resource required for successful delivery cannot be prioritised without unacceptable impact on BAU delivery	Skills and resource required for successful delivery constrained, resourcing costs or impact on BAU delivery requires consideration	Sufficient skills and resource available to support successful delivery in parallel with BAU delivery
Overall Rating		Comments:		

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