TIMARU DISTRICT COUNCIL
Te Kaunihera ā-Rohe o Te Tihi o Maru

Together we can thrive

Timaru District Long Term Plan 2021-31

Consultation Document



INSIDE Climate change, Aigantighe Gallery, Aorangi Park and Stadium, City Hub

Tell us what you think

10 April - 10 May 2021

Timaru District
thrivingtogether.co.nz

thriving

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There's a lot more info in this document and background online at **thrivingtogether.co.nz**

We can thrive

Kia Ora Koutou

About this time last year, NZ was in lockdown, battling an invisible enemy which has changed our world. In New Zealand, we have been one of the few countries where life has continued fairly normally. It hasn't however, come without its challenges, and this is far from the only challenge we are facing. This Plan represents our proposal to address these challenges and enable the Timaru District to thrive together.

Council is often talked about as a business. We are actually over twenty businesses in one, all of different scale and delivering different services to you, our residents and ratepayers. Each of these businesses is subject to numerous impacts – from community expectations, changes in government legislation, district growth and an ever-changing world around us.

For Timaru District to thrive together:

- **We need to start thinking and acting seriously** on climate change, and the impact it may have on our district in the future. Read more on page 4.
- **There are decisions needed** on some big issues, including future development of the Aigantighe Art Gallery, Aorangi Park and Stadium and the regeneration of central Timaru. Read more on pages 6-11.
- **There are ongoing challenges** to address for our infrastructure – all that stuff unseen but critical to what makes a community. Read more on page 12.
- **We need to keep investing** in our community. This means keeping up with key renewals, such as resurfacing roads and replacing pipes. There are also several important proposed projects to keep our communities vibrant and great places to live, work and play. Read more page on 14.
- **We need to address** financial challenges, and chart a pathway forward. Read more on page 16.
- **It will cost.** A large part of our funding comes from rates, and the total amount of rates we need to collect is proposed to rise 10.5% in 2021/22 and 4.9% every year after that until 2030/31. Refer to pages 16-21.

Most importantly, we need your input. Read on, visit thrivingtogether.co.nz and let us know your views.

Our plan is unashamedly ambitious and innovative. To deliver on this, we'll need money, people and action.

Tell us what you think

10 April - 10 May 2021

These proposals come with a cost. We recognise that this cost is higher than past Long Term Plans. Let us know what you think. Do you agree? Do you disagree? What suggestions do you have?

Nigel Bowen
Mayor
Koromatua

Bede Carran
Chief Executive
Kaiwhakahaere



Win!

Thriving Together Youth Competition

With prizes!

For more info, tips and T&Cs
thrivingtogether.co.nz/competition

together

What's this all about?

LTP stands for Long-Term Plan. It sets our vision for the future and what we'll do as a Council to make it happen.

While it's a 10-year plan, we review it every three years. Our work and world are constantly changing and we need to ensure our planning is up to date and based on the best information available.

It's one of our most important conversations with our community and covers a lot of topics, all of which can't be detailed here, so if you're interested check out thrivingtogether.co.nz – to dig into more detail.

What this document is all about is **getting your views**. So, take the opportunity!

Here's how it all works

Community Consultation
April 10 to May 10

Council Hearings
May 31- June 2

Plan adopted
June 29

Plan in place
1 July

Submissions close 5pm, Monday May 10 2021

What are we here for?

Over the last year, we've been doing a bit of self-reflection.

This has involved Council, Community Boards and your input in considering what's important, what we are facing in the future and what we should focus on.

As a sector, local government is facing some significant change and challenge. Our work is not just about the now, or about everyone who lives in Timaru District at the moment. It needs to consider how those future challenges might impact our district and our services, both now and in the future.

This includes pondering the impact on you, your children, their children; all our current and future residents, as not only are they users of these services, but they will also contribute towards paying for them.

As a Council, we are legislatively charged with improving Community Wellbeing. Sounds a bit of a buzzword, but essentially it is about making our place, a better place.

Council have embarked on a new strategic direction, including a vision, values, community wellbeing outcomes and some key focus areas. This LTP is about how we start to deliver on this strategic direction. It doesn't have all the answers, but builds on what we know and charts how we might get there.

Have we got the balance about right? Is there anything missing? Should we target any other areas?

Let us know what you think.

Our Vision

Where people, place and business prosper within a healthy, adaptable and regenerative environment.

Our Values

- Inclusive Leadership
- Cultural Caretakers
- Transition Navigators

Community Wellbeing Outcomes

To promote our district's social, economic, environmental and cultural wellbeing, Council is focused on:

- Connected Citizens
- Enhanced Lifestyle
- Sustainable Environment
- Diverse Economy
- Resilient Infrastructure

How do you have your say?

This is important.

We want feedback from as many people in our community as possible, formal and informal.

Please give us your input through whatever channel is easiest for you, here are some options...

Visit our website

thrivingtogether.co.nz

then fill out the Have Your Say form

Fill out our feedback form on page 27 and send it back to us

Talk to your elected members or staff at the events we have planned

Email your views to
thriving@timdc.govt.nz

Send us a message on facebook
facebook.com/TimaruDC

OR Get creative...

We invite you to submit your answers in any creative form – it could be an essay, a video, a song or even a piece of artwork! The only rule here is that your entry must be able to be delivered to Timaru District Council offices, or emailed to us.

Scan the QR code to go directly to our online submission page

survivetogether

Climate Change – Preparing for the challenge – How much should Council do?

Where are we at?

2017
Canterbury Mayoral Forum set up the Canterbury Climate Change Working Group.

2018
Council became a signatory to the Local Government New Zealand Climate Change Declaration.

2019
Work began on the Canterbury Climate Change Risk Assessment.

2020
Climate Change Response Act 2002 amended to set emission reduction targets for NZ.

2020
Council received an updated Coastal Erosion and Coastal Inundation Assessment to inform us of coastal risks heightened by climate change.

2020
Council undertook first reporting to the Ministry for the Environment on risks and effect of climate change to Council.

2021 on...
What next for Climate Change?

Help us decide.

The challenge

In the Timaru District, climate change will have a variety of impacts; from higher sea levels to more intense rainfall, warmer temperatures and droughts potentially changing what food and crops we can grow. We are already seeing some of these effects through increased frequency of flooding and coastal erosion. Some of these impacts may be positive, (e.g. warmer winters, a longer crop growing season), but other impacts will challenge how we currently live.

We are starting to gather information about the impact of climate change locally to factor into our planning and consider any future action. We recognise we need a much stronger base of information to determine the impact on our communities and Council's assets, and a clear strategy to guide potential solutions. This might involve some hard decisions.

Will we have to retreat from some areas?

Where should we grow?

How will it impact our economy?

What will this cost?

How will we meet our carbon emissions obligations?

There are also increasing legislative requirements on local authorities to report climate change related information such as our planning for impacts, and managing risks.

In the future, it is expected that Council will act and show leadership on climate change. This is, in part driven by the national climate change and zero carbon programme, but also recognises that the effects of climate change will be felt in a very local way. Our local environment, assets and communities will be impacted. We will need to show progress on reducing emissions and to demonstrate steps that are being taken to work with the community, and provide local education on climate change effects, impacts and opportunities for reducing our district's carbon footprint. Working with climate change affected communities to plan for any adaptation or mitigation needed as a result of climate change will also be required.

Scan the QR code to go directly to the website for more information on climate change



"Climate change affects our health, our environment and ultimately, our way of life.

I think Council has a responsibility to lead our community in making changes to turn the tide, reducing emissions where we must, offsetting where we should, and providing clear guidance that supports national and global efforts. The longer we wait, the bigger the job we leave for our children and grandchildren. I'm not ok with that.

We want everyone in our district to be "Thriving Together" and you're as much a part of 'everyone' as we are, so please get involved and tell us what's important to you."

Barbara Gilchrist
Timaru Ward Councillor

What are the options?

OPTION 1
Do the minimum

This option would mean we do not allocate dedicated funding or resource to focus on adapting to climate change, or mitigating the impacts of climate change.

Under this option very little progress will be made on planning for climate change to ensure that our community remains resilient. Council will not be able to respond over the 10 years of the LTP to climate change affected communities, questions and requests for direction and engagement on how to adapt and mitigate the effects of climate change.

$0
Additional on rates

$0
Additional debt

Our preferred option

OPTION 2 Do more

This option allows sufficient funding to dedicate resource to make some progress in the area of climate change.

This would include the development of a Climate Change Strategy within the first three years of the LTP, focusing on:

- **Adaptation:** investing in research to better understand the climate change risks to Council's services and infrastructure, and planning for how Council can respond to these risks.
- **Mitigation:** establishing Council's carbon footprint, and beginning work to reduce emissions from the services we provide our community.
- Work with Iwi and other stakeholders on climate change outcomes.

This option would also provide for a small amount of community engagement, working across the District with communities and businesses to lead and support climate change resilience efforts.

This option will also provide us with enough resource to meet new legislative reporting requirements and to collaborate with the Canterbury Mayoral Forum Climate Change workstream.

$3.6M
Additional new funding (average of $360K per annum) funded by rates.

OPTION 3 Do even more

We could increase the amount of funding dedicated to climate change.

This would allow us to accelerate and increase the work outlined in **Option 2** as below:

- Undertake more modelling of the impacts on specific Council services, and extend this work to at risk communities, looking at options to adapt or mitigate the effects;
- Accelerate the reduction in Council emissions;
- More work with Iwi and stakeholders;
- Actively engage with our community to adapt to climate change, and reduce emissions across the District;
- Dedicate resources to working proactively with climate change affected communities and industries to plan for any adaptation needed.

$5.9M
Additional new funding ($585K per annum), funded by rates

< Note: any funding needed for remedial work on Council's assets or services due to damage caused by climate change will need to be met through existing budgets or unplanned expenditure >



createtogether

Aigantighe Art Gallery Redevelopment – What's the best option?

Where are we at?

1905
Aigantighe house built by Grant family.

1956
Grant family donate Aigantighe house to the people of Timaru and the Aigantighe Art Gallery opened with a collection donated by the Grant family and the South Canterbury Arts Society.

1978 & 1995
Extensions added to Aigantighe House Gallery to cater for growing community needs and expanding art collection.

2017
House Gallery closed following assessment as a very high seismic risk (ie earthquake prone).

2018
Council included $600K in the LTP budget for earthquake strengthening of the House Gallery.

2019-20
Council undertook further investigations into options for strengthening the House Gallery and improving storage and exhibition space for the whole facility.

2020
Council agreed to proceed with the project to strengthen the House Gallery and to consult with the public on options for improving the 1978 and 1995 extensions.

2021 on...
What next for Aigantighe Art Gallery?
Help us decide.

The challenge

Council is considering how best to secure the Aigantighe Art Gallery as the home of art in South Canterbury. This key community facility is in need of upgrading and we want to take the opportunity to plan for a facility that will be used for generations to come.

Currently, the Art Gallery buildings on the Wai-iti Road site include the historic Homestead, known as the House Gallery and the adjoining extensions. Decisions have already been made to earthquake strengthen and restore the historic House Gallery. $3.7M has been included in the budget for 2021/22 and 2022/23 for this project and preparation work is underway.

The redevelopment options we are considering now focus on the adjacent Art Gallery Extension buildings. These buildings include the main gallery space, collection storage, an additional storeroom and the staff offices We have identified some issues with both buildings including:

- A lack of storage and conservation space for the growing art collection;
- Restrictive exhibition space;
- Limited disability access;
- Limited education space;
- Public toilets not meeting current building standards;
- Limited temperature and humidity control;
- Roof strengthening work required.



How much space do we need into the future for our Art Gallery – Is the current footprint sufficient?

Increasingly our community facilities like the Art Gallery, Museum and Libraries are being used as community focal points. At the Aigantighe we currently host small concerts and theatrical performances in the established grounds adjacent to the buildings, and provide school holiday activities with an "art" focus.

When the new Heritage Centre on Stafford Street is completed, it will be the site for large touring exhibitions that we cannot currently host.

If we want to continue or expand the types of activities provided at Aigantighe, as well as having sufficient space to house a growing art collection and to showcase the work of local and visiting artists, we need to provide for this in our redevelopment planning.

"Our collection at Aigantighe is the fifth most valuable in the country, it's important that we do the right thing by the people who've gifted these artworks to the community and maintain them to the highest standards.

Through our shows like Artarama, our young people get the excitement of creating something that goes on display for people to appreciate."

Allan Booth
Timaru Ward Councillor



What are the options?

Our preferred option

OPTION 1 Construct

Construct a new facility on the current site

This option will align with the strengthening of the House Galley and will ensure all our Aigantighe facilities are fit-for-purpose.

Planned to start in 2023/24, this option will see:

- Demolition of the 1978 and 1998 extension.
- Construction of a modern, purpose-built Art Gallery on the existing Wai-iti Road site.
- Links with the historic House Gallery and garden maintained.
- All current storage issues resolved and no need for off-site storage.
- Our art collection protected with temperature and humidity control.
- Greater ability to improve our services with space for educational programmes and exhibitions.
- Improved public amenities and office space.

If we don't demolish the extensions, we have a couple of other options, both including the need for off-site storage. We will need to undertake further investigations to determine the best off-site storage option and final costs.

$9.9M Debt funded

Council will seek funding assistance through grants and donations for this option. Any funding assistance received will reduce the amount Council needs to borrow for this project.

$2.9M

Additional operating costs from 2023/24 (Year 3) to 2030-31 (Year 10) funded by rates.*

*These include interest, depreciation and other costs (e.g. additional staff).

OPTION 2 Maintain

Maintain current buildings and develop off-site storage

This option will resolve our storage issues, but our other challenges with the current buildings will largely remain.

Current Buildings

- Short term solution given the condition of these buildings and their expected lifespan of 8-10 years
- Some remedial work on roof and strengthening will still be required
- Public toilets will remain under code
- Lack of temperature and humidity control will remain a challenge.

Off-site storage options

- Purpose built collection storage facility – $2.5-3M
- Off-site lease – $850-$950K including fit out for art storage
- Retro-fit an existing Council building – $800-900K including fit-out for art storage.

$850K–$3.3M

Debt funded

Council will seek funding assistance through grants and donations for this option. Any funding assistance received will reduce the amount Council needs to borrow for this project.

$1.6M

Estimated additional operating costs from 2023/24 (Year 3) to 2030/31 (Year 10) funded by rates. These costs relate to the ongoing maintenance required for the existing buildings, interest and depreciation for the off-site storage.

OPTION 3 Partial refurbishment

Partial refurbishment of current buildings and develop off-site storage.

This option will provide a limited upgrade of the public amenities and workspaces; and will resolve the current storage issues. This option will not address the limited exhibition space in the current buildings.

Current Buildings

- Upgrade public toilets to bring them up to code
- Refresh some workspaces
- Upgrade ventilation system
- Undertake strengthening work and roof upgrade
- There will be no upgrade or extension to the exhibition space.

Off-site storage options

These options are the same as in Option 1 above.

$1.8–$2.2M

For refurbishment

+ $850K–$3M

For off-site storage, debt funded.

Council will seek funding assistance through grants and donations for this option. Any funding assistance received will reduce the amount Council needs to borrow for this project.

$2.4M

Estimated additional operating costs from 2023/24 (Year 3) to 2030/31 (Year 10) funded by rates. The increased operating costs relate to the maintenance required to existing buildings, interest and depreciation for the offsite storage.

Council would also like feedback on a 4th option, the construction of a completely new Art Gallery. At this stage we have not undertaken any investigations into the costs of this option.

OPTION 4 New gallery

Construct a new Art Gallery on a site near the Theatre Royal/Heritage Hub including spaces for education, creativity, collection storage and exhibition space.

- This would place a new purpose-built Art Gallery closer to the cultural and heritage hub at the south end of Stafford Street
- The historic House Gallery would continue to be earthquake strengthened and would remain open as a public facility
- There would be no need for a separate off site storage facility.

$11.2–$14.7M

Debt funded

Council will seek funding assistance through grants and donations for this option. Any funding assistance received will reduce the amount Council needs to borrow for this project.

$4.4M

Estimated additional operating costs from 2023/24 (Year 3) to 2030/31 (Year 10) funded by rates.

Increased operating costs relating to the running of a separate Art Gallery including staff costs, maintenance, interest and depreciation.

Scan the QR code to go directly to the website for more information on Aigantighe Gallery

playtogether

Developing Aorangi Park and the Stadium – When should we do this?

Where are we at?

1950s
Aorangi Park established.

1970-80s
Majority of sports facility development occurred at Aorangi Park.

1973
Stadium built, for a cost of $282K.

1997
Major redevelopment of Stadium.

2008
Council develops Aorangi Master Plan to guide future development of the Park.

2018
South Canterbury Spaces and Places Strategy recommends review of Master Plan.

2020
Aorangi Park Master Plan reviewed.

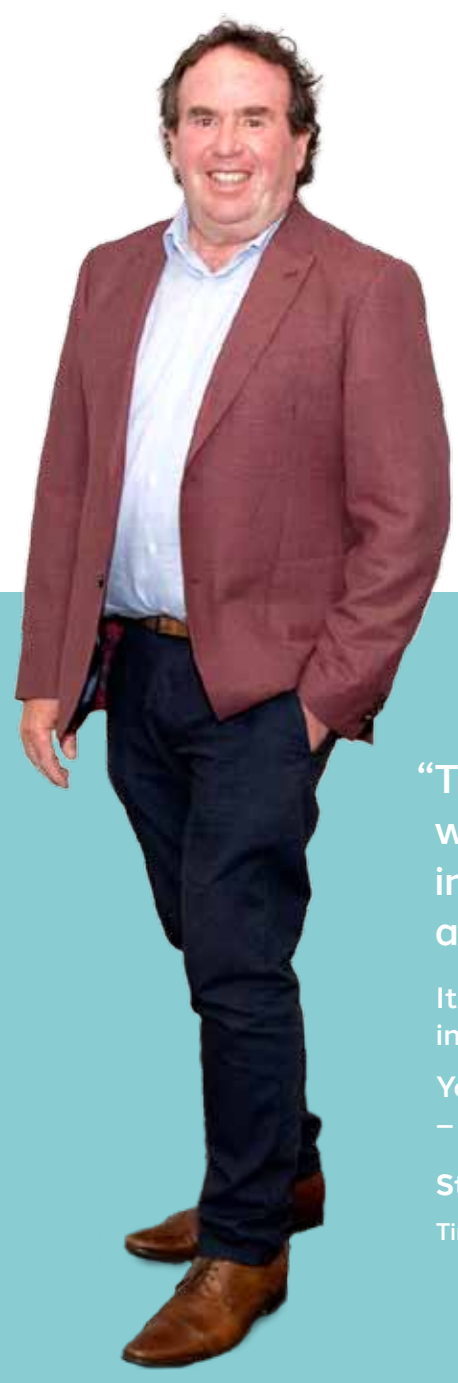
2021 on...
What next for Aorangi Park?
Help us decide.

The challenges

Aorangi Park is recognised as a locally and regionally significant sports hub. It is the home of several regional facilities for sports, including netball, basketball, volleyball, hockey and cricket. It is also a well utilised neighbourhood park. The Stadium (Southern Trust Event Centre) is the beating heart of the park.

The review of the Aorangi Park Master Plan, following consultation with key stakeholders, has identified a number of key considerations and challenges, including:

- During traditional peak times (after school and evenings), the Stadium is often at full capacity, particularly for basketball, and its use for sporting competitions could be interrupted for events
- The desire for Netball South Canterbury to deliver its full senior competition indoors
- The need to replace the hockey turf (located west of the Stadium) within the next three years
- Requirements for pavilion facilities for cricket
- Poor quality training fields and lighting for football



Moving forward

The revised Master Plan, adopted by Council in February, envisages the next 25 years for the Park and recommends six key facility developments.

Stage 1

1. Indoor court extension
2. Development of a 'Sports House' model for shared space within the Stadium
3. Re-location of the western hockey turf (to allow for court extension)

Stage 2

4. Realignment of netball courts (with provision for future canopy cover for two to four courts)
5. Increase in quality for football fields
6. Reconfiguration of Aorangi Pavilion to a multi-purpose clubroom

In adopting the Master Plan, Council has committed to addressing all challenges identified, and undertaking both Stage 1 and Stage 2 over the next 25 years.

The Master Plan is necessarily high level, and has provided an outline of what we are trying to achieve at Aorangi Park. Comprehensive planning is now needed for what the facilities will look and feel like and a business case for how Council, and other users will operate at the facilities.

Council is keen to address the current challenges at Aorangi Park. We cannot wait 25 years to ensure that we have quality, fit-for-purpose recreational facilities for our community. But we recognise this is a large and costly project. We are seeking your views on when the development of Aorangi Park is best undertaken.

Council has received some rough order costs to undertake Stage One of the Master Plan.

"The development of the Aorangi Park Stadium will deliver a sports and recreation space more in tune with what the community needs and allow for growth over the next 25 years.

It will mean more regional and national events can be held in the District, helping our economy.

Your views are important to help focus Council's thinking – you might have better ideas!"

Stu Piddington

Timaru Ward Councillor

What are the options?

Our preferred option

OPTION 1 **Start 2024**

Undertake development in 2024-26 (Years 4-6 of the LTP)

Detailed planning will begin in 2023/24 with the goal of beginning construction in 2024/25 and completing the development in 2026/27

This development would include:

- A proposed 3 court extension to the stadium
- Addition of a Sports House within the Stadium to accommodate current and future users of the Event Centre.
- Relocation of the western hockey turf
- Road, carpark and public outdoor space reconfiguration.

$23.4M

Estimated cost debt funded

$4.3M

Estimated additional $4.3M operating cost from 2024/25 (Year 4) to 2030-31 (Year 10) funded by rates.*

*Operating costs cover interest and depreciation only. Additional marginal operating costs (e.g. staffing, electricity) from operating a larger facility are not included and are expected to be covered by increased revenue from fees/hireage.

OPTION 2 **Delay 10+**

Delay the development 10+ years

This option would mean that Stage One of the Aorangi Master Plan, including the court extension to the Stadium, would not be undertaken in the next ten years.

This option would not resolve the issues identified in the Master Plan, including the current capacity issues at the Stadium.

The renewal of the hockey turf in the existing location within the next three years may limit future development options for the Stadium.

$0

Additional debt

$0

Additional on rates

OPTION 3 **Start 2023**

Undertake the development in 2023-25 (Years 3-5 of the LTP)

This option would see us fast-track the development of Aorangi Park and the Stadium, moving construction forward to 2023/24-2024/25.

This option would see the capacity issues at the stadium resolved sooner.

This time frame would be challenging and Council would need to employ additional staff to manage the project. It would also reduce planning and consultation timeframes, and would bring Council very close to our debt limit.

$23.4M

Estimated cost debt funded

$5.9M

Estimated additional operating costs from 2022/23 (Year 2) to 2030/31 (Year 10) funded by rates.*
The additional costs for this option include project management to accelerate the delivery of this project.

*Operating costs cover interest, depreciation and additional project management resources only. Additional marginal operating costs (e.g. staffing, electricity) from operating a larger facility are not included and are expected to be covered by increased revenue from fees/hireage.



Scan the QR code to go directly to the website for more information on Aorangi Park and the Stadium

gathertogether

A vibrant Timaru City Hub – What is Council's role in the regeneration?

Where are we at?

2015-2018
Previous LTPs identified a need for Council to support the regeneration of our District Town Centres. We included $680,000 in the budget for CBD upgrades.

2018-2020
We have done a fair bit of work on refreshing the town centres – included roading, footpath, seating, bins and signage upgrades for Geraldine, Pleasant Point, Temuka and Timaru.

2019
Council started work on a City Hub Strategy.

2019-2020
Engagement including business owners, investors, tenants and stakeholders passionate about the Timaru City Hub regeneration.

2020
COVID-19 struck! and brought huge challenges for our retail and hospitality sectors.

2020
Wider community engagement, "Buy Local" Initiative established for COVID-19 recovery to support South Canterbury businesses.

2021 on...
What next for Timaru City Hub?
Help us decide.

The opportunity

This proposed regeneration has the potential to impact our community across all four well-beings (social, economic, cultural and environmental) by improving the inner-city user experience including retail options, eateries, spaces to gather, places to live, events and entertainment, and improved community connection.

We've received a lot of really interesting feedback and ideas from the immediate CBD community. Now it's time for the District to think about what is the right scope, scale and timing to get things moving in the Timaru CBD, and what role the Council should play in making it happen.

Our challenge and opportunity

2020 raised community awareness of the economic challenges faced by the retail and hospitality industries. However, COVID-19 is only one piece of the puzzle. Other challenges – such as trends in online shopping, building earthquake standards and rising operating costs – have and will continue to put pressure on town centres throughout New Zealand.

Our vision is to recreate a vibrant and sustainable city centre that will meet the diverse needs of our residents for the next 30 – 50 years. This vision will embrace Caroline Bay and the Carnival, the Bay Hill, Stafford Street, the Landing Services Building, Te Ana Rock Art Museum, the new South Stafford Street Heritage Precinct and everything in between.

We already have a seaside inner city rich in heritage and culture. How can we build on what we have in ways that provide more of what our residents and visitors want from their inner-city area and lifestyle?

What's planned?

We have a vision for a living, working and vibrant inner-city area with a strong identity that links Caroline Bay through to the new Heritage Hub at the south end of Stafford Street, creating points of interest along the way.

In the short term we anticipate small-scale changes, such as more pedestrian friendly areas or gathering spaces. In the longer term we want to help refocus the area from a largely transactional retail and hospitality precinct to a more holistic living, working and gathering place.

We will continue to engage with residents and visitors to distil and to implement specific projects which will create a real lifestyle and cultural destination. These projects could include:

- a mix of public spaces;
- "greening" the city;
- anchor "destination locations" such as a unique playground;
- great public art;
- narratives about our history;
- improvements to the nature and frequency of community events, festivals and markets;
- opportunities for more people to live where they work and play in the revitalised city centre

Who are the players?

We believe that the changes Council can lead will support a more positive investment climate for necessary building improvements to help create a vibrant, sustainable city centre that looks and feels like the heart of our thriving District.

However, while Council has a role to play with planning and infrastructure, this sort of change depends on community support, and leadership and investment from the private sector.



"Please share your ideas on how we can future proof our CBD.

How can we ensure vitality? Improve linkage to Caroline Bay and our port? Should we have more green spaces? Cars in or cars out?

This is an open canvas, share your vision with us."

Sally Parker
Timaru Ward Councillor

Scan the QR code to go directly to the website for more information on Timaru City Hub

What are the options?

Our preferred option

OPTION 1 Facilitate

Council has a facilitation role in the Timaru City Centre Regeneration

Council's role would include:

- Encouraging community and private sector investment
- Minor roading changes, such as wider footpaths and/or changes to parking to create improved public gathering space
- Some beautification, maintenance, and support for small scale activities to create a vibe in the city centre such as upgraded lighting and a refresh of the green spaces.

This option provides a short-term cosmetic refresh to the city centre but no significant infrastructure or public space changes. Under this option the benefits of this strategy are expected to take 20 years to be fully realised and will require significant investment from external parties.

$8.5M
Debt funded

$4M
Additional operating costs from 2022/23 (Year 2) to 2030/31 (Year 10) funded by rates. These costs relate to interest, depreciation and other costs.
There is a need for greater private investment for this option to succeed

OPTION 2 Enable

Council has an enabling role in the Timaru City Centre Regeneration

Council's role would include:

- Leading a significant works programme (with the community and private sector) to change the look and feel of inner-city public spaces to improve inner city lifestyles
- Assisting with the creation of focal points and public gathering places around the George Street/ Bay Hill area and at Strathallan Corner
- Supporting the scaling up of existing events such as the Caroline Bay Carnival and Food Festivals to regional level events

This option requires Council investment in changes to public spaces, art and culture features, and improved linkages from Caroline Bay and through the city centre. While more expensive to implement, the benefits will be sustainable and enduring. Under this option benefits of this strategy are expected to take 15+ years to be fully realised. A further $10M of work is planned for 2031-41.

$31.9M Debt funded

$15.2M
Additional operating costs from 2022/23 (Year 2) to 2030/31 (Year 10) funded by rates. These costs relate to interest, depreciation and other costs.

OPTION 3 Transform

Council has a transformation role in the Timaru City Centre Regeneration

Council's role would include:

- Leading the works programme identified in Option 2 but with a greater scope requiring additional investment.
- Potential property acquisitions and partnerships with private investors to create a new heart at Strathallan Corner
- Changed transport patterns in Stafford Street, such as one way traffic and pedestrianising some streets
- Improved infrastructure so that local, regional and national events could be hosted in the CBD

This option provides the opportunity for the most significant change, but requires considerable commitment and investment from Council and the private sector. Under this option benefits of this strategy are expected to take 10+ years to be fully realised.

$85M Debt funded

$40.5M
Additional operating costs from 2022/23 (Year 2) to 2030/31 (Year 10). These costs relate to interest, depreciation and other costs.

What we've heard from the community and stakeholders so far

Ideas have been collected from a core group of CBD stakeholders. Local ideas have focused on the parking, accessibility, experience, facilities and vibrancy.



Keeping the

Roading and Footpaths, Waste Minimisation, Sewer, Stormwater and Water Supply (together called the Three Waters)

Infrastructure Strategy

Infrastructure is a critical part of what Council delivers to the community. It is essential to our District's economy, businesses and every individual who uses it. As part of this LTP we've reviewed our Infrastructure Strategy, which outlines the coming challenges and big decisions associated with our infrastructure. This Strategy covers the big five – Roading and Footpaths, Waste Minimisation, Sewer, Stormwater and Water Supply (together called the Three Waters). Refer to page 17 for our funding approach for the first ten years.

"As a Council we have a duty to ensure that the District's infrastructure is well maintained and reliable, and that our residents can use it with confidence.

We should all have a say in what happens in our district and what we spend our rates on."

Paddy O'Reilly
Pleasant Point – Temuka Ward Councillor



Key Issues for our Infrastructure

The following summarises the key issues facing the big five and how we're looking to address these, including some decisions, both current and future that might be required.

Ageing Infrastructure

Unfortunately, nothing lasts forever! Some of our infrastructure is brand new, while some has been in the ground for decades.

Council aims to ensure that assets are replaced at the best possible time. We have good information about many assets and their expected lives. However, many assets are ageing and will need replacement over the next 30 years. And sometimes assets fail unexpectedly. There are also 'bulges' of infrastructure work that need to occur (e.g. a lot of bridges were built in the 1940s and 1960s, which means replacement will occur around the same time). This is mainly an issue for Roading and Footpaths and the Three Waters.

How this will be addressed

- A continued programme of work to replace ageing infrastructure to maintain services provided to communities
- Regular monitoring and condition assessment of infrastructure (e.g. putting cameras down pipes to determine their condition)

Big decisions needed

- Best strategy for the renewal of the future bridge renewal 'bulge', increasing from Year 10.

Standards and Compliance

Delivering services provided by Council infrastructure must meet a multitude of standards, rules and consents, like any other industry.

Examples include meeting standards for providing safe drinking water and meeting conditions for disposal of sewerage or for methane gas emissions from Redruth landfill. All of the big five are subject to these standards and rules, and they are critically important. They help contribute to a healthier environment, safer community and resilient infrastructure.

Council does not have a choice in meeting the conditions of any consents, and must renew consents before they run out, which can often lead to stricter conditions being applied from legislation, regional plans, new resource consent conditions and community expectations for how these services are delivered. This means additional cost, such as more people to monitor how well we are doing, or to build these assets to a higher standard.

How this will be addressed

- Meeting standards through building new or upgraded infrastructure (e.g. Upgrading water treatment plants and processes, Landfill gas management)
- Renewal of existing consents (e.g. wastewater discharge consent)
- Meeting new consent conditions
- Ongoing monitoring of our success in meetings rules or standards

Big decisions needed

- Level of expenditure on upgrading key infrastructure to meet standards
- Renewal of major resource consents

Scan the QR code to go directly to the website for more information on our Infrastructure Strategy

Big 5 working

Climate change and infrastructure resilience

Climate change will impact our infrastructure in a variety of ways.

While we don't know the full extent of the impact yet, initial research and work is giving some clear indications. Effects could include the need to better protect key infrastructure from coastal inundation and sea level rise, building better water treatment capacity or approaches to mitigate the risk of flooding exposing closed landfills. We will likely have to respond in three ways – improve the resilience of our existing key assets, consider new ways of addressing issues and meet our broader climate change obligations.

How this will be addressed

- Ongoing research and risk assessment, depending on the level of Council investment
- Improving the capacity of existing services provided through existing infrastructure (e.g. better water treatment of turbid (ie silt-laden) water
- Use of technology and new solutions
- Installation of new technology to meet climate change obligations (e.g. landfill gas management)

Big decisions needed

- Level of investment in climate change
- Closed landfills strategy

Meeting the impact of growth

When planning for future infrastructure, we need to consider how growth might impact.

Growth can come in many forms, including changes in population or the number of households, economic growth leading to increases in demand for Council services or growth stemming from particular factors (e.g. an increase in heavy traffic). While Timaru District hasn't experienced the exponential growth of other locations (e.g. Selwyn District), growth has always been fairly steady, and we need to ensure we respond and prepare where needed.

Particular growth pressures are being experienced in certain areas such as roading, with increased pressure from heavy traffic (i.e. trucks and farm machinery on the roads). Increases in landfill waste have stemmed from strong district economic growth and increased recycling contamination through the COVID-19 period. While there is plenty of water available now, we need to maximise its availability to meet future demand and address the potential effects of climate change.

How this will be addressed

- Increasing level of investment on infrastructure where growth pressures are occurring or emerging (e.g. increased expenditure on strengthening and resurfacing roads and bridge replacements)
- Implementing measures to manage demand (e.g. water metering)
- Increasing investment in water treatment for urban Timaru to enable any water quantity or quality issues are addressed
- Monitoring growth needs and pressure points

Big decisions needed

- Ongoing level of investment to address growth issues
- Replacement for Redruth Landfill (depending on remaining landfill life between 2041-46) at an estimated cost of $55M)
- Approaches to improving our water resilience (e.g. water metering, water treatment upgrades)

Matching community expectations

Much of what we are discussing is about matching community expectations.

We want smooth and safe roads and footpaths, potable water to drink and good facilities. We also want certainty that our actions don't harm the environment and that ultimately environmental outcomes are improving. We also want a great place to live, with a healthy economy that promotes good business opportunities. The challenge faced by Council is how to meet all these expectations and ensure our infrastructure is up to speed, all within a reasonable and affordable cost.

A lot of this is business as usual, replacing and upgrading assets as needed. Sometimes, projects require a significant investment over an extended timeframe, such as that promoted through the City Hub.

How this will be addressed

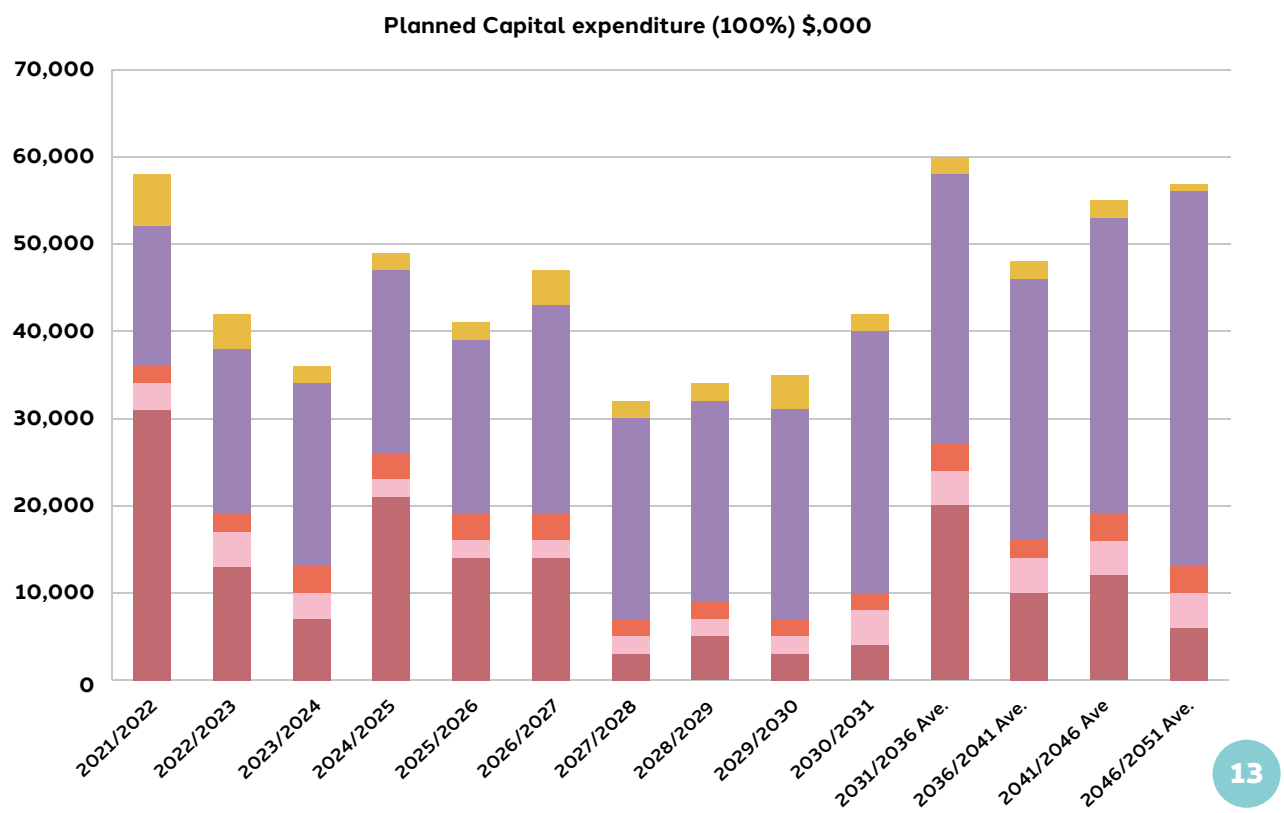
- Ongoing renewal and upgrading programme for infrastructure
- Increases in footpath maintenance
- City Hub Strategy implementation

Big decisions needed

- Level of City Hub investment and Council role

The Infrastructure Strategy includes more detail on the big five, the challenges they face and potential future solutions. Over the next thirty years, we anticipate spending over $1.529B on projects like those listed above.

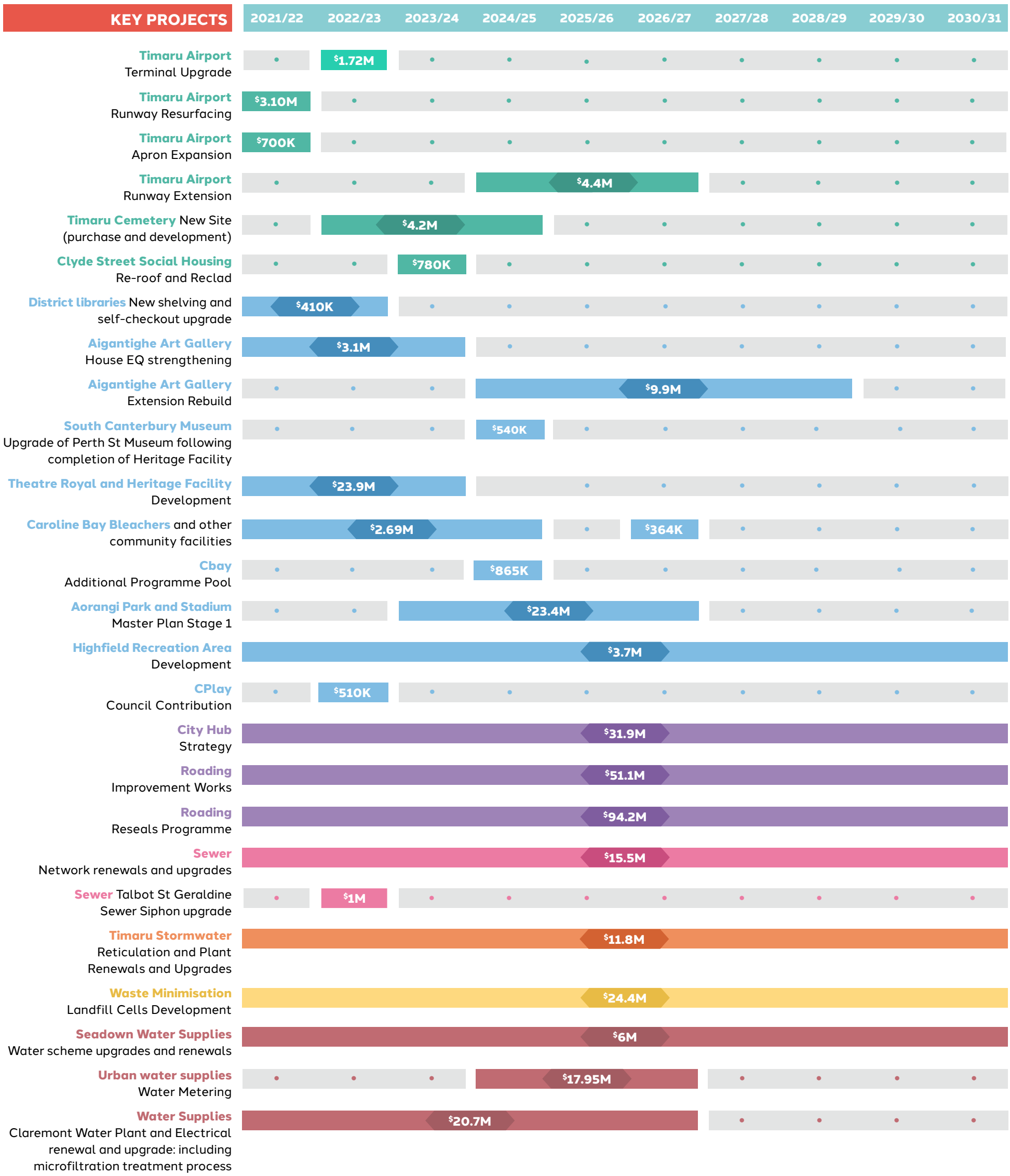
The graph gives an overview of this expenditure on the big five over the next 30 years.



What's ahead? KEY PROJECTS 2021-2031

A summary of some of the key projects we have planned over the next 10 years.

You can find more detail in the LTP Supporting Information at **thrivingtogether.co.nz**



Note: As outlined on page 22 of this document, it is assumed Council will achieve 90% of its planned annual capital works programme in any 12 month period and across the ten year LTP. The above diagram shows selected projects, their full cost and expected years of delivery. External risks associated with the work programme such as consenting, stakeholder engagement or design issues and construction sector capacity may impact those key projects and therefore, the timing for delivery may expand beyond the planned timeframe.











Timaru Airport

Things are taking off at the airport, so we have budgeted $3.1M to resurface the airport runway in Year One, and another $4.4M in Years 4-6 to extend the runway to accommodate larger planes

Highfield Recreation Area

In 2020 we asked for your thoughts on how this area should be redeveloped – a park, a park and golf course, a park and some residential subdivision. We're now working through the best options and $3.7M has been budgeted over the next 10 years for this redevelopment

"Council has planned an ambitious capital work programme over the next ten years.

This investment is in core infrastructure renewals, like water and sewer pipes, roading, footpaths, landfills, and some of our key community facilities.

None of this work is going to get any cheaper – now's the time, let's get on with it."

Gavin Oliver
Geraldine Ward Councillor



Balancing the

Financial strategy

Our Financial Strategy for the 2021-31 LTP will leverage our strong financial position to meet the challenges we face over the next ten years, to continue to maintain current levels of service; enhance our community facilities; and regenerate the Timaru CBD.

This is a step change for our Financial Strategy and will mean an increase in both debt and rates, but in getting the balance right we can achieve our goals of:

- Maintaining long-term financial resilience;
- Providing high-quality infrastructure and facilities;
- Ensuring our services are affordable and meet the wellbeing needs of our community.

Thriving Together

Council's Financial Strategy for the next ten years is to ensure we have the financial ability to:

- Meet the social, cultural, environmental and economic wellbeing needs of our communities, now and into the future;
- Maintain current levels of service across the core infrastructure services of roading and footpaths; drinking water; stormwater; sewage; and waste management;
- Provide for the future economic wellbeing of our District by ensuring long-term water supply resilience;
- Undertake an ambitious capital work programme across our community infrastructure to provide high quality, fit-for-purpose community facilities and regenerated CBD;
- Ensure Council has the resources to plan effectively for future environmental, legislative, and societal challenges; and
- Deliver all of this in a way that is affordable and fair to current and future communities.

Our Strategy responds to the challenges Council and our District is facing including:

- Ageing infrastructure, requiring a large capital renewal programme;
- Increasing operating costs for our activities across the board;
- Increasing regulatory requirements and community expectations;
- The need to maintain infrastructure and services that are resilient to natural disasters and the impacts of climate change;
- Uncertainty around the Government's Three Waters Reform Programme; and
- A reduced dividend from Council's shares (held by TDHL) in Alpine Energy.

Scan the QR code to go directly to the website for more information on our Financial Strategy

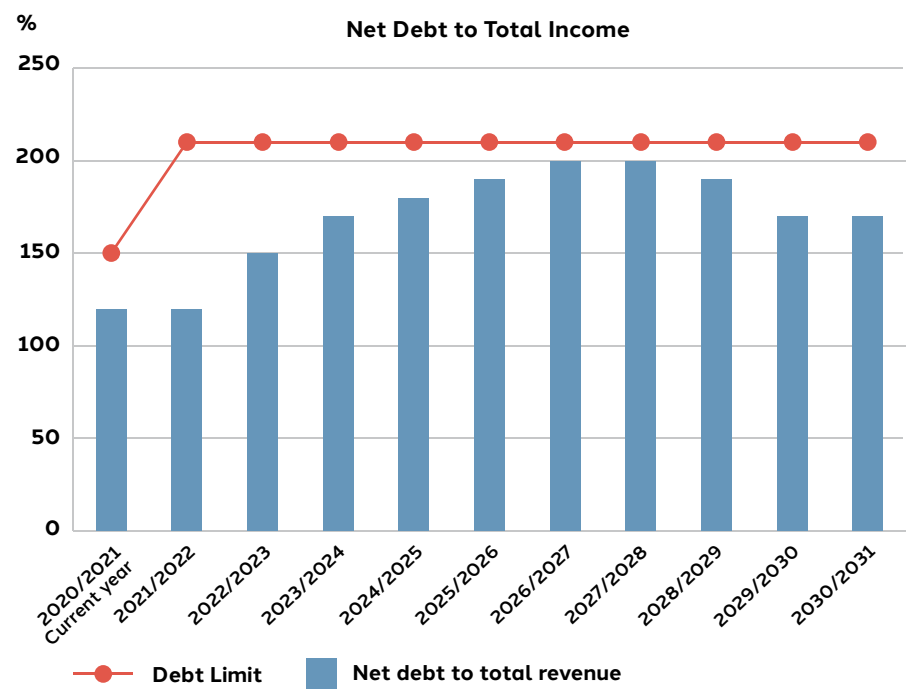
Debt

Our large capital works programme means that our debt will increase from $120M to $279M across the life of the Plan.

As a result, we have to lift our debt limit. This is a change from our previous strategies where our debt limit was set at 150% of revenue, but Council believes lifting the debt limit is essential to the delivery of our Plan and to meet our community wellbeing outcomes. Using our debt wisely also ensures that future users of new and upgraded assets will contribute appropriately.

While we have a maximum debt level of 280% of operating revenue, our Strategy sets a limit of normal operating debt at, or below, 210%. These debt limits are supported by Council's strong credit rating.

By limiting our debt in this way, we are ensuring that there is still capacity to borrow in an unforeseen event (e.g. a significant natural disaster). We also know from our 30-year Infrastructure Strategy that beyond this LTP there is still significant investment required in aging infrastructure, and upgrades and replacements to community facilities (e.g CBay and the Timaru Library). This debt limit will allow headroom for the future interests of the Timaru District and give future Councils the ability to make decisions about what is important to their community.



A step-change

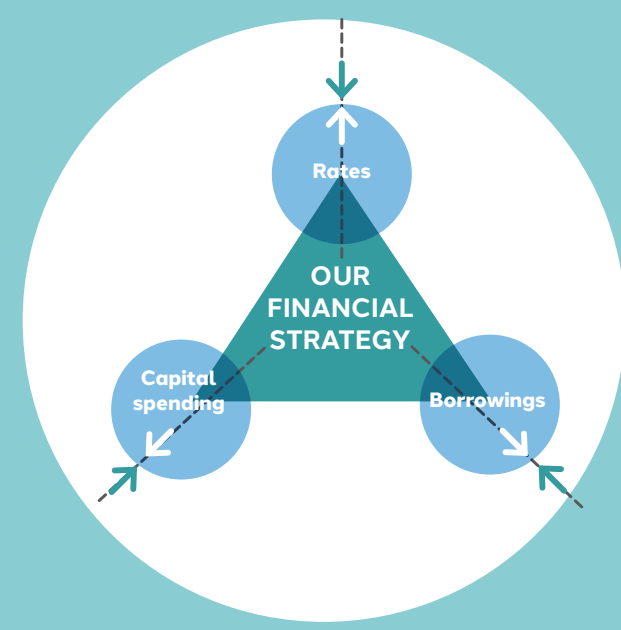
For the past two LTPs Council has taken a conservative, business as usual approach to the Financial Strategy.

This approach has placed Council in a strong financial position with relatively low debt. But we also recognise that we have not rated to the full extent planned for in these previous LTPs. In 2020/21, for example, Council decided to reduce the total amount of rates collected by $2.99M, recognising the impact of COVID-19 on our community.

This is where the step change comes in...

We recognise that to continue to meet levels of service we have agreed with our community, to improve our community infrastructure (specifically the Theatre Royal and Heritage Hub, Aigantighe Art Gallery and Aorangi Park) and meet other additional demands, we need to increase our debt, and increase our rates revenue. We will balance this step change with financial prudence, and ensure fairness between current and future ratepayers.

Recognising the risks of delivery of large number of complex projects, Council is making an assumption that it will fund and deliver 90% of its planned capital work over the life of the plan.



budget

The financial balancing act

We need to ensure that operational costs – from paying the power bill, to paying our staff – are covered by operational revenue, such as rates, fees and charges.

This is called a 'Balanced Budget'. If we can't achieve this, we have to borrow to cover these costs. This means that current ratepayers are not paying the full share, and future ratepayers will have to meet those costs, and the interest. We don't believe this is fair, prudent, or sustainable.

These everyday operating costs are increasing due to a range of factors including:

- Increasing staff costs to meet the evolving demands of local government;
- Increasing the amount we fund to replace our infrastructure assets, like roads and water networks (also referred to as funding depreciation); and
- Increased operating expenses due to inflation, the cost of carbon credits, and higher compliance standards in areas like water and sewer.

Throughout the life of this plan, Council will continue to look for ways to control expenditure and ensure efficiency across all our services.

Growth and Land Use Changes

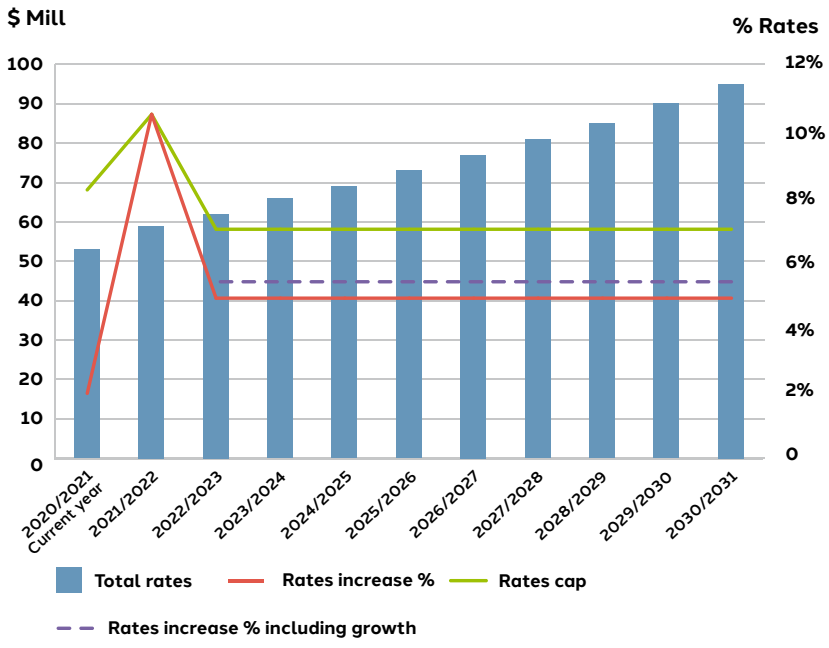
Population and household growth in the Timaru District is relatively steady.

We are projecting a 0.7% annual population growth and an increase of 2,267 households over the next ten years. We have factored the rates contribution of this growth into our forecast rates increases.

Rates

Council has set a rate increase limit of 10.5% in 2021/22 and 7% in the following years.

While we don't plan to reach this limit, and are forecasting that the increase will remain at 4.9% from 2022/23 onwards, it does allow some flexibility if inflation-related costs change across the life of the plan. The graph below shows the total rate increases and the rate increase limit across the ten years.



The average rates increase for 2021/22 is higher than in previous years, and also in the later years of the plan, and this reflects the step-change in our Financial Strategy and Long Term Plan. We recognise that we need to fully fund our operating costs if Council is to continue to deliver our services to a high standard, to maintain and renew our existing core infrastructure, and to invest in our community facilities.

These rates increases also form part of the balancing act. If we were to collect less rates it would reduce how much we can borrow, remembering how much we can borrow is a ratio of how much revenue we collect. This would mean that some of the projects we have planned would need to be deferred, redesigned or not completed.

Capital Spending

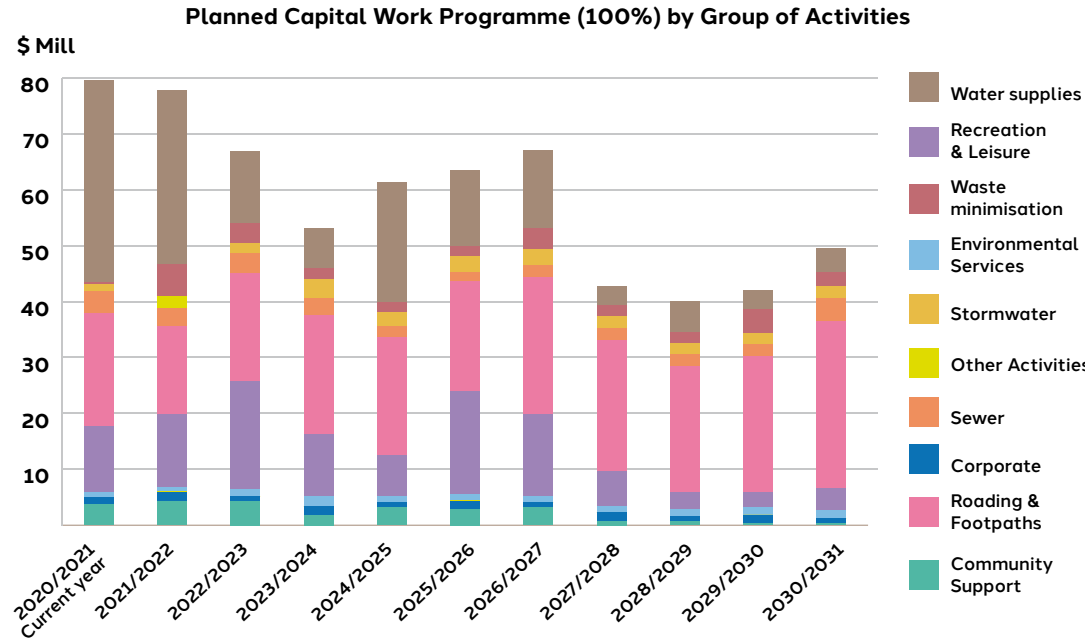
Council has planned a capital works programme of $566 million over the next ten years.

All project costs shown within this document are the full estimated projects cost, including inflation.

This is a significant increase on prior LTPs. The majority of this investment is in core infrastructure renewals and upgrades, like water and sewer pipes, roads and footpaths, and our landfill, and will ensure Council can continue to maintain and improve our levels of service, based on its Activity Management Plans

Council also recognises how important our community facilities, like the Aigantighe Art Gallery, the Theatre Royal and South Canterbury Museum, and Aorangi Stadium, are to supporting community wellbeing. This Strategy enables Council to fund the upgrades and development of these facilities over the next ten years, and enhance the lifestyles of our communities. The graph below shows how our Planned capital expenditure (100%) across our groups of activities.

Planned Capital Work Programme (100%) by Group of Activities



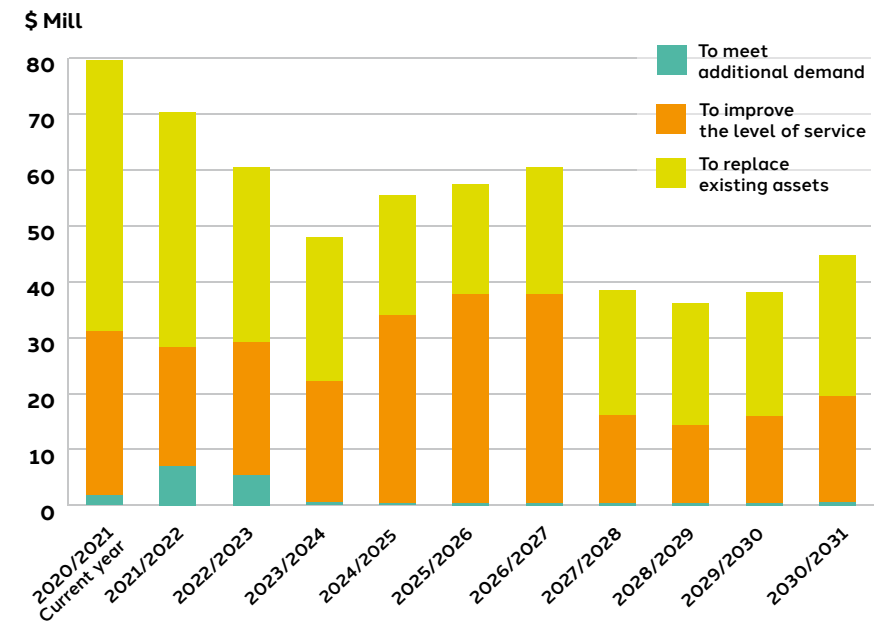
90% Delivery Assumption

The planned capital work programme is an ambitious work programme. A critical element to help deliver this programme is the change in our delivery model. The 'head start' project initiative is a change from the 'do it all in one year' as has been past practice. For example, we are awarding construction work contracts over multiple years and designing projects and awarding construction work contracts in the previous financial year for immediate start in the year allocated.

Despite this we recognise that risks outside of Council's control can impact on our ability to deliver some projects, regardless of the size of our capital work programme. For example, this includes the availability of contractors, disruption to supply chains, legislative change, resource consent delays and further project investigations that expose unknown issues. To reflect those external risks, it is assumed that Council will deliver and fund 90% of its planned capital works programme in any 12-month period and over the 10 year plan period (see Page 22). Council believes it is not fair to rate for more than it reasonably expects to deliver. Projects planned but not delivered in any one year are deferred to future years or re-prioritised (e.g. where an asset like a bridge is going to last longer or new technology provides a better solution), potentially beyond this LTP period.

The graph below shows how much we expect to spend on replacing assets, improving levels of service, and meeting additional demand, based on the 90% delivery assumption. As demonstrated in our Activity Management Plans, our assets are being enhanced over the 10-year period, which enables the levels of service to be maintained at 90% expected delivery.

Capital Expenditure Expected Delivery (90%)



However, the emergence of something like COVID-19 has taught us that the best laid plans can change in an instant. In the event our capital delivery programme is disrupted, we will continue to maintain existing levels of service. However, there may be circumstances where projects need to be deferred or re-prioritised. You can read more on the challenge of uncertainty for delivery of our capital work programme on page 22 and in our LTP Assumptions.

What's happening

This document is based on an overall increase of 10.5% in the amount of money Council collects in rates. This does not mean every property will get that increase.

Some will pay more, others less.

Your 2021/22 rates bill will change based on five factors:

1. **The Land Value of your property and how this has changed in the latest revaluation**
2. **The property category you belong to** (e.g. residential, primary, commercial)
3. **The services you receive** (e.g. water supply, waste minimisation)
4. **Where you live in the district** (e.g. Timaru, Geraldine)
5. **Changes in Council's budget and how this is funded** (including how the 4 factors listed above impact on this)

So what changes are proposed for rates?

The biggest proposed change is to the General Rate.

This rate is used to fund a lot of services that benefit the community generally such as maintaining parks and roading. This is charged based on the land value of your property and adjusted through differentials.

The overall General Rate is proposed to increase from $17.7M to $21.1M or by about $4.4M, to cover:

- Increased expenditure on Roading – Impact: approx. $1.5M
- A reduction in what we receive from dividends (i.e. Alpine Energy – previously used to subsidise rates) – Impact: approx. $1M
- A change in how we pay for footpaths expenditure (see our Revenue and Financing Policy change) – Impact: approx. $500,000
- Other increases to the cost of running Council (e.g. minimum wage increases, new positions, increase in carbon credits) or changes to funding of Council services – Impact: approx. $1.4M

Other rates

Other rates are also proposed to change under the plan.

- Uniform Annual General Charge (UAGC) – this is a flat charge that all ratepayers pay covering a bucket of Council Services that benefit the community. Under the Plan this is proposed to increase to $863.
- Community Services Works and Services rate – this will reduce due to the Footpath funding change, as detailed on page 24 and on our website.
- Targeted Rates changes – these are specific rates applied to particular services (e.g. Water Supply, Sewer and Waste Minimisation), and apply where an individual property gets this service. These will increase under the Plan for Water Supply, but reduce for Sewer and Waste Minimisation.

Scan the QR code to go directly to the website for more information on rates

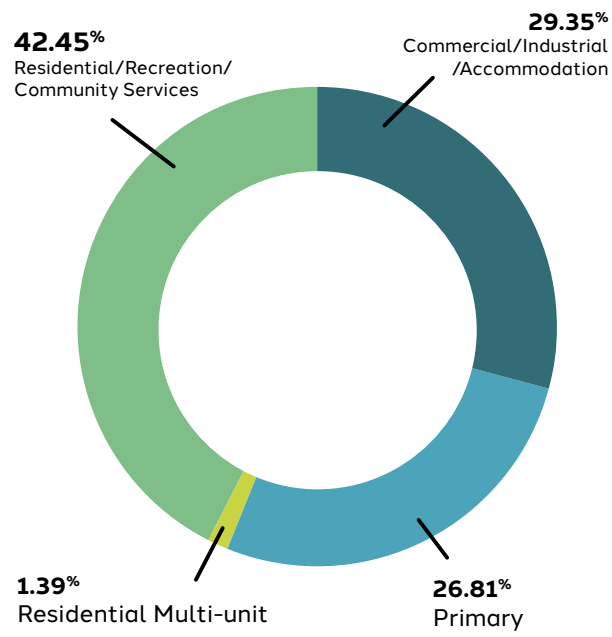
to your rates?

What are Differentials and how do they impact?

Differentials are used to fairly allocate the overall General Rate to different property categories. Council's policy is to ensure each broad property category (e.g. residential) pays about the same overall proportion of the General Rate every time a property revaluation occurs. The Council believes the current split of the General rate 'pie' is fair (see the pie graph).

Every three years, district properties are revalued by Quotable Value NZ. Depending on the overall results of the District revaluation this can affect how much a property will pay towards the General Rate.

While each individual property will be different, the three yearly revaluation has meant changes in the overall value of property categories (e.g. residential).



For example, under the 2020 revaluation rural properties have generally declined in value, while residential properties have increased in value.

To reflect the current Differential split, Council needs to adjust the differentials and is proposing to again do this for this LTP (see the table).

	Differential (Current)	Differential (Proposed)	% General rate Pie
Commercial/ Industrial/ Accommodation	4.00	4.35	29.35%
Primary	0.50	0.67	26.81%
Residential Multi-Unit	2.00	1.93	1.39%
Residential/ Recreation/ Community Services	1.00	1.00	42.45%

So how does all this impact your rates?

Rates are complex, and every ratepayer is different. Due to the factors listed above, it is difficult to make a meaningful comparison with previous years. Below are some examples of proposed rates that would apply if our Long Term Plan went through unchanged, taking in to account the new property revaluations.

RESIDENTIAL

Geraldine			
Land Value (2017)	$122,500	$152,500	$182,500
Total Rates 2020/21	$2,309	$2,450	$2,590
Land Value (2020)	**$146,400**	**$192,500**	**$213,800**
General Rates (incl. UAGC)	$1,252	$1,375	$1,432
Targeted Rates	$1,169	$1,237	$1,268
Total Proposed rates 2021/22	**$2,421**	**$2,612**	**$2,700**
$ change	$112.17	$162.17	$109.74
% change	5%	7%	4%

Pleasant Point			
Land Value (2017)	$87,500	$107,500	$127,500
Total Rates 2020/21	$1,971	$2,024	$2,077
Land Value (2020)	**$119,700**	**$139,400**	**$169,100**
General Rates (incl. UAGC)	$1,181	$1,234	$1,313
Targeted Rates	$960	$961	$962
Total Proposed rates 2021/22	**$2,141**	**$2,195**	**$2,275**
$ change	$170.48	$170.67	$197.95
% change	9%	8%	10%

Temuka			
Land Value (2017)	$87,500	$107,500	$127,500
Total Rates 2020/21	$2,178	$2,279	$2,380
Land Value (2020)	**$119,700**	**$139,400**	**$169,100**
General Rates (incl. UAGC)	$1,181	$1,234	$1,313
Targeted Rates	$1,149	$1,181	$1,230
Total Proposed rates 2021/22	**$2,330**	**$2,415**	**$2,542**
$ change	$151.68	$135.39	$162.10
% change	7%	6%	7%

Timaru			
Land Value (2017)	$117,500	$147,500	$202,500
Total Rates 2020/21	$2,176	$2,289	$2,496
Land Value (2020)	**$152,200**	**$200,000**	**$240,900**
General Rates (incl. UAGC)	$1,268	$1,395	$1,504
Targeted Rates	$1,124	$1,179	$1,226
Total Proposed rates 2021/22	**$2,392**	**$2,574**	**$2,730**
$ change	$215.75	$284.77	$233.25
% change	10%	12%	9%

Proposed rates changes for multi-residential, commercial/ industrial/accommodation and rural are on the following page

MULTI-RESIDENTIAL

Land Value (2017)	$152,500
Total Rates 2020/21	$2,703
Land Value (2020)	**$199,300**
General Rates (incl. UAGC)	$1,885
Targeted Rates	$1,178
Total Proposed rates 2021/22	**$3,063**
$ change	$360.55
% change	13%

COMMERCIAL/INDUSTRIAL/ ACCOMMODATION

Land Value (2017)	$125,000	$212,500	$442,500
Total Rates 2020/21	$3,177	$4,187	$6,844
Land Value (2020)	**$152,300**	**$239,300**	**$534,700**
General Rates (incl. UAGC)	$2,622	$3,627	$7,039
Targeted Rates	$1,124	$1,124	$1,564
Total Proposed rates 2021/22	**$3,746**	**$4,851**	**$8,603**
$ change	$569.30	$663.58	$1,758.66
% change	18%	16%	26%

PRIMARY

Timaru			
Land Value (2017)	$372,500	$522,500	$992,500
Total Rates 2020/21	$1,576	$1,947	$3,107
Land Value (2020)	**$374,200**	**$537,500**	**$905,700**
General Rates (incl. UAGC)	$1,529	$1,820	$2,475
Targeted Rates	$430	$618	$1,042
Total Proposed rates 2021/22	**$1,959**	**$2,438**	**$3,517**
$ change	$383.33	$491.30	$409.23
% change	24%	25%	13%

Geraldine	
Land Value (2017)	$2,022,500
Total Rates 2020/21	$7,495
Land Value (2020)	**$1,982,100**
General Rates (incl. UAGC)	$4,391
Targeted Rates	$2,919
Total Proposed rates 2021/22	**$7,310**
$ change	-$165.00
% change	-2%

Pleasant Point	
Land Value (2017)	$2,282,500
Total Rates 2020/21	$3,765
Land Value (2020)	**$2,191,200**
General Rates (incl. UAGC)	$4,763
Targeted Rates	$110
Total Proposed rates 2021/22	**$4,878**
$ change	$1,112.70
% change	30%

Rural		
Land Value (2017)	**$652,500**	**$2,022,500**
Total Rates 2020/21	$1,543	$3,744
Land Value (2020)	**$606,800**	**$2,191,200**
General Rates (incl. UAGC)	$1,943	$4,763
Targeted Rates	$30	$110
Total Proposed rates 2021/22	**$1,973**	**$4,873**
$ change	$430.04	$1,112.70
% change	28%	30%

Scan the QR code to go directly to the website for more information on rates



Peter Burt
Timaru Ward Councillor

Are rates good value for money?

Despite all these changes, rates are still good value.

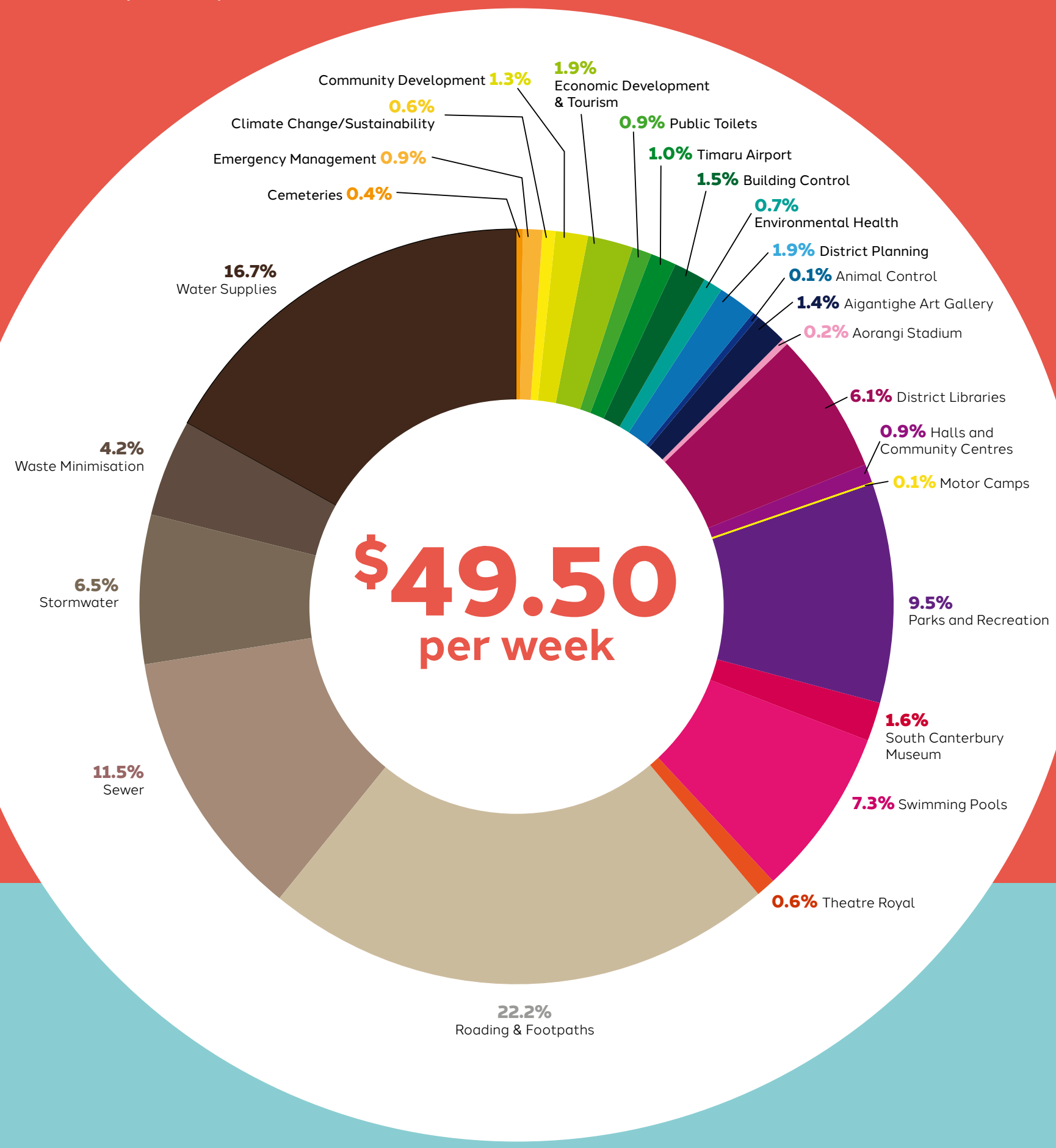
A Timaru residential property with a land value of $200,000 will pay $2,574 in rates under the plan or **$49.50 per week.**

Consider what this property will pay for rates, compared with other common household expenses:**

- **$33.70** PHONE & INTERNET
- **$47** HOUSEHOLD ENERGY
- **$46.10** CLOTHING & FOOTWEAR
- **$74.60** TRANSPORT
- **$236** FOOD

What do your rates go towards?

For this weekly cost, this property pays the following towards the different services provided by Council



**Source: Figures based on the Statistics NZ Household Economic Survey 2019 – Average weekly household expenditure for Canterbury region

The challenge

While our LTP is focused on addressing many of the challenges facing Council and our District, including Climate Change, improving our community facilities and regenerating Timaru CBD, we are also facing other uncertainties, particularly the Three Waters Reform and the lasting impacts of COVID-19.

Three Waters Reform

In July 2020, the Government announced its three waters reform, a three-year programme to change the way drinking water, sewer and stormwater are delivered, to improve public heath, environmental and economic outcomes.

At the same time, the Government offered a multi-million-dollar stimulus funding package, to maintain and improve three waters infrastructure across New Zealand. Council signed a Memorandum of Understanding (MoU) with the Government and received $6.8M of the stimulus funding. By signing this MOU we agreed to participate in the exploration of future service delivery options for the three waters services and to collaborate with agencies involved in the reform.

In April/May 2021 the Government is expected to make decisions about the reform. Council will then need to decide whether to opt out of the proposed new service delivery model. There is still a lot of information to come out about what these reforms mean for the Timaru District before this decision will be made.

While a lot of uncertainty remains around this reform, in the meantime our communities still need good quality water, sewer and stormwater services, so we are continuing to plan to maintain, deliver and improve these services. Read our Significant Forecasting Assumptions for more information.

For more information visit www.dia.govt.nz/three-waters-reform-programme

Project Delivery

The proposed capital work programme represents a significant increase compared to the 2018-28 Long Term Plan.

Delivering the capital work programme is dependent on both internal (e.g. resourcing, capacity and planning) and external factors (e.g. construction sector resources, supply chain, regulatory requirements).

Various measures have been implemented internally to gradually increase the internal capacity to manage and deliver this capital work programme. This includes implementation of a Programme Delivery Function, longer planning for large projects, and a consistent approach to resourcing. Despite these measures, the proposed programme remains significant and the complexity of some projects and risks of timing slippage cannot be excluded.

Assumption

To recognise these risks, the budget has been prepared on the assumption that 90% of the proposed work programme will be delivered and funded.

Council's Activity Management Plans include the programme of work that TDC would ideally like to complete to achieve desired levels of service. TDC recognises that there are challenges to the full delivery of this programme so its financial forecasts are based on delivering 90% of the total programme. As shown in the graph on page 17, a large portion of Council's spend is on improving the levels of service. This enables existing levels of service to be maintained through ongoing re-prioritisation and re-phasing of the capital programme.

Mitigation

To ensure that 90% of the planned work programme is delivered every year, TDC has put in place various mitigation strategies that include, but are not limited to:

- Close and regular monitoring and reporting of the work programme internally.
- Ongoing liaison with the construction sector to ensure resources availability and responsiveness of the market.
- Resourcing allocation for all large projects with dedicated managers overseeing key projects.
- Ongoing monitoring and re-prioritisation of projects if required.





Scan the QR code to go directly to the website for more information about our Long Term Plan

# of uncertainty

COVID-19

COVID-19 has been the undisputed champion of uncertainty for the past year.

A devastating global pandemic, nation-wide and regional lockdowns, border closures and economic disruption. This is likely to continue until the vaccines have been fully rolled out. Even then, COVID still threatens to push us into a global recession, over which we have little control.

However, so far the Timaru District has weathered the storm relatively well thanks to the strength of our primary and manufacturing sectors, and not being reliant on international tourism. We will continue to work closely with Venture Timaru and other economic and community development groups to ensure our community remains resilient in case of any further lockdowns, or a major economic downturn.

Read our Significant Forecasting Assumptions for more information.



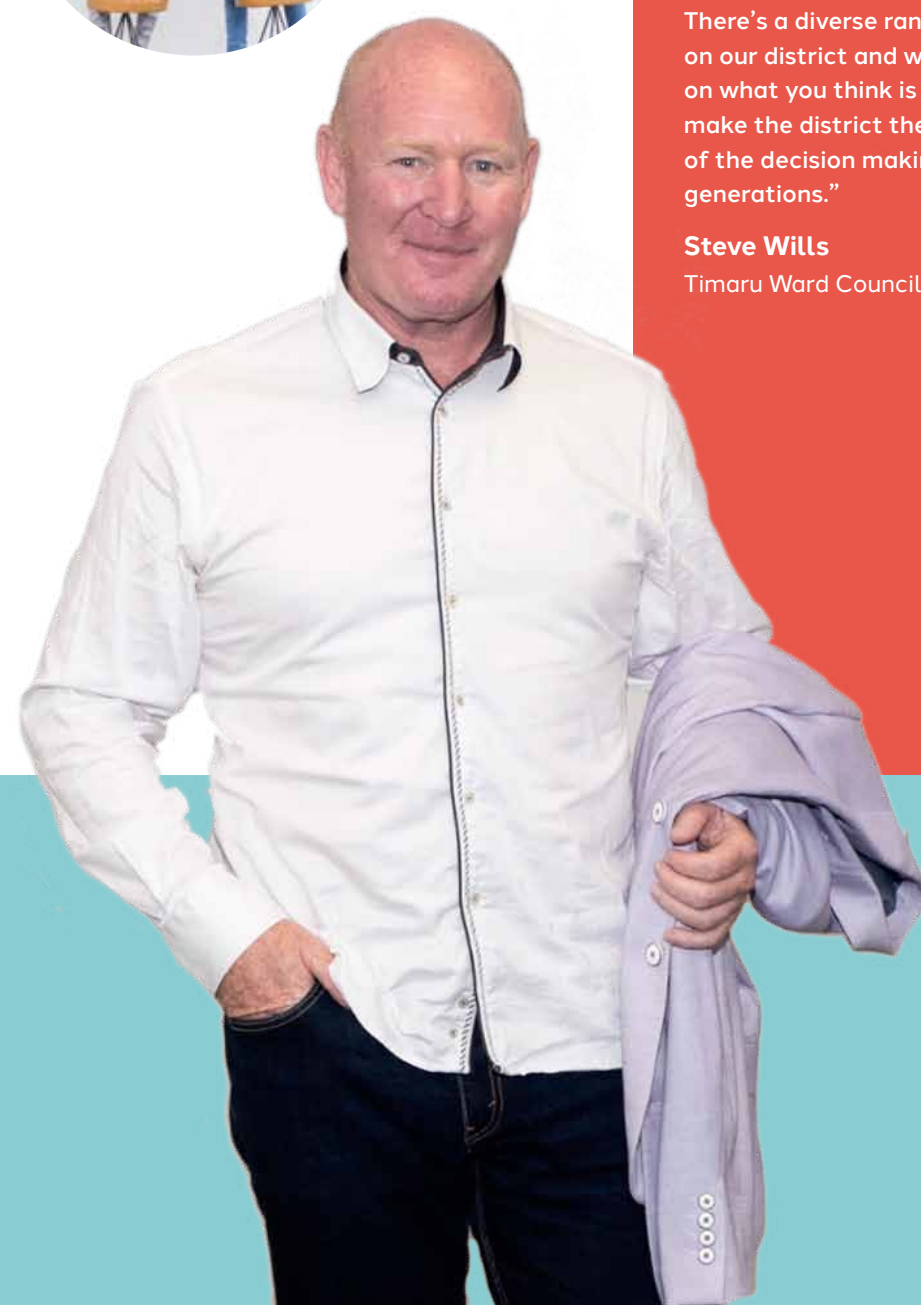




“As Councillors we are your representatives.

There’s a diverse range of issues that impact on our district and we need to hear your views on what you think is important. Together let’s make the district the best it can be. Be part of the decision making process for future generations.”

Steve Wills
Timaru Ward Councillor



Other matters

Business Improvements District (BID) Policy

Council is proposing to introduce a "Business Improvement District (BID) Policy".

A BID is a form of partnership between Council and an entity that represents a specific business community (geographically defined) to fund and carry out an agreed programme that will enhance the business district beyond that undertaken directly by Council. A BID programme may fund things such as additional street enhancements, marketing and promotion, or events.

Having a BID Policy in place provides a framework for groups within a certain business area, to apply for a BID to receive funding (collected as a Targeted Rate from commercial ratepayers within the relevant BID area) to carry out this agreed programme.

A proposed BID typically requires 25% initial support for the applicant group to establish a BID entity, then a 25% voter return with 51% of the returned votes in favour of the BID to proceed – with consultation being led by the BID entity or proposer. This is a guideline only and Council is not bound to approve any BID, nor does the existence of a BID Policy require the local business community to establish a BID.

If Council adopts a BID Policy, and if the local business community should successfully apply to establish a BID, then commercial ratepayers within the BID District would need to pay the agreed Targeted Rate, which may be apportioned between those ratepayers on a capital value or flat rate basis (or a hybrid between those options).

Council is not expecting an application to establish a BID immediately, i.e. no new Targeted Rate for a BID is proposed for Year 1 of the 2021-31 Long Term Plan. Subject to a BID application being received, Council may consider the introduction of a BID in future years of the LTP. Comments on the BID Policy are welcome.

For more detail see thrivingtogether.co.nz

Revenue and Financing Policy – Footpath Funding proposal

Council is proposing to change how we fund footpaths and this will have an impact on rates across the District.

As this is a change to our Revenue and Financing Policy we need to consult with our community and get feedback before we confirm this change.

The impact of this change is that the cost for all footpaths will be spread across the whole District. The resulting increase in rural rates will be matched by an increase in footpath replacement and maintenance in coming years, to lift the quality of these footpaths to match those in larger urban areas across the District.

The proposed changes under the Revenue and Financing Policy have been included in the draft budgets for this LTP and are represented through the ratings examples provided.

For more information on this policy change and the rest of the Revenue and Financing Policy, and to provide feedback see Council's website or contact Council for a copy of the Consultation Document.

"We're proposing changes to the Rates Discount Policy, the Revenue and Financing Policy and some of our fees and charges – have a read and tell us what you think.

It is important that Council and community aspirations are closely aligned – we need to hear your voice."

Richard Lyon
Pleasant Point-Temuka Ward Councillor



Development and Financial Contributions

Council is proposing to implement a Development Contributions Policy (DCP), with work to occur during Year 1 of the LTP 2021-31 aligned with the District Plan review.

Consultation will potentially occur alongside the Draft Annual Plan 2022/23, and will require a LTP amendment. In the interim, the Financial Contributions Policy provisions in the District Plan will remain.

The government recently announced a full reform of the Resource Management Act. The final shape of future funding mechanisms that may be available to Council are unknown at this time.

Dropping the Rates Discount Policy

Council is proposing to repeal the current Rates Discount Policy.

Currently, Council provides a discount of 2.5% if rates are paid in full on the first instalment. Council recognises that not all ratepayers are in a position to pay their rates in full. Council believes it would be more equitable to repeal this policy. Tell us what you think.

Changes to fees and charges

While a large portion of our funding comes from rates, some funding comes from fees and charges for various services.

Every year these are reviewed to ensure they still meet the cost of providing the services they help to fund. There's a range of fee increases proposed across our activities. In some cases, fee increases are higher due to a need to ensure these services are not being subsidised unfairly by ratepayers not using the relevant services.

The most significant changes proposed are for activities like waste minimisation, water supply, social housing, service consents for infrastructure, building control, fishing hut leases, district planning and cemetery fees. For more detail see Council's website.

Scan the QR code to go directly to the website for more information about our Long Term Plan

Audit Opinion

To the reader:

Independent auditor's report on Timaru District Council's consultation document for its proposed 2021-31 Long Term Plan

I am the Auditor General's appointed auditor for Timaru District Council (the Council). The Local Government Act 2002 (the Act) requires the Council to prepare a consultation document when developing its Long term plan. Section 93C of the Act sets out the content requirements of the consultation document and requires an audit report on the consultation document. I have done the work for this report using the staff and resources of Audit New Zealand. We completed our report on 9 April 2021.

Opinion

In our opinion:

- the consultation document provides an effective basis for public participation in the Council's decisions about the proposed content of its 2021-31 Long term plan, because it:
  - fairly represents the matters proposed for inclusion in the Long term plan; and
  - identifies and explains the main issues and choices facing the Council and district, and the consequences of those choices; and
- the information and assumptions underlying the information in the consultation document are reasonable.

Uncertainty over three waters reforms

Without modifying our opinion, we draw attention to the disclosure on page 22 outlining the Government's intention to make three waters reform decisions during 2021. The effect that the reforms may have on three waters services provided is currently uncertain because no decisions have been made. The consultation document was prepared as if these services will continue to be provided by the Council, but future decisions may result in significant changes, which would affect the information on which the consultation document has been based.

Basis of opinion

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

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

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

Responsibilities of the Council and auditor

The Council is responsible for:

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

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

Independence and quality control

We have complied with the Auditor General's:

- independence and other ethical requirements, which incorporate the independence and ethical requirements of Professional and Ethical Standard 1 issued by the New Zealand Auditing and Assurance Standards Board; and
- quality control requirements, which incorporate the quality control requirements of Professional and Ethical Standard 3 (Amended) issued by the New Zealand Auditing and Assurance Standards Board.

Other than our work in carrying out all legally required external audits, we have no relationship with or interests in the Council or any of its subsidiaries.



John Mackey

Audit New Zealand

On behalf of the Auditor General, Christchurch, New Zealand

decidetogether

Time for your say. This is your chance to give us your thoughts. Tell us what you support or what you don't support.

How do you have your say?

This is important.

We want feedback from as many people in our community as possible, formal and informal.

Please give us your input through whatever channel is easiest for you, here are some options...

Visit our website

thrivingtogether.co.nz

then fill out the Have Your Say form

Fill out the feedback form opposite and send it back to us

talk to your elected members or staff at the events we have planned

email your views to thriving@timdc.govt.nz

send us a message on facebook facebook.com/TimaruDC

OR Get creative...

We invite you to submit your answers in any creative form – it could be an essay, a video, a song or even a piece of artwork! The only rule here is that your entry must be able to be delivered to Timaru District Council offices, or emailed to us.

Talk to the decision-makers – your elected representatives

Have a chat or contact one of your elected representatives. Details below:

Nigel Bowen Mayor	027 622 1111 nigel.bowen@timdc.govt.nz
Steve Wills Deputy Mayor	027 621 8404 steve.wills@timdc.govt.nz
Allan Booth	Councillor –Timaru Ward 029 239 3487 allan.booth@timdc.govt.nz
Barbara Gilchrist	Councillor –Timaru Ward 021 334 052 barbara.gilchrist@timdc.govt.nz
Richard Lyon	Councillor Pleasant Point – Temuka Ward 027 669 9890 richard.lyon@timdc.govt.nz
Gavin Oliver	Councillor – Geraldine Ward 022 371 0679 gavin.oliver@timdc.govt.nz
Paddy O'Reilly	Councillor Pleasant Point – Temuka Ward 027 441 6725 paddy.oreilly@timdc.govt.nz
Sally Parker	Councillor –Timaru Ward 0274 555 237 sally.parker@timdc.govt.nz
Stu Piddington	Councillor –Timaru Ward 0274 378 896 stu.piddington@timdc.govt.nz
Peter Burt	Councillor –Timaru Ward 027 688 2013 peter.burt@timdc.govt.nz

Long Term Plan Chat

Councillors are going to be out and about across the District talking to you about our Plan and the key issues. Come on down to one of these events. Follow us on Facebook and Instagram to keep up to date with all the LTP news.

TEMUKA

Monday, 12 April, 10am-12pm, Temuka Service Centre

Saturday, 24 April 9am-12pm, Temuka Farmers Market

GERALDINE

Monday, 12 April, 1pm-3pm, Geraldine Service Centre

Thursday, 15 April, 6pm-8pm, Geraldine Library

Saturday, 24 April 9am-12pm, Geraldine Farmers Market

TIMARU

Tuesday, 13 April, 10am-12pm, Timaru Library

Tuesday, 20 April 1pm-3pm, Strathallan Corner

Sunday, 25 April 1pm-3pm, Aigantighe Art Gallery

Saturday, 1 May 9am-12pm, Timaru Farmers Market

Friday, 7 May 6pm-8pm, The Stadium, Aorangi Park

Saturday, 8 May 1-3pm, Caroline Bay (near playground and bike skills park), Timaru

PLEASANT POINT

Tuesday, 13 April, 5pm, Pleasant Point Supermarket

TIMELINE

Saturday 10 April
Submissions open

Monday 10 May
5pm Submissions close

Monday 31 May to **Wednesday 2 June**
LTP Hearings (days as required)

Tuesday 29 June
Any changes made and LTP adopted by Council

Scan the QR code to go directly to our online submission page

Your details

Your submission must include your name, and a postal or email address. If you want to speak to Council on your submission, please include a phone number so we can contact you.

First name:

Surname:

Organisation (if applicable):

Phone (landline or mobile):

Email address:*

Remember your submission will be included in public documents, including your contact details (unless you tell us you would prefer this not to happen).

Postal address:*

Do you want to speak about your submission at a Council Hearing?

◯ Yes ◯ No

If you do not indicate, we will assume you do not wish to speak

*we require your email address and/or your physical postal address.

Your views

Give us your views below. Attach extra pages if there isn't enough space.

survivetogether

Pg 4

Climate Change – Preparing for the challenge – How much should Council Do? Please tick one.

◯ OPTION 1: **Do the minimum**

◯ OPTION 2: **Do more**

◯ OPTION 3: **Do even more**

Something else? Tell us why:

createtogether

Pg 6

Aigantighe Art Gallery Redevelopment – What's the best option? Please tick one.

◯ OPTION 1: **Construct a new facility on the current site.**

◯ OPTION 2: **Maintain the current buildings and develop off-site storage**

◯ OPTION 3: **Partial refurbishment of the current buildings and develop off-site storage**

◯ OPTION 4: **Construct a new Art Gallery on a site near the Theatre Royal**

Something else? Tell us why:

Continued on the next page...

Your views

playtogether

Pg 8

Developing Aorangi Park and the Stadium – when should we do this?

- ◯ OPTION 1: **Undertake the development in 2024-2026 (Year 4-6 of the LTP)**
- ◯ OPTION 2 **Delay the development for 10+ years.**
- ◯ OPTION 3: **Undertake the development in 2023-2025 (Years 3 and 4 of LTP)**

Something else? Tell us why:

gathertogether

Pg 10

A vibrant Timaru City Hub – What should Council's role be in the regeneration?

- ◯ OPTION 1: **Facilitate. Council has a Facilitation role in Timaru city centre regeneration**
- ◯ OPTION 2: **Enable. Council has an Enabling role in Timaru city centre regeneration**
- ◯ OPTION 3: **Transform. Council has a Transformation role in Timaru city centre regeneration**

Something else? Tell us why:

Other Feedback

Your thoughts on anything else are welcome.
Please outline below.

How to return this form

1. Complete **Your details** and **Your views** sections
2. Cut form out along the dashed line.
3. Return the completed form to the Timaru District Council main office, or our service centres in Temuka and Geraldine.

Return via FreePost

You can put your form in an envelope and address to:

FreePost Authority Number 95136
LTP 2021-31 Submission
Timaru District Council
PO Box 522
TIMARU 7940

Timaru District
Thriving Together

Privacy Statement

All submissions (including name and contact details) will be included in public documents, at Council offices and Libraries/Service Centres and on Council's website. Personal information will be used for submission administration purposes such as contacting you if you want to speak at the Council hearing. All information is held by Council, and you have the right to access and correct personal information.