

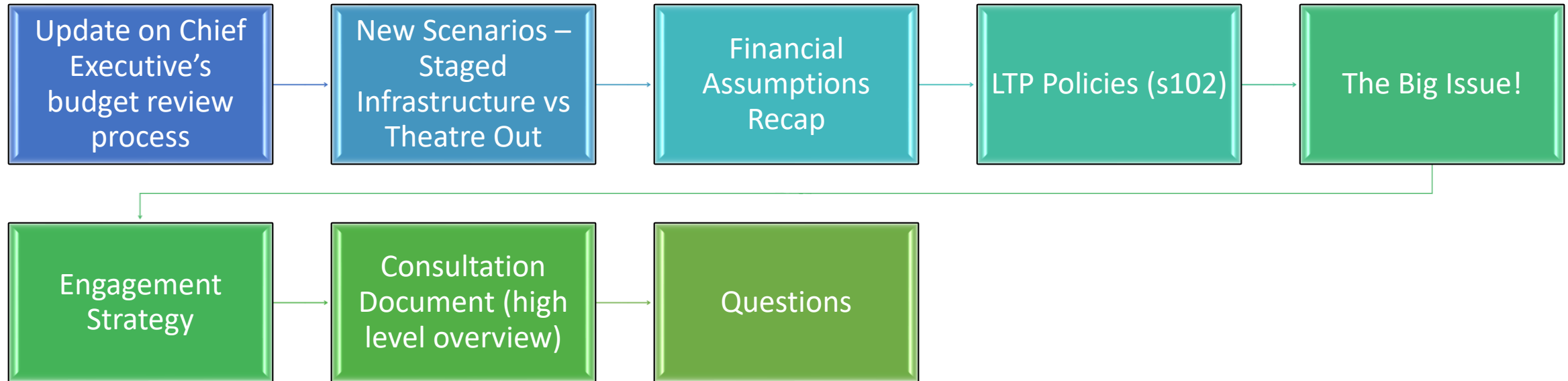


# Long Term Plan 2024/34

*Council Workshop - Draft Budget (4); LTP Policies*

14 February 2024

# Today's Objectives



# LTP Timetable – Key Council Dates

Date	Item
Jan/Feb 2024	<i>Council workshops: 14, 19, 20 February</i>
27 Feb 2024	<i>Council meeting to consider draft LTP, draft Consultation Document and LTP policies for Audit (Audit NZ in-house from 27 Feb)</i>
9 Apr 2023	<i>Council meeting to adopt Consultation Document for Special Consultative Procedure</i>
12 Apr – 12 May 2024	<i>Consultation period</i>
27-29 May 2024	<i>Council Hearings on Long-Term Plan submissions (3 days)</i>
25 June 2023	<i>Council meeting to adopt Long-Term Plan 2024-34</i>

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# Chief Executive's Budget Review

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- The Chief Executive has gone through and reviewed all Capex, Opex and Other Expenditure budgets with LTP Team, GMs and Activity Managers through 20+ meetings since 11 December until present day.
- The following slide shows the resulting scenario from the Budget Review process:
  - Rates at 15% for Year 1 and then at 12% for years 2-3, and then under 3% for years 4-10 (smoothed option).
  - Increase Fees and Charges by 12% in Year 1 and then 7% for years 2-3, then under 3% for years 4-10.
  - All approved Capex projects included with current timeframes (front-loaded).
  - Capex programme models what a 2.5 debt-to-revenue capital budget would be each year (showing the amount of headroom in \$ term that is available each year).

	FORECAST	LONG TERM PLAN									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Rates (excluding penalties & remissions)	(70,299,704)	(80,855,234)	(90,585,209)	(101,484,816)	(104,327,332)	(107,144,496)	(109,930,597)	(112,678,508)	(115,494,768)	(118,265,576)	(121,103,207)
Rates Increase %		15%	12%	12%	2.8%	2.7%	2.6%	2.5%	2.5%	2.4%	2.4%
Metered Water	(2,113,848)	(2,822,491)	(3,029,286)	(3,251,910)	(3,491,210)	(3,748,044)	(4,023,824)	(4,319,972)	(4,639,032)	(4,982,148)	(5,352,396)
Fees and Charges	(18,640,488)	(20,931,563)	(22,403,732)	(23,976,267)	(24,647,480)	(25,312,830)	(25,970,847)	(26,619,479)	(27,284,724)	(27,938,537)	(28,608,683)
Fees and Charges Increase %		12%	7%	7%	2.8%	2.7%	2.6%	2.5%	2.5%	2.4%	2.4%
Subsidies and Grants	(17,580,457)	(17,118,076)	(12,780,785)	(12,739,977)	(13,229,113)	(13,736,302)	(14,261,818)	(14,806,669)	(15,372,228)	(15,959,064)	(16,567,824)
Interest Revenue	(1,892,160)	(3,475,556)	(3,510,390)	(3,547,600)	(3,585,601)	(3,622,811)	(3,659,229)	(3,694,538)	(3,730,639)	(3,765,632)	(3,801,258)
Dividend Revenue	(1,115,080)	(1,115,080)	(1,139,612)	(1,165,816)	(1,192,578)	(1,218,783)	(1,244,429)	(1,269,296)	(1,294,719)	(1,319,363)	(1,344,452)
Other Revenue	(6,184,120)	(6,480,325)	(6,358,314)	(6,384,554)	(6,531,117)	(6,674,620)	(6,870,874)	(7,019,554)	(7,102,098)	(7,246,742)	(7,483,417)
Total Revenue	(117,825,857)	(132,798,325)	(139,807,328)	(152,550,940)	(157,004,431)	(161,457,886)	(165,961,618)	(170,408,016)	(174,918,208)	(179,477,062)	(184,261,237)
Staff Costs	28,666,454	30,099,634	31,272,831	31,982,899	32,707,398	33,361,297	33,993,711	34,638,403	34,674,535	35,930,856	36,578,618
Finance Costs External	10,244,736	13,557,588	17,268,681	20,338,593	19,891,530	21,004,638	21,773,454	22,072,913	22,250,537	22,211,415	22,313,445
Depreciation	34,060,486	34,516,272	36,536,815	38,758,073	39,019,972	40,312,505	41,866,950	42,006,528	43,130,611	44,531,464	44,610,731
Other Expenses	55,211,814	58,014,548	59,108,285	60,324,378	61,362,524	62,506,537	64,644,364	65,748,223	66,250,525	68,794,396	69,885,861
Total Expenses	128,183,490	136,188,042	144,186,612	151,403,943	152,981,424	157,184,977	162,278,479	164,466,067	166,306,208	171,468,131	173,388,655
(Surplus) - Deficit	10,357,634	3,389,717	4,379,284	(1,146,997)	(4,023,007)	(4,272,909)	(3,683,139)	(5,941,949)	(8,612,000)	(8,008,931)	(10,872,582)
Other Comprehensive Income (Revaluations)	-	(65,380,960)	(66,685,088)	-	(56,190,910)	(64,101,851)	-	(56,822,664)	(62,764,057)	-	(56,830,470)
Net Borrowing	(206,316,010)	(273,790,436)	(329,607,007)	(357,644,996)	(379,907,153)	(395,283,492)	(401,272,676)	(404,825,152)	(404,042,713)	(406,083,299)	(416,693,101)
Borrowing ratio to Total Revenue	1.75	2.06	2.36	2.34	2.42	2.45	2.42	2.38	2.31	2.26	2.26
Opex Surplus for Debt Repayment		-	-	1,601,863	3,507,064	3,343,205	1,927,759	3,563,369	6,020,197	4,430,426	6,354,819
Total Capital Expenditure	57,162,864	98,600,981	87,974,101	67,943,059	65,305,135	59,961,752	51,539,272	51,500,953	50,960,172	54,580,981	66,093,114
Headroom to 2.5	(88,248,632)	(58,205,377)	(19,911,313)	(23,732,354)	(12,603,925)	(8,361,223)	(13,631,369)	(21,194,888)	(33,252,807)	(42,609,356)	(43,959,992)
Headroom to 2.8	(123,596,389)	(98,044,874)	(61,853,511)	(69,497,636)	(59,705,254)	(56,798,589)	(63,419,854)	(72,317,293)	(85,728,269)	(96,452,475)	(99,238,363)
Depreciation unfunded		(7,687,280)	(3,983,160)	-	-	-	-	-	-	-	-
% of Depreciation Funded per year		78%	89%	100%	100%	100%	100%	100%	100%	100%	100%

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## Scenario – Everything in with current timings

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- No debt cap breach; plenty of headroom each year (reduces in 2026/27)
- First 3 years high rates (catching up), then reduced significantly – 15% rates needed for Year 1 Capex programme
- Deliverability of Capex in Year 1 may be an issue – Audit will question this
- Taking out Theatre, Stadium, and Geraldine Duplicate Watermain reduces Capex to current delivery levels
- Depreciation fully funded by Year 3

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## Operational Costs – Average Rate Increases

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- Raw figures from Budget Model (Scenario 1) so internal costs/charges have not been reflected in figures
- However, gives an indication of average costs per rating unit for the ongoing Opex of our activities
- Information was requested about cost per unit for Theatre, for clarification we are speaking of Opex, not the loan cost per rating unit (information previously provided and in 2022 consultation document)
- Hence we are presenting the ongoing Opex costs for many (not all) activities to provide context and clarity of what the average rating unit will pay over the next ten years for these services
- This does not include the Capex costs to pay off the loan which is less than \$20 per annum, as those costs are spread over a far longer time period to allow for inter-generational equity

# Operational Costs – Average Rate Increases - Theatre

Report	FIS			
Sum of Inflated\$	Column Label			
Row Labels	2024	2025	2026	2027
<b>1 : (SURPLUS) / DEFICIT OF OPERATING FUNDING</b>	<b>(1,615,220)</b>	<b>(134,703)</b>	<b>(661,995)</b>	<b>(1,143,599)</b>
<b>1.1 : Sources of Operating Funding</b>	<b>(1,978,454)</b>	<b>(541,866)</b>	<b>(2,884,926)</b>	<b>(4,429,192)</b>
1.100 : General rates, uniform annual general charges, rates	(267,630)	(356,913)	(2,687,042)	(4,217,445)
1.102 : Subsidies and grants for operating purposes	(1,550,000)			
1.103 : Fees and charges	(160,824)	(184,953)	(197,884)	(211,747)
<b>1.2 : Applications of Operating Funding</b>	<b>363,234</b>	<b>407,163</b>	<b>2,222,931</b>	<b>3,285,593</b>
1.200 : Payments to staff and suppliers	139,689	258,916	830,878	601,622
1.201 : Finance Costs	64,032	90,983	1,258,624	2,547,660
1.202 : Internal charges and overheads applied	159,513	57,264	133,429	136,311
<b>2 : (SURPLUS) / DEFICIT OF CAPITAL FUNDING</b>	<b>1,615,220</b>	<b>134,703</b>	<b>661,995</b>	<b>1,143,599</b>
<b>2.1 : Sources of Capital Funding</b>	<b>(320,242)</b>	<b>(26,229,835)</b>	<b>(23,948,005)</b>	<b>1,091,274</b>
2.100 : Subsidies and grants for capital expenditure		(5,000,000)	(511,000)	
2.102 : (Increase) decrease in debt	(320,242)	(21,229,835)	(23,437,005)	1,091,274
<b>2.2 : Application Capital Funding</b>	<b>1,935,462</b>	<b>26,364,538</b>	<b>24,610,000</b>	<b>52,325</b>
2.201 : • to improve the level of service	1,935,462	26,364,538	24,610,000	52,325
<b>Grand Total</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>
	22,500			
Rates per year	11.89	15.86	119.42	187.44
Increase per year		3.97	103.56	68.02



# Operational Costs – Average Rate Increases - Stadium

Model Balanced					
Report	FIS				
Sum of Inflated\$	Column Label				
Row Labels		2024	2025	2026	2027
1 : (SURPLUS) / DEFICIT OF OPERATING FUNDING		(515,857)	(12,713)	(123,612)	(325,596)
1.1 : Sources of Operating Funding		(812,498)	(471,481)	(989,070)	(1,913,102)
1.100 : General rates, uniform annual general charges, rates		(80,454)	(220,993)	(722,701)	(1,628,863)
1.102 : Subsidies and grants for operating purposes		(500,000)			
1.103 : Fees and charges		(130,716)	(152,988)	(163,658)	(174,984)
1.107 : Local authorities fuel tax, fines, infringement fees, etc		(101,328)	(97,500)	(102,711)	(109,255)
1.2 : Applications of Operating Funding		296,641	458,768	865,458	1,587,506
1.200 : Payments to staff and suppliers		202,709	353,485	266,243	272,099
1.201 : Finance Costs		8,928	16,337	503,592	1,217,710
1.202 : Internal charges and overheads applied		85,004	88,946	95,623	97,697
2 : (SURPLUS) / DEFICIT OF CAPITAL FUNDING		515,857	12,713	123,612	325,596
2.1 : Sources of Capital Funding		(111,031)	(8,859,195)	(12,983,947)	(1,244,154)
2.102 : (Increase) decrease in debt		(111,031)	(8,859,195)	(12,983,947)	(1,244,154)
2.2 : Application Capital Funding		626,888	8,871,908	13,107,559	1,569,750
2.201 : • to improve the level of service		500,000	8,871,908	13,107,559	1,569,750
2.202 : • to replace existing assets		126,888			
Grand Total		(0)	-	-	-
		22,500			
Rates per year		3.58	9.82	32.12	72.39
Increase per year			6.25	22.30	40.27

# Operational Costs – Average Rate Increases – Swimming Pools

Model Balanced					
Report		FIS			
Sum of Inflated\$		Column Lab			
Row Labels		2024	2025	2026	2027
1 : (SURPLUS) / DEFICIT OF OPERATING FUNDING		1,581,153	(1,079,255)	(1,079,255)	(1,167,754)
1.1 : Sources of Operating Funding		(6,723,470)	(10,141,819)	(10,359,487)	(10,581,783)
1.100 : General rates, uniform annual general charges, rates penalties		(3,729,170)	(6,973,701)	(7,057,798)	(7,137,592)
1.102 : Subsidies and grants for operating purposes		(26,808)	(26,808)	(27,398)	(28,028)
1.103 : Fees and charges		(1,158,708)	(1,332,526)	(1,425,714)	(1,525,079)
1.107 : Local authorities fuel tax, fines, infringement fees, and other receipts		(1,808,784)	(1,808,784)	(1,848,577)	(1,891,084)
1.2 : Applications of Operating Funding		8,304,623	9,062,564	9,280,232	9,414,029
1.200 : Payments to staff and suppliers		5,562,402	5,700,031	5,825,432	5,952,238
1.201 : Finance Costs		513,648	684,443	630,419	576,400
1.202 : Internal charges and overheads applied		2,228,573	2,678,090	2,824,381	2,885,391
2 : (SURPLUS) / DEFICIT OF CAPITAL FUNDING		(1,581,153)	1,079,255	1,079,255	1,167,754
2.1 : Sources of Capital Funding		(1,743,412)	982,255	982,165	1,019,151
2.102 : (Increase) decrease in debt		(1,743,412)	982,255	982,165	1,019,151
2.2 : Application Capital Funding		162,259	97,000	97,090	148,603
2.202 : • to replace existing assets		162,259	97,000	97,090	148,603
Grand Total		(0)	-	-	-
		22,500			
Rates per year		165.74	309.94	313.68	317.23
Increase per year			144.20	3.74	3.55

# Operational Costs – Average Rate Increases – Democracy

<b>Model Balanced</b>				
Report	FIS			
Sum of Inflated\$	Column Lal			
Row Labels	2024	2025	2026	2027
<b>1 : (SURPLUS) / DEFICIT OF OPERATING FUNDING</b>	<b>465,095</b>	<b>-</b>	<b>-</b>	<b>(1)</b>
<b>1.1 : Sources of Operating Funding</b>	<b>(3,957,405)</b>	<b>(5,414,040)</b>	<b>(5,532,752)</b>	<b>(5,641,984)</b>
1.100 : General rates, uniform annual general charges, rates penalti	(3,957,405)	(5,414,040)	(5,532,752)	(5,641,984)
<b>1.2 : Applications of Operating Funding</b>	<b>4,422,500</b>	<b>5,414,040</b>	<b>5,532,752</b>	<b>5,641,983</b>
1.200 : Payments to staff and suppliers	1,246,520	1,392,616	1,423,254	1,454,403
1.201 : Finance Costs		25,580	25,580	25,580
1.202 : Internal charges and overheads applied	3,175,980	3,995,844	4,083,918	4,162,000
<b>2 : (SURPLUS) / DEFICIT OF CAPITAL FUNDING</b>	<b>(465,095)</b>	<b>-</b>	<b>-</b>	<b>1</b>
<b>2.1 : Sources of Capital Funding</b>	<b>(465,095)</b>	<b>-</b>	<b>-</b>	<b>1</b>
2.102 : (Increase) decrease in debt	(465,095)	-	-	1
<b>Grand Total</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>
	22,500			
Rates per year	175.88	240.62	245.90	250.75
Increase per year		64.74	5.28	4.85

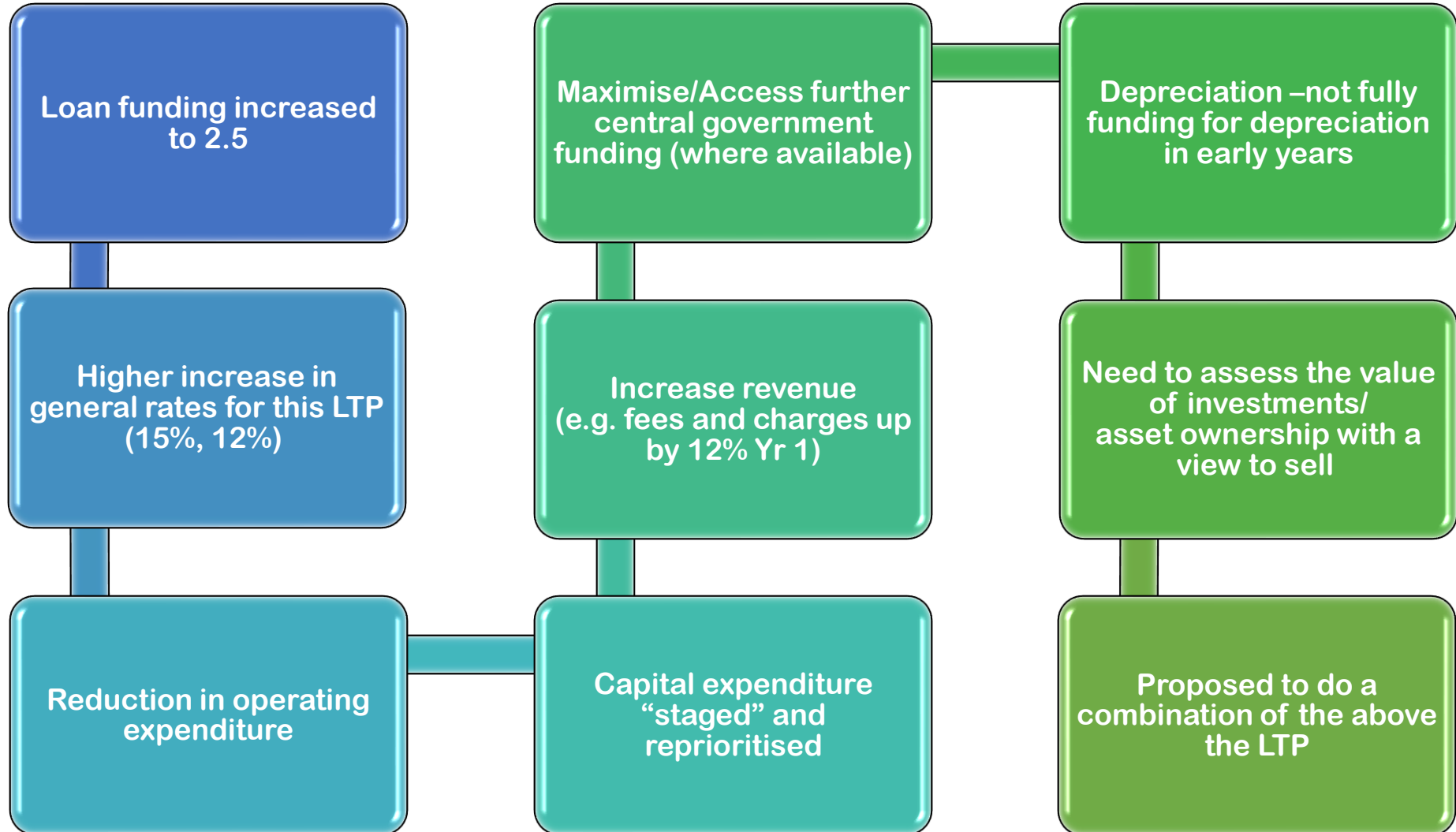
# Operational Costs – Average Rate Increases – Libraries

<b>Model Balanced</b>				
Report	FIS			
Sum of Inflated\$	Column Labels			
Row Labels	2024	2025	2026	2027
<b>1 : (SURPLUS) / DEFICIT OF OPERATING FUNDING</b>	<b>553,136</b>	<b>(437,127)</b>	<b>(437,127)</b>	<b>(472,971)</b>
<b>1.1 : Sources of Operating Funding</b>	<b>(3,460,120)</b>	<b>(5,108,595)</b>	<b>(5,253,794)</b>	<b>(5,404,733)</b>
1.100 : General rates, uniform annual general charges	(3,428,644)	(5,058,543)	(5,200,633)	(5,348,272)
1.103 : Fees and charges	(31,476)	(42,052)	(44,985)	(48,097)
1.107 : Local authorities fuel tax, fines, infringement fees, and other		(8,000)	(8,176)	(8,364)
<b>1.2 : Applications of Operating Funding</b>	<b>4,013,256</b>	<b>4,671,468</b>	<b>4,816,667</b>	<b>4,931,762</b>
1.200 : Payments to staff and suppliers	2,601,250	2,923,816	2,988,140	3,052,537
1.201 : Finance Costs	178,560	262,020	266,688	283,611
1.202 : Internal charges and overheads applied	1,233,446	1,485,632	1,561,839	1,595,614
<b>2 : (SURPLUS) / DEFICIT OF CAPITAL FUNDING</b>	<b>(553,136)</b>	<b>437,127</b>	<b>437,127</b>	<b>472,971</b>
<b>2.1 : Sources of Capital Funding</b>	<b>(1,044,008)</b>	<b>(84,873)</b>	<b>(307,677)</b>	<b>(103,571)</b>
2.102 : (Increase) decrease in debt	(1,044,008)	(84,873)	(307,677)	(103,571)
<b>2.2 : Application Capital Funding</b>	<b>490,872</b>	<b>522,000</b>	<b>744,804</b>	<b>576,542</b>
2.201 : • to improve the level of service				
2.202 : • to replace existing assets	490,872	522,000	744,804	576,542
<b>Grand Total</b>	<b>(0)</b>	<b>-</b>	<b>-</b>	<b>-</b>
	22,500			
Rates per year	152.38	224.82	231.14	237.70
Increase per year		72.44	6.32	6.56

# Operational Costs – Average Rate Increases – Parks & Rec

Model Balanced					
Report	FIS				
Sum of Inflated\$	Column Lat				
Row Labels		2024	2025	2026	2027
1 : (SURPLUS) / DEFICIT OF OPERATING FUNDING		(455,972)	(748,415)	(785,082)	(849,459)
1.1 : Sources of Operating Funding		(6,556,405)	(8,132,483)	(8,492,321)	(8,732,351)
1.100: General rates, uniform annual general charges, rates penalties		(4,923,845)	(7,998,983)	(8,355,884)	(8,592,777)
1.102: Subsidies and grants for operating purposes		(1,566,080)	(30,000)	(30,660)	(31,365)
1.107: Local authorities fuel tax, fines, infringement fees, and other receipts		(66,480)	(103,500)	(105,777)	(108,209)
1.2 : Applications of Operating Funding		6,100,433	7,384,068	7,707,239	7,882,892
1.200: Payments to staff and suppliers		4,928,410	5,603,556	5,726,834	5,858,518
1.201: Finance Costs		330,096	694,383	774,221	792,449
1.202: Internal charges and overheads applied		841,927	1,086,129	1,206,184	1,231,925
2 : (SURPLUS) / DEFICIT OF CAPITAL FUNDING		455,972	748,415	785,082	849,459
2.1 : Sources of Capital Funding		(5,748,152)	(1,451,585)	(331,418)	(285,407)
2.102: (Increase) decrease in debt		(5,748,152)	(1,451,585)	(331,418)	(285,407)
2.2 : Application Capital Funding		6,204,124	2,200,000	1,116,500	1,134,866
2.201: • to improve the level of service		3,636,250	1,100,000		
2.202: • to replace existing assets		2,567,874	1,100,000	1,116,500	1,134,866
Grand Total		(0)	-	-	-
		22,500			
Rates per year		218.84	355.51	371.37	381.90
Increase per year			136.67	15.86	10.53

# Budget Challenges – Getting the Balance Right



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# Financial Assumptions

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- Attached to the Environmental Scan (added at the end) – distributed to Council (on Hub) and workshopped 5 December
- Updated with BERL figures using Local Government Cost Index (LGCI)
- LGCI is like the CPI for councils
- BERL is industry standard – very little competition
- Assumptions are part of the Environmental Scan which has been updated – is on the Hub for you to access
- Environmental Scan and Significant Forecast Assumptions being reviewed by Audit NZ next week



# Financial Assumptions

- Inflation – based on BERL Local Government Price Index (LGCI) - figures used for LTP for period beyond 2024/25

*Comment: This scenario is modelled using the previous 'basket of goods' and does not reflect the 3 waters changes, in accordance with our assumption regarding the 3 waters reform which assumes Councils will retain 3 waters functions, ie status quo. BERL quote the index at 30 June for each year.*

Year	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Operational	2.9%	2.2%	2.3%	2.3%	2.2%	2.1%	2.0%	2.0%	1.9%	1.9%
Capital	3.0%	2.2%	2.4%	2.3%	2.2%	2.1%	2.1%	2.0%	2.0%	1.9%
Total	2.9%	2.2%	2.3%	2.3%	2.2%	2.1%	2.0%	2.0%	1.9%	1.9%

- Interest on borrowing is assumed to be between 4.8 - 6.2%
- Return on investments – bank deposits/bond portfolio – 5.4% - 5.7% (assumed ROI); TDHL \$1M dividend annually; Forestry nil



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# Financial Assumptions

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- Funding sources will not change over the first three years of LTP (incl external sources)
- NZTA/ WK Funding Assistance Rate remains at 51%
- Costs will remain stable over LTP period
- Rating Base – assume a modest increase over 10 years, mainly smaller housing units as a result in growth of older demographics
- Credit availability – remain obtainable from financial markets on competitive terms and conditions
- Landfill aftercare – work on vulnerable closed landfills will increase restoration costs but little material changes to Redruth Landfill
- ETS – Price for NZUs at \$79 in year 1; assume rises thereafter
- Capital delivery – 100% delivery assumption

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## LTP Policies (s102 LGA)

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- Seven policies reviewed, revised and consolidated to four policies to be adopted for consultation and one to be revoked.
- These are:
  - Revenue & Financing Policy (2 edits)
  - Significance & Engagement Policy (several edits)
  - Rates Policy (consolidation of Rates Remission & Postponement Policy, Rates Remission on Māori Freehold Land, and Rating District Halls/Community Centres Policy)
  - Treasury Management Policy (consolidation of Liability Management and Investment Policies)
- Policy to be revoked – Activity Management Policy (out-of-date and inaccurate as based on IIMM)

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# Revenue & Financing Policy

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- Purpose
- Legislative context
- Policy levers and dials
  - The balance between general rates, and fees and charges for any particular activity
  - UAGC v targeted rates
- Changes proposed:
  - Addition of BID targeted rate
  - Increase in Community Boards targeted rate
  - Updated Groups of Activities

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# Significance & Engagement Policy

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- Purpose
- Legislative context – s76AA of the LGA 2002
- Policy levers and dials
  - Strategic assets
  - Assessment criteria
  - Proposed internal processes
- Changes proposed:
  - Addition/ replacement of several tools in appendices to increase useability
  - Creation of internal review process if certain criteria triggered

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# Activity Management Planning Policy

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- The current policy is not fit for purpose
- Development of an Asset Management Policy would be more relevant for asset owning Council activities
- Interpretation of "Strategic Asset" in section 5(1) of the Local Government Act 2002

**strategic asset**, in relation to the assets held by a local authority, means an asset or group of assets that the local authority needs to retain if the local authority is to maintain the local authority's capacity to achieve or promote any outcome that the local authority determines to be important to the current or future well-being of the community; and includes—

  - (a) any asset or group of assets listed in accordance with [section 76AA\(3\)](#) by the local authority; and
  - (b) any land or building owned by the local authority and required to maintain the local authority's capacity to provide affordable housing as part of its social policy; and
  - (c) any equity securities held by the local authority in—
    - (i) a port company within the meaning of the [Port Companies Act 1988](#);
    - (ii) an airport company within the meaning of the [Airport Authorities Act 1966](#)

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# Rates Policy

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- Purpose
- Legislative context - s102
- Policy levers and dials
  - Remission/ refund criteria
- Changes proposed:
  - Consolidation of three policies

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# Treasury Management Policy

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- Purpose
- Legislative context – s102; combines the liability management policy and the investment policy
- Policy levers and dials
- Change/s proposed:
  - Increase limit for cash deposits/investments with NZ registered banks from \$10 million to \$20 million – page 18

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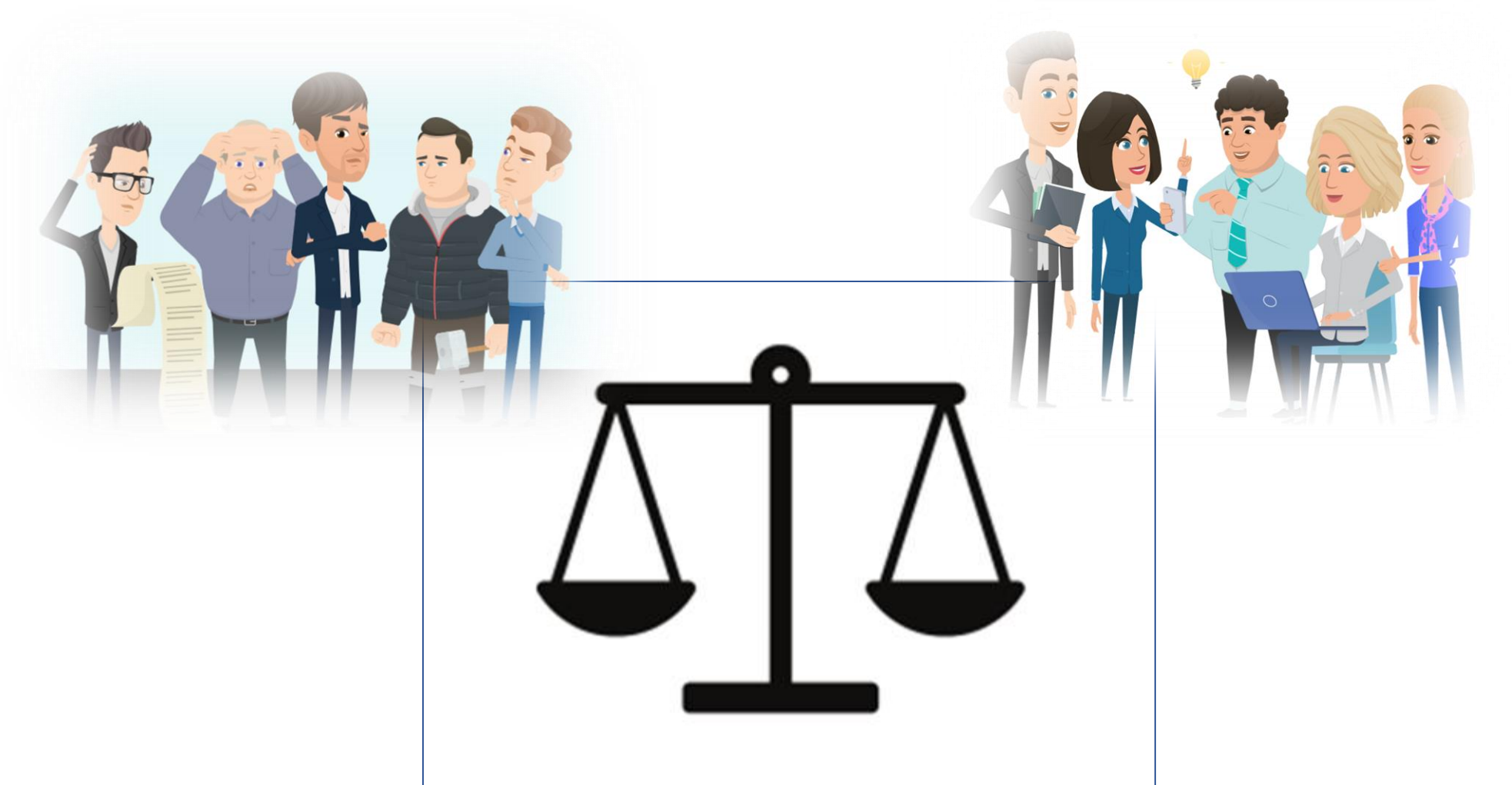
# LTP Key Issue – The Big One!!

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- Consultation on choice of scenarios to present options for large capital works programme – all are included, just about timing
- The main question is “When should we do all the work we need to get done?”
- Options:
  1. Everything loaded into Year 1 – breach debt cap, can we deliver?
  2. “Big” projects staged over a few years – spreads the debt loading, can we deliver?
  3. Community Facilities deferred until Years 11 onwards – reduces debt levels, can we deliver more core infrastructure, will the community be happy with that?
- Does not relitigate issue of whether we do projects (already decided) BUT is more a question of WHEN do we do them due to costs and competing priorities with 3 Waters



# Engagement Idea – It's About Balance!



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# Engagement Strategy

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- Engaging the community on the ONE BIG ISSUE (not specific projects)
- Facilitate public meetings and drop-in sessions across the District at different Council sites
- Attend public events such as Farmers Markets,
- Create vintage style video montage of Elected Members using different council services for website and social media
- Utilise print media for physical copies and make available to the public at Council sites District wide
- Any other ideas?

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# Consultation Document

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- DRAFT to go to Audit NZ on 27 February
- Content, not style, to be audited
- Overarching theme "It's About Balance"
- Sepia or black and white imagery with pops of colour to highlight what activities and infrastructure Council manages/owns
- Structure to include:
  - Foreword
  - Background context (including previous decisions)
  - How council touches your day-to-day life using still images from video montage
  - Big issue
  - Financial Information
  - Submission mechanisms

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# Consultation Document

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The CD is a requirement of section 93A of the Act. Sections 93B to 93G are also relevant. The required content of a CD includes:

1. Key issues (as determined with reference to the significance and engagement policies and which other issues are important to the community)
2. Key matters from the financial strategy and infrastructure strategy (the full strategies cannot be included)
3. Any proposals for significant changes to the funding system, including changes to rating system
4. The impact of the proposals in the LTP on rates and debt (shown using graphs or charts)
5. The impact of the proposals in the LTP on levels of service (using graphs or charts if practicable)
6. Information describing the impacts of the proposals on rates assessed across different categories of rating unit, with different property values
7. A report from Audit NZ

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# Consultation Document

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The key issues are a matter for you to determine having had regard to:

- the purpose of the consultation document (as set out in section 93B)
- the significance and engagement policy and
- the importance of other matters to the community.

Each of the key issues must clearly present the issue itself, the principal options for resolving each issue, the local authority's proposed option, and the likely consequences of each option for rates and debt.

Movements in rates and debt must be presented using graphs or charts.

Changes in levels of service should also be presented using graphs or charts where this is practicable.

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## LTP Deferment Options

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Water Services Acts Repeal Bill in Parliament at second reading (no Select Committee process).

Council has three options under new legislation:

- LTP can be deferred by 12 months – but prepare an "enhanced" Annual Plan for 24/25. Some additional information required (GOA and Capex) with full consultation – deadline of 30 April (NOT AUDITED)
- LTP can be deferred by 3 months – BAU just later adoption date.
- LTP adopted to current schedule (no change).

Advantages and disadvantages to each, but Option 1 allows for:

- Completion of Rating Review
- Certainty around 3 Waters legislative changes
- Certainty around RMA legislative changes
- CE's internal efficiency gains to be progressed
- More robust and holistic budgets reflecting above changes

**Any Questions?**  
**Bright Ideas?**