

2025

Pre-election Report

Your guide to the Timaru District
for **candidates and voters**



**Timaru
District Council**
Te Kaunihera a-rohe
O Te Tihi o Maru

Find out more
timaru.govt.nz

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Key dates

**Fri
4 July**

Candidate nominations **open**

**Fri
10 Oct**

Enrolment to vote **closes**

**Fri
1 Aug**

Candidate nominations **close at 12 noon**

**Sat
11 Oct**

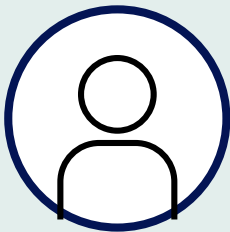
Voting closes at **12 noon**

**Tue
9 Sept**

Voting papers sent to enrolled voters and voting opens

16-19 October
Results announced

How can you get involved?



Stand as a candidate



Get involved in a campaign



Vote

What this report is and why it matters

What is the Pre-election Report?

The Pre-election Report is a unique document that sets out a “warts and all” summary of the issues facing council. The law prevents the statement from including the views of elected members. So, in this sense the report is the Chief Executive’s non-political statement of the important issues facing Council and the District. It aims to help promote and shape “the right debate” for our community as we consider voting on the candidates for the next Council.

Why does Council prepare it?

All Councils are required to prepare a Pre-election Report. The Local Government Act (LGA) 2002 defines what must be included and when it needs to be available to candidates and voters.

What information is included?

The LGA sets out some requirements of what must be in the report (like specific financial statements) but in general terms its an overview of what we will do, when we will do it, how we will pay for it, and any challenges outside of this information that the Council is going to be impacted by over the next three years and into the future.

Is this report audited?

While the Pre-election Report has not been audited, most of the financial information included has been reviewed by independent auditors either as part of the 2022/23 and 2023/24 Annual Reports or the Long Term Plan 2024-34. Information from the most recent financial year (2024/25) will be audited and available on the Council’s website when it has been completed and adopted by Council toward the end of October 2025.

Where can I read more?

Long Term Plan 2024-34



Annual Report 2023/24



Annual Plan 2025/26



For all of these publications visit our website: timaru.govt.nz

A message from our Chief Executive

It is a privilege to be writing this **pre-election report 2025**.

Timaru District Council is a sound organisation on many fronts, the most important is the high quality services provided to our communities.

Looking ahead to the next three years, we face challenges that will require strong and courageous leadership from Elected Members and the Council management team.

Various reforms, ageing infrastructure, an ageing population profile, economic development and rates affordability are just some of the challenges we are facing over the next triennium that will change the way we deliver some services.

Responding to these challenges will require effective communication to inform community expectations.

When considering the needs and desires of the district and its residents, consideration must be given to the role, responsibility and limitations of our organisation. Making decisions on the issues of today needs to evaluate the impact on present and future communities whether that be financial, social, economic, environmental or cultural. This often results in making trade-off decisions which can be difficult and require elected members and Council officers to work together as team.

These decisions require realism about the different ways services can be delivered, along with the costs and other impacts of different options. We all have an interest in having the facts, so we can have the right debate. In the end, as a community we are all responsible for these decisions.

The new Council will need to think creatively and be prepared to make difficult trade-offs. We need informed candidates, and engaged voters and residents, to support a thriving district.

Being an elected member is an opportunity to shape the Timaru District. It is not without challenges – including tough decisions in a context of heightened public debate. But it offers rich experiences, the joy of connecting with people across the district, and the chance to make a real difference.



I encourage all eligible voters to get out and vote for the candidates whose campaign speaks to you and the District you want to live in. I hope this pre-election report is helpful in guiding the questions you may have for candidates and assists in your overall decision making when it comes to your vote. I look forward to working together with the new elected members to serve the people of Timaru District.

A handwritten signature in blue ink, appearing to read 'Nigel Trainor'. The signature is stylized with a long, sweeping horizontal stroke and a shorter vertical stroke.

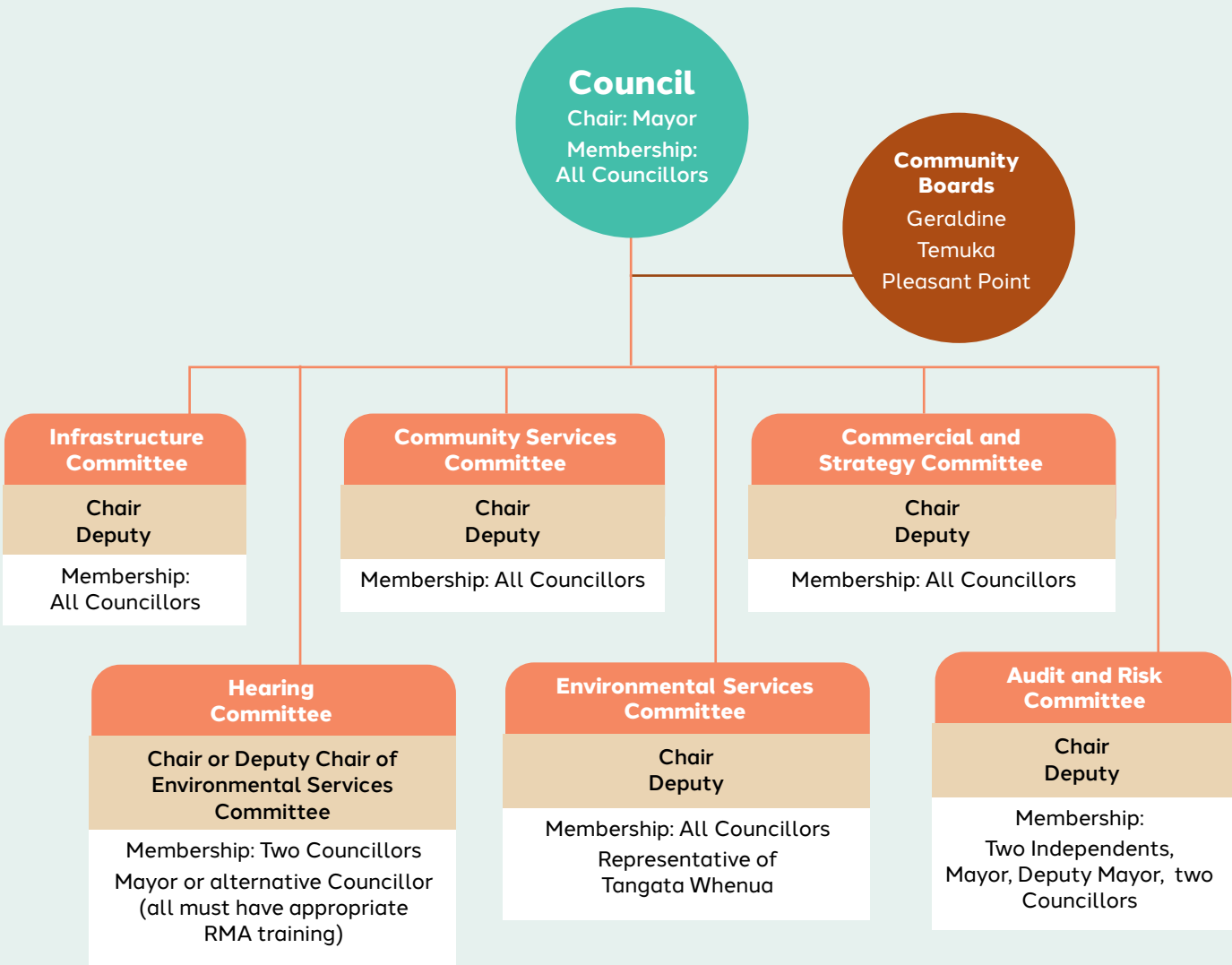
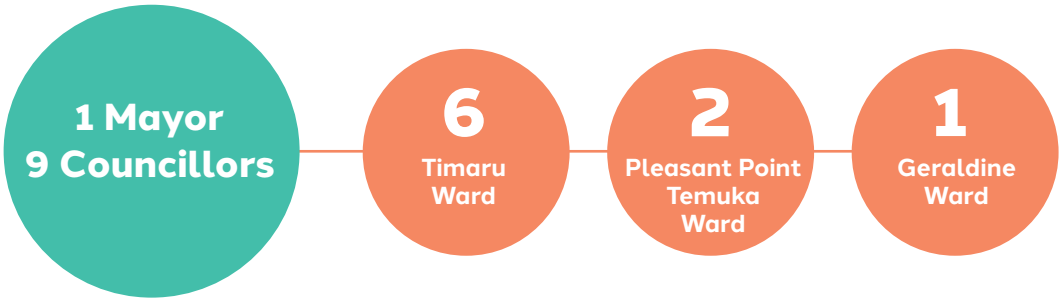
Nigel Trainor
Chief Executive

Our Council, Community Boards and Committees

Timaru District Council is made up of 9 elected Councillors and the Mayor, all who serve a 3-year term.

In addition to the Council, the Timaru District also has 3 Community Boards including Temuka, Pleasant Point and Geraldine. Representation on the Geraldine Community Board includes 6 members plus 1 Geraldine ward Councillor. The Pleasant Point and Temuka Community Boards each include 5 members plus the 2 Pleasant Point- Temuka ward Councillors.

Council Governance

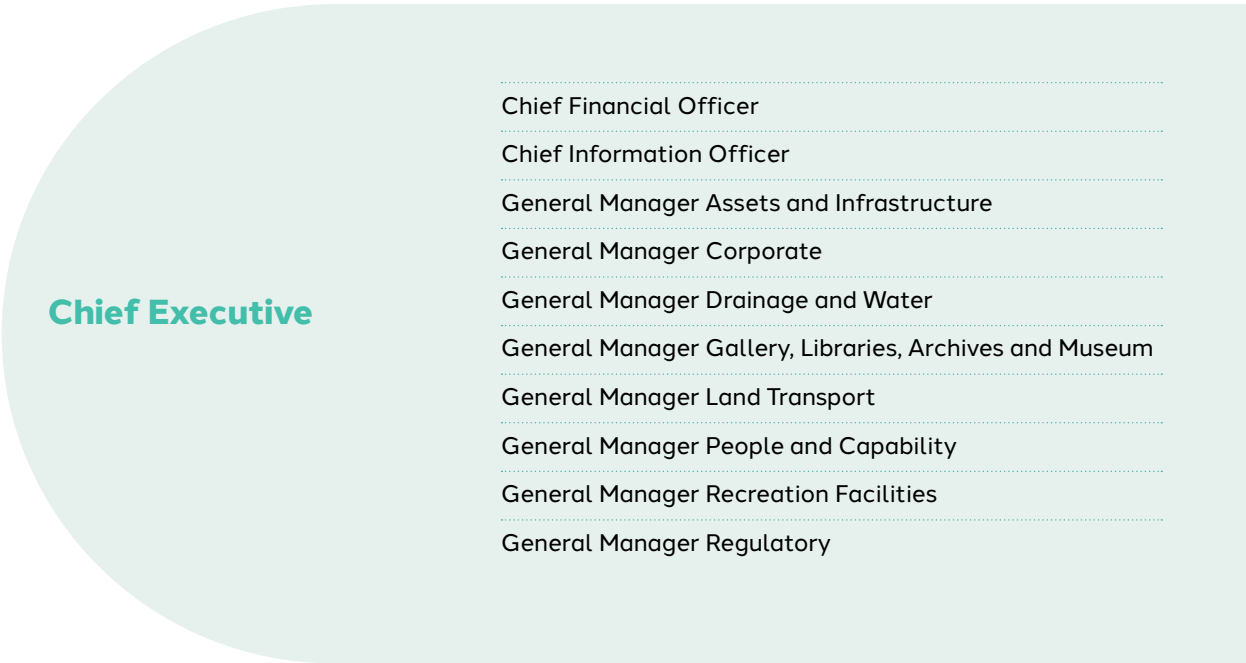


Our CCOs, CCTOs, interests and management

Council Group Organisations



Council Senior Management*



.....
*Effective from the 25 August

What does an elected member do?

Role

- ✓ **The Elected Member role is pivotal in responding to and planning for the district's present and future needs.**
As an Elected Member, you could be the Mayor, one of the nine elected Councillors, or represent your Community Board, serving a three-year term to make decisions that address the needs and aspirations of our communities.
- ✓ **These decisions cover a wide range of areas, including local infrastructure, public services, community development, and environmental sustainability.**
- ✓ **The role of an Elected Member in Local Government is quite different from a board director or shareholder in the private sector.**
Board directors in the private sector focus primarily on profitability and market share, oversight over the management of the company, and are accountable to shareholders. They also focus on finances from a returns perspective and have voting rights on major company decisions, but generally take a more governance role in the management of the company. The role of Elected Members in Local Government focuses more on representing the community they serve with a focus on, and accountability to, the public interest. In practical terms, although important, it's not always about the 'bottom line'. Financial sustainability of the Council is essential but balancing the current and future needs of the district against affordability for rate payers and service users is vital.
- ✓ **Elected Members are the district's community representatives, and govern Council by setting policy direction, monitoring performance, making bylaws, overseeing legislative compliance, determining expenditure and funding through the annual and long-term plan processes, and employing the Chief Executive.**
The Elected Members are the governing body of the Council and are collectively responsible and democratically accountable for its decision making.
- ✓ **The mayor has a district wide leadership role, by leading the democratic debate on Council's plans, policies, and budgets.**
The mayor also establishes the committees and appoints chairs to those committees.

Responsibilities

- ✓ **One of your primary responsibilities will be to represent the interests of the community.**
- ✓ **You will engage with residents, listen to their concerns, and advocate on their behalf.**
This means attending local meetings, consultations, and events to understand the issues affecting different neighborhoods. This communication needs to flow both ways, and effective governance must also prioritise clear and concise communication on behalf of the Council to the community by Elected Members. By maintaining open lines of communication through various mediums, you will ensure that the voices of all residents are heard and considered in the decision-making process, and that residents are well informed of the issues Council is dealing with.
- ✓ **As an elected Mayor, Councillor or Community Board member, you will also attend Council, Committee, and Community Board meetings to discuss and decide on various matters.**
In the 2025 calendar year we have over 30 Council, Committee and Community Board meetings scheduled, with more added as needed. Participation in these meetings is crucial for staying informed and effectively representing your constituents.
- ✓ **Preparation is key for an Elected Member.**
Before meetings, you will need to read through agendas to get a clear understanding of issues to make informed decisions. Sometimes these agendas, including attachments, can be upwards of 200 pages, so this is a significant part of the job. This thorough understanding of the issues allows you to contribute meaningfully to discussions and make decisions that are in the community's best interest.
- ✓ **Setting the Council's strategic direction is another critical part of the role.**
You will develop and approve long-term plans, policies, and budgets that align with the district's vision and goals. Balancing the immediate needs of the community with sustainable long-term planning for the future requires an understanding of the district's financial position, infrastructure demands, and socio-economic challenges.
- ✓ **You will also oversee the implementation of Council decisions and policies.**
Working closely with Council officers and stakeholders, you will ensure that projects and initiatives are carried out effectively. This oversight function includes monitoring progress, evaluating outcomes, and making necessary adjustments. By holding the Council accountable, you will assist in maintaining transparency and trust within the community.

The challenges we're tackling

Community expectations and engagement

Day-to-day, Council has many competing priorities when it comes to responding to the needs and desires of the community, which must be balanced against the role, responsibilities and limitations of the organisation.

When deliberating and making decisions on the issues of today, consideration needs to be given to the impact on present and future communities whether that be financial, social, economic, environmental or cultural.

Making these trade off decisions is difficult and requires elected members and Council officers to work together as a team to create the right community conversations about the impact of different decisions. This requires realism about the different ways services can be delivered, along with the costs and other impacts of different options. We all have an interest in having the facts, so we can have the right debate. In the end, as a community we are all responsible for these decisions.

Household inflation vs Council inflation

Councils rates increases are consistently higher when compared against Consumer Price Index (CPI) inflation increases, but the reality is, the services Councils use and provide within our district are very different to the general household, so this leads to a gap between CPI inflation and rates increases.

Although most households usually look at CPI to understand how prices for everyday goods and services are rising, Councils use different measures to adjust for inflation. In planning our finances, we use several index adjustments like the Capital Goods Price Index (CGPI) for infrastructure projects, the Producers Price Index (PPI) which measures price changes from a producer's point of view, the Household Living-Cost Price Index (HLPI) which looks at the living cost pressures faced by our community, and the Labour Cost Index (LCI) which measures the labour costs for the workers that keep our district running.

The true cost of our assets

Council owns and maintains over \$1.7 billion in assets on behalf of our community, including the ones you can see above ground like our facilities, on the ground like our footpaths, and below ground like water pipes.

Like many Councils around the country, a large percentage of these assets are coming to the end of their life and need to be replaced. This presents a financial challenge for the Council to fund what needs to be done now, but ensure the investment is equitable for all who will benefit. Given the long life of such assets, Council must plan to spread the cost over the life of the asset to ensure that we aren't unfairly burdening the rate payer of today compared with the ratepayer of tomorrow.

A key component to funding all these replacements, is ensuring that we collect enough money to cover depreciation. Depreciation is an operating expense and is calculated based on the current value of the asset divided by its expected or useful life. The cash generated from the depreciation expense is used to repay the loans or build funds for the next replacement.

We regularly revalue our water and roading assets, however a large proportion of our vertical or above ground assets (like buildings and open space assets such as play equipment) have not been revalued since 2005. It is imperative that these are revalued but when these revaluations are undertaken, the depreciation required will increase, resulting in additional financial pressure on Council and further rate increases.

In the Long-Term Plan (LTP) 2024-34 we planned to move towards collecting 100% of the depreciation required by Year 6 (2030) which will enable the Council to have a balanced budget and generate sufficient cash to repay loans. Given the rate increase in 2025/26 was approved at 9% the balanced budget target will require additional operational savings to be achieved.

Operational deficits are not uncommon for Councils, however operational deficits negatively impact the ability to replace assets which results in increased borrowing to cover the shortfall. This is further compounded by the ability to only pay interest on borrowings and not the principal, which has Council forecast to get close to breaching its self-imposed debt limit of 2.5 times revenue by 2029.



Population and growth

Timaru District has one of the oldest populations in New Zealand and experiences slower population growth, at around 0.5% annually, which is below the National and South Island average. This slow growth directly impacts the local economy.

The ageing population means a higher number of residents are on fixed incomes, which must be considered in the rates review.

Despite this, Timaru has a strong economic base with a mix of primary, industrial, commercial, and service sectors. This diversity results in lower unemployment and an above-average GDP for the district. To maintain and improve our economic standing, investment in new infrastructure and recreational facilities is crucial, although it must be balanced against costs.

Rates

Timaru has some of the lowest rates in the Country. Artificially low rate increases in the past have meant that Council is on the back foot and consistently running an operating deficit.

Early financial modelling for the Annual Plan 2025/26 showed that the Council would need to increase rates by **25%-30%** to achieve a balanced budget. This creates a significant challenge for the Council as it tries to find a balance between rates, user charges, and costs, while ensuring affordability and maintaining the current levels of service.

The rating models used by Timaru District Council, is based on a mix of uniform annual general charge, general rates (based on land values), targeted rates and user charges. With the general rate there are differentials with rate factor of 1.0 being residential and others paying rate factors of between 0.67 to 4.35. These differentials may no longer be reflective of services provided by Council to these different types of landowners and will need to be reviewed. Any changes to the differentials may result in changes to rate levels paid.

Climate change

Climate change is impacting us all, locally, nationally, and internationally. For Council, adapting financial and service delivery planning is key to ensure resources and infrastructure can mitigate the effects of and withstand more frequent and severe weather events.

In the absence of clear guidance from central government, New Zealand councils are stepping up, using their resources and planning to make communities resilient. This means including climate change considerations in budgeting and service planning.

Extreme weather demands strong infrastructure, environmentally friendly practices, and adaptive communities, and Council is consistently working hard to enable this.

Furthermore, councils are often involved in Civil Defence and Emergency Management (CDEM) activities.

During events, staff are pulled from their regular roles to respond to the emergency, putting additional pressure on the delivery of everyday services. This dual responsibility requires councils to be agile and resourceful, ensuring that both immediate emergency responses and standard services are maintained. However, these efforts present additional financial challenges, as councils must allocate significant funds to implement these plans effectively. Balancing these costs with other essential services can strain budgets and require careful financial management.

Technology

The evolving tech landscape offers both opportunities and challenges for the Council and our district. Tech advancements can drive growth, improve efficiency, and foster innovation. Councils benefit from enhanced service delivery through web-based applications, real-time data, streamlined processes, and better communication.

In the district's industry and primary sectors, technology like precision agriculture and automated machinery boosts productivity and sustainability. Advanced manufacturing technologies enhance production efficiency, creating new job opportunities and driving growth.

However, keeping up with tech advancements is costly and resource-intensive. Ensuring robust cybersecurity and addressing the digital divide is crucial to prevent unequal access to services. The rise of digital platforms also challenges small local businesses as online shopping grows, impacting traditional 'bricks and mortar' retail.

Despite these challenges, leveraging technology can significantly enhance council operations and service delivery. Addressing obstacles proactively will better serve the community in a digital world.



Central Government Reforms

Council is moving through a period of significant change with current and signalled Central Government reforms including water, resource management, building consents, and local government. These reforms will potentially change the landscape of what services Councils deliver and how they deliver them.

These reforms will present Council with various challenges including financial sustainability, asset ownership, retention of services and potential amalgamation.

Changing how things work

Resource Management reform includes replacing the Resource Management Act 1991 with two new acts 'The Planning Act' and 'The Natural Environment Act' which will clearly differentiate between land-use planning and natural resource management, while putting a priority on the enjoyment of private property rights. For Council, this means a change in how we are involved in the management of our environment, how we plan and provide for growth and the way we administer and monitor resource consents.

Building Consent reform will directly affect the way we deliver building consent services as Council is a Building Consent Authority (BCA).

The Government, via the Ministry of Business, Innovation and Employment (MBIE) Building Performance teams, are investigating how building consenting services can be more efficient and enabling. The work MBIE is doing includes looking at how the BCAs are structured, scope of exempt work, mandatory three working days turnaround for 80% of consent inspections, self-certification, acceptance and use of overseas building products, and possible regional consent authorities or a national single point of contact.

MBIE is also reviewing where the responsibility for defective building work should lie. Currently, Councils (and therefore ratepayers) are often held financially responsible as the final authority that approves the work. This has made councils cautious when issuing building consents. The proposed reforms will look at whether this system is still suitable or if new

measures like self-certification and shifting liability to other parties could improve the building consent process.

Local Government reform is the biggest 'known-unknown' in the reform space. Government has proactively released cabinet papers signalling some major changes and has publicly been clear in its messaging that Councils need to 'do the basics brilliantly', however we do not yet know the full scope of what this reform will include.

What we do know is that these reforms are likely to encompass a wide range of functions and responsibilities currently managed by local councils, potentially reshaping their roles and the way they operate. This could include changes to funding structures, governance models, and the division of responsibilities between local and

Local Water Done Well

Water reform is advancing and in the coming weeks Council will consider if progressing an in-house or Water Services Organisation (WSO) model is the best option for our district, with the Water Services Delivery Plans needing to be completed and submitted to the Secretary for Local Government by 3rd September.



central government. The goal is to create a more efficient, transparent, and accountable system that better serves the needs of residents.

The reforms may also introduce new standards for performance and service delivery, ensuring that all councils meet certain benchmarks. Additionally, there could be a greater emphasis on collaboration and shared services between neighbouring councils to maximize resources and improve outcomes for communities.

As these reforms are developed and implemented, councils will need to adapt to new requirements and expectations, which may involve significant organizational and operational changes. Effective communication and engagement with stakeholders will be crucial to navigate this period of transformation successfully.



Our strategic direction

In developing the 2021-31 LTP, Council reviewed and updated the strategic direction and priorities which were reaffirmed for the 2024-34 LTP.

Vision

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

Our Values and Role

Inclusive Leadership

Through inclusive leadership, citizens play an active role in the District, creating shared responsibility and a connected vision for the future.

Cultural Caretakers

Protecting and regenerating our unique cultural and environmental heritage so that we can retain a strong sense of identity for current and future generations.

Transition Navigators

Being adaptable to change by embedding the principles of agility and resilience into our approach towards enhancing our community wellbeing outcomes.

Our strategic priorities

In developing the 2024-34 LTP Council chose one focus area under each of the community wellbeing outcomes as its priority.

Resilient Infrastructure

Investing in the future through well-conceived and planned projects that support the growth and wellbeing of the community and the environment.

This Community Wellbeing Outcome considers the critical transitions we are facing creating a sustainable platform for future generations.

- 1 **Invest for Future** – We will invest in high quality infrastructure to meet the needs of our community.
- 2 **Apply Good Practice** – We will use quality data and good practice to enable high quality infrastructure decision-making.
- 3 **Responsive Planning** – We will prioritise resilience in our planning for future infrastructure.
- 4 **Engage with People** – Council will engage with our community to develop solutions to future infrastructure challenges

Enhanced Lifestyle

Enhanced Lifestyle focuses on providing a healthy community environment, that enables affordable access to the range of facilities, opportunities and resources we need to thrive.

This Community Wellbeing Outcome seeks to enhance lifestyle and strengthen equity within our community.

- 1 **Facilities and Services** – We will provide future proofed services and facilities to enhance the community.
- 2 **Shared Spaces** – We will develop and maintain shared spaces that support community activity, diversity and foster pride.
- 3 **Accessible and Active** – We will enable an active lifestyle for everyone across the accessibility spectrum.
- 4 **Affordability** – We will strive to ensure affordability and equitability are at the heart of our planning.
- 5. **Health & Wellness** – We will create opportunity for all citizens to live within a safe, healthy community where wellness needs are embraced.

Diverse Economy

Enabling the conditions for a diverse and prosperous economy that creates local, national and international opportunity for a thriving community.

This Community Wellbeing Outcome seeks to build on our unique local strengths to create a prosperity now and for future generations.

- 1 **Leverage Local Strength** – We will leverage local strengths to retain and grow local talent.
- 2 **Sustainable growth** – We will support sustainable growth in the right place.
- 3 **New and Niche** – We will encourage innovation and new opportunities to further diversify our economy.
- 4 **Thriving Business** – We will create opportunities for local businesses to thrive through networks & support.



Sustainable Environment

At the heart of our sustainable environment is the practice of kaitiakitanga. It is our role to be guardians of our natural environment.

This Community Wellbeing Outcome seeks to encourage the regeneration of our environment and foster a culture of sustainability.

- 1 **Clean Environment** – We will prioritise sustainable land and water use to help regenerate our environment.
- 2 **Kaitiakitanga** – We will foster a strong connection between our people and the environment.
- 3 **Low Carbon and Energy** – We will promote and support low-carbon, low- energy practices.
- 4 **Minimise Waste** – We will lead and promote waste minimisation.
- 5 **Encourage Biodiversity** – We will support practices, partnerships and policies to protect and regenerate our native flora and fauna.

Connected Citizens

Connected Citizens embrace social connection and learning through sharing stories and ideas, and civic engagement.

This Community Wellbeing seeks to actively support the contribution of citizens in activities that foster inclusion, agency and democracy.

- 1 **Enabling Community** – We will enable community ownership of projects, by supporting community groups and initiatives.
- 2 **Open to Ideas** – We will actively support the contribution of citizens in activities to foster inclusion and democracy.
- 3 **Sharing Stories** – We will support the growth of local identity, and community pride through sharing stories, learning and documenting local history.
- 4 **Foster Iwi Relationships** – We will develop collaborative relationships with papatipu runanga.
- 5 **Advocacy and Leadership** – We will advocate and encourage citizens to contribute ideas and perspectives in an easily accessible way.



Our District

Our relationship with manawhenua

The Council recognises Kati Huirapa o Arowhenua holds manawhenua status from the Rakaia in the north to Waitaki in the south including the Timaru District Council.

In recognising its relationship with manawhenua Council is required to take appropriate account of the principles of the Treaty of Waitangi when carrying out its duties under the Local Government Act (LGA) 2002 and the Resource Management Act (RMA) 1991. The relationship between manawhenua and the Timaru District Council reflecting, at a local level, the partnership relationship between the Crown and its Treaty Partners.

Section 81 of the LGA requires all local authorities to establish and maintain processes to provide opportunities for manawhenua to contribute to Council's decision-making processes. It also requires councils to consider ways to foster the development of the capacity of manawhenua to contribute to these processes and to provide manawhenua with relevant information.

The RMA has specific requirements for Council to engage with manawhenua when preparing and reviewing the district plan and to consider tangata whenua values as part of decision-making on resource consent applications. While engagement is provided specifically within the project planning for the District Plan Review and other key Council projects it is important that the Long Term Plan recognises these obligations and provides for adequate resourcing and timeframes to ensure an appropriate level of engagement on relevant Council projects.

It is also important that Council recognises its relationship with manawhenua under all legislation it administers, not just the LGA and the RMA. It is also important that the Council look for opportunities to strengthen its role and relationship with manawhenua in any government legislative reforms process.

Council will ensure all its key policy and decision-making processes include opportunities for discussion with manawhenua, through their mandated representatives, at the earliest opportunity and before any decisions are made; and endeavour to provide resources to help facilitate that engagement.

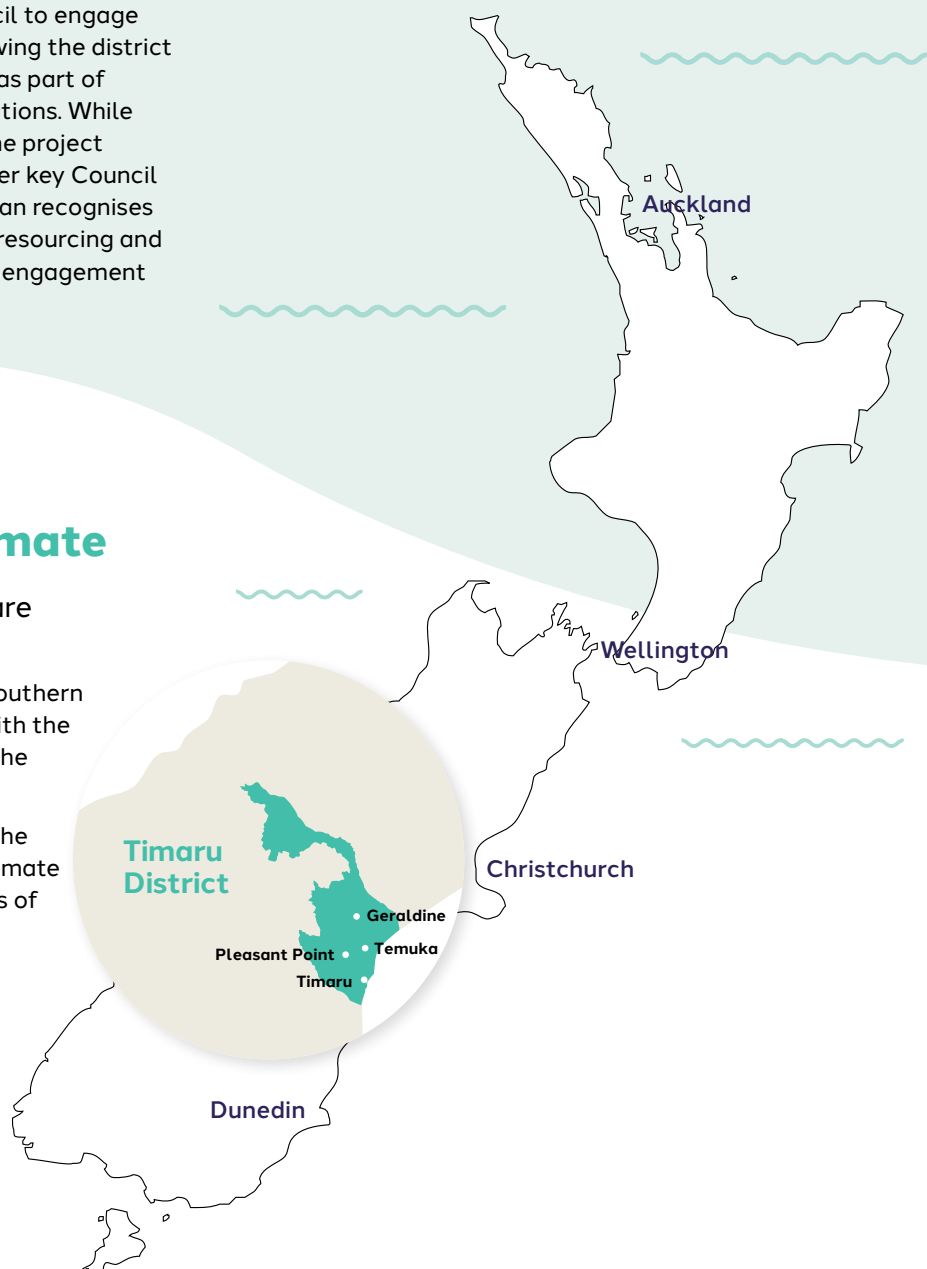
Council shall provide opportunities for manawhenua to engage in the development of key policy and plans, including long term plans and annual plans, and on resource management plans, policies and strategies including the process, timing and content of plan or policy development and review. Opportunities are also considered for appointments on planning and resource consent hearing committees.

Our geography and climate

The Timaru District covers 2,737 square kilometres of South Canterbury.

Two rivers naturally define its northern and southern boundaries, the Rangitata and the Pareora with the district stretching along the gentle curve of the South Canterbury coastline.

Timaru district is the sixth largest by area in the Canterbury region and enjoys a temperate climate with an annual average of around 1,826 hours of sunshine and 573mm of rain.



Our Environment

The diverse landscapes of the Timaru District include rolling downlands, tussock land, coastal plains and wetlands, forest remnants, river gorges and rugged mountain ranges.

The coastal plains to the north and downlands to the south are highly modified for intensive cropping, meat, wool and dairy production. Pasture and exocytic woodlots dominate the modified hills and downs from Peel Forest to Cave, with additional shrub and forest remnants.

Limestone outcrops and volcanic sediment add to the diversity of the landforms.

Our Economy

In 2023, GDP in the Timaru District was provisionally -1.3% for the year to June 2024. The decline is greater than the NZ national figure of -0.2%. These figures highlight that the economy in our district is weaker, along with the rest of the nation, and a direct consequence of households tightening their belts with retail trade activity, construction, manufacturing and the primary sector all facing with challenging environments.

The Timaru District economy is strongly influenced by its agricultural heritage. From its birth in pioneering sheep farming, our richly productive agricultural sector has grown to become New Zealand’s “food bowl”.

Today’s farming is heavily influenced by dairy, with horticulture, intensive cropping, meat and wool also playing an important role. Significant manufacturing, processing, engineering and distribution operations contribute to extensive export and domestic supply of a wide range of goods and services.

This provides an array of employment opportunities across all sectors from trades and manufacturing to the professional, service and primary sectors. The Timaru District prides itself on having one of the lowest unemployment rates in New Zealand.

Unemployment rate
2023/24
3.7%
National
unemployment rate
is 4.2%

The wider South Canterbury region enjoys reliable and accessible water for irrigation and industry – indeed some of the most affordable resource in the country. This continues to provide the impetus for the development and growth of successful food processing and exporting operations.

Our People

Our Demographics

Population 47,547*

Timaru District’s population is the fourth largest in Canterbury with an average growth rate over the last 5 years of 0.5%.

*2023 Census

Population projections, based on a medium growth scenario, project the district’s population to increase to 49,700 by 2033, reaching 51,600 in 2053 (+0.2% average annual increase). In recent years the ‘natural’ population increase has been negative, with the number of deaths exceeding births. This reflects the age makeup of the district’s population.

The population is expected to age in the future, with Timaru District currently having a higher-than-average aging population compared to all of New Zealand. Virtually all growth in future years is projected to be in age groups 65+, with the proportion of 65+ projected to increase by close to 30% in the 2023-53 period.

Around
80%
of Timaru District residents live in or around the four main settlements – Timaru, Temuka, Geraldine and Pleasant Point.

Our Communities

Timaru	Pop. 31,845
Temuka	Pop. 4,840
Geraldine	Pop. 3,120
Pleasant Point	Pop. 1,520

Estimated as of June 2024

In recent years, Timaru District has become increasingly culturally diverse, with more residents bringing a vibrant mix of languages, traditions, and perspectives from Māori, Pacific, Asian, African and other ethnic communities.

This growing diversity is contributing to a more vibrant and inclusive local culture, reflected in everything from community events to school classrooms and local businesses.

Our District is also a refugee settlement location, with over 200 Syrian and Kurdish former refugees now calling Timaru home.

Our communities are well serviced with education, health and recreational services along with a vast range of clubs and organisations. Health New Zealand – Te Whatu Ora South Canterbury is the major health provider, with Ara Institute of Canterbury providing tertiary education services.

Our assets

Council manages over \$1.7 billion in assets throughout the district on behalf of residents.

Some examples of these assets are:



Our services

Council has ten groups of activities as outlined below. We also have a Corporate Activities group that provides support across the organisation.

Democracy

- Governance
- Key documents (Long Term Plan, Annual Plan, Annual Report)
- Citizenship Ceremonies
- Community engagement and consultation

Corporate Activities

- Information Technology
- Customer Services
- Communications

Community Services

- Emergency Management
- Economic Development
- Community Funding
- Community Development

District Planning & Environmental Services

- Building Control
- Animal Control
- District Planning
- Environmental compliance
- Liquor Licensing

Recreation & Leisure

- Learn 2 swim
- Art Gallery exhibitions
- Weekly story time
- Museum exhibitions
- Garden maintenance

Roading & Footpaths

- Road Safety programmes
- Street cleaning

Stormwater

- Collection and disposal of stormwater run-off

Wastewater

- Collection and disposal of wastewater

Water Supply

- Supply and delivery of drinking water

Waste Management

- 4-bin kerbside collection
- Hazardous waste drop-offs
- Community Education

350km
FOOTPATHS

16
Traffic
counters

4567
Streetlights

993km
Sealed
roads

12
Treatment
plants

2035km
Water
pipelines

146km
Stormwater
pipeline



19
Reservoirs

3
Oxidation
ponds

11
Emergency
Management
Sirens

469km
Wastewater
pipeline

23
Pump
stations



Our financial information

This section provides an overview of Council's historic and forecast financial position.

As mentioned earlier in this report, Council is currently operating an unbalanced budget. This means, our expenses are greater than our revenue.

Over the next three years, it is critical that we reduce or eliminate this deficit. This can be done through reducing our expenses and/or increasing our revenue.

The below information represents Council's forecast financial position as at 30 June 2025 and is subject to change following the audit of the 2024/25 Annual Report.

Assets

\$2.171B

Credit Rating

AA-

LGFA Debt

\$250M

Liabilities

\$332M

Net Worth

\$1.838B



Want to know more?

If you'd like more information, the 2023/24 Annual Report, and 2024-34 Long Term Plan are all available on our website, and the adopted 2025/26 Annual Plan is due to be published later in July 2025.

Our financial strategy

The Financial Strategy contained within the LTP 2024-34 sets the guiding principles for managing the Council’s finances and making budgetary decisions. It was developed to prioritise core services, business operations and Council-approved priorities.

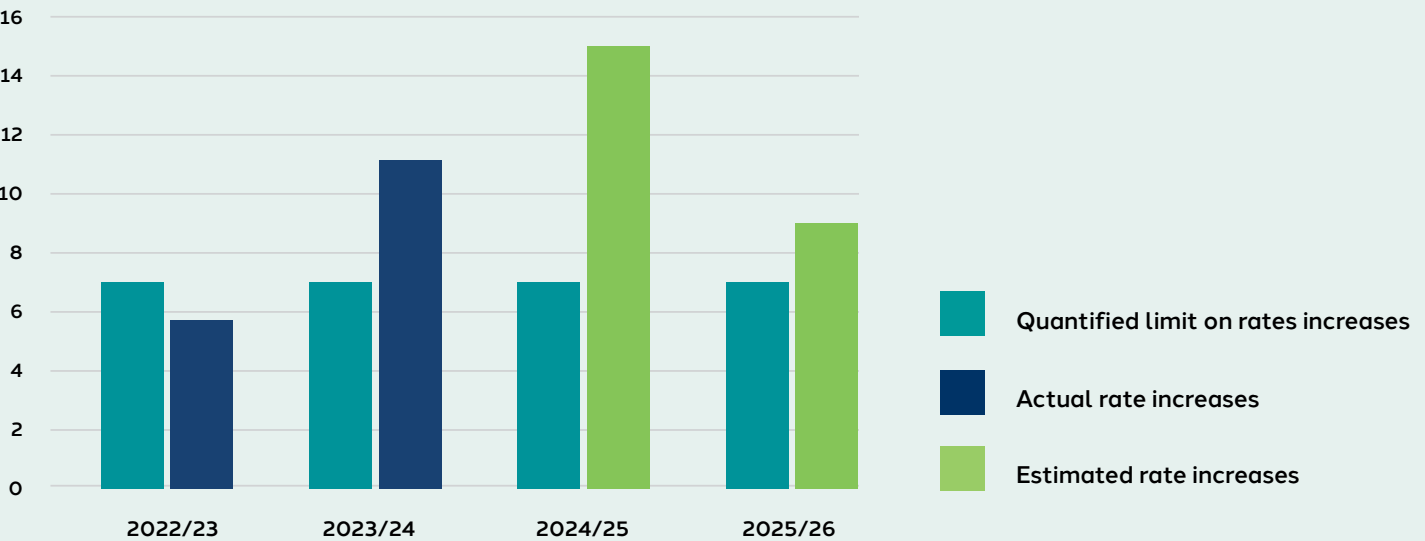
- The strategy aims to get the balance right so we can achieve our goals of:
- Maintaining long-term financial resilience
 - Providing high-quality infrastructure and facilities
 - Ensuring our services our services are affordable and meet the wellbeing needs of our community

The information below for the 2022/23 & 2023/24 financial years are based on actual results from the Annual Report 2023/24, and the 2024/25 year is based on predicted information which is subject to change following the audit of the 2024/25 Annual Report.

Our rates

The 10 year average quantified limit on rates, set in the Financial Strategy, is 7% on average.

The below graph represents the average percentage rates increase over the last 3 years with the quantified limit on rates plus an estimate average for 2025/26.



Our Debt

The quantified limit on borrowing in the Financial Strategy for the 2021-31 LTP was 2.1 times the total revenue, with a further increase to the limit to 2.5 for the 2024-34 LTP.

The below table represents Councils borrowing against the quantified limits, noting that the result for 2024/25 is an estimate.

Financial Year	2022/23	2023/24	2024/25
Quantified Limit	2.1	2.1	2.5
Borrowing	1.28	1.3	1.34

Our investments

Equity Investments

The quantified target in the Financial Strategy for our Equity Investments is \$1 million per annum from Timaru District Holdings Limited (TDHL).



This target has been met for the 2022/23, 2023/24 and 2024/25 financial years.

Cash Investments

The cash investments Council holds include funds held for a specific purpose and are usually held as short-term deposits or in bonds.



This target has been met for the 2022/23, 2023/24 and 2024/25 financial years.

The quantified target in the Financial Strategy for our Cash Investments is between 1.1% and 1.5%.

Our operating revenue and expenses

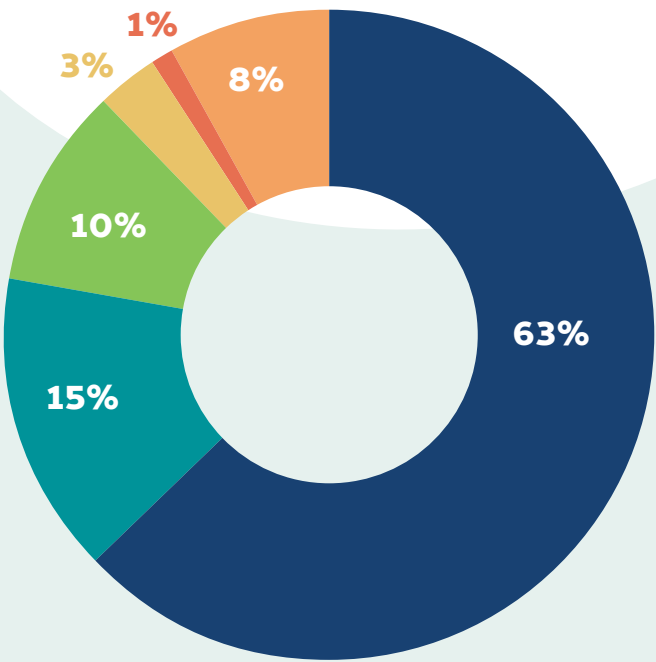
Our Revenue

Council has a number of revenue streams, which are grouped by:

- Rates**
(from General, Uniform Annual General Charge, and Targeted)
- Fees and Charges**
(from users of specific services like our swimming pools)
- Subsidies and Grants**
(from external sources like NZ Transport Agency)

- Finance Revenue**
(from investments)
- Dividend Revenue**
(from our CCO)
- Other Revenue**
(from vested assets)
- Other gains**
(sale of assets)

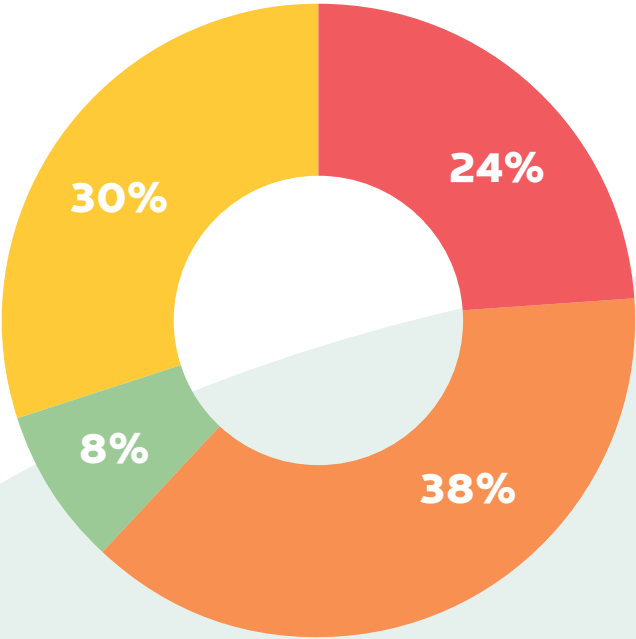
For the 2025/26 financial year, the percentage of total operating revenue for each of these sources is:



Our Expenses

As with our revenue, Council has various operating expenses which are grouped by:

- Personnel costs**
(to pay our team)
- Other expenses**
(to pay our contractors and fixed utilities costs like power)
- Finance costs**
(interest on borrowings)
- Depreciation and amortisation expense**
(to fund the replacement of our assets)



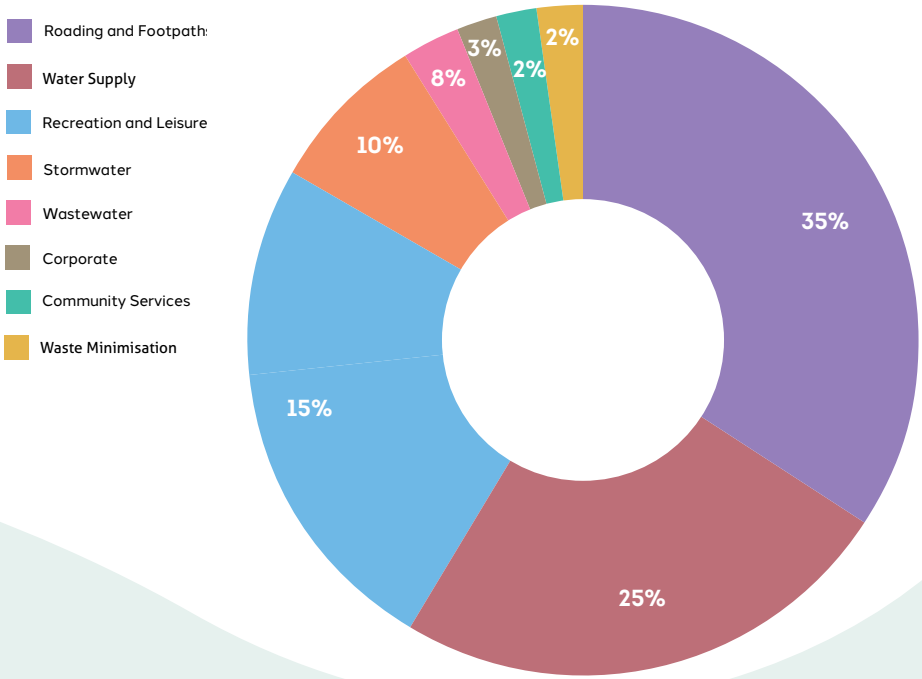
Our capital expenditure

Council has budgeted for over \$650 million in capital expenditure to replace existing assets and construct new ones in the LTP 2024-34.

This expenditure will be funded through borrowings, capital subsidies and grants (like NZ Transport Agency and MBIE) and depreciation.

The planned investment is on more than just pipes and roads, although that makes up a large proportion of the expenditure.

The below graph summarises the percentage of the total capital spend across our different groups of activities contained in the LTP 2024-34.



Our Major Projects

As detailed in our Capital Expenditure, a large proportion of our major project investment is on infrastructure, but we also have some exciting community facility projects planned to be progressed or completed in the next 3 years.

These projects include replacement of existing assets that are coming to the end of their useful life, upgrading assets to improve resiliency and capacity in our networks or delivery of services, and additional assets to meet the needs of our community.

In addition to the significant renewal programme across our infrastructure network throughout the district (including roading, stormwater, wastewater, water supply and waste activities), the major projects over the next 3 years are:

- \$31.7M** Claremont Water Treatment Plant Upgrade
- \$47.5M** Theatre Royal and Museum Project
- \$24.8M** Aorangi Stadium
- \$4.1M** Water Meter Installs
- \$2.1M** CityTown
- \$2M** Finance System Upgrade
- \$1.1M** Timaru Airport Terminal Upgrade
- \$0.9M** Timaru Cemetery New Site Development

Our Statement of Financial Position

The Statement of Financial Position is also known as a balance sheet. It identifies what Council owns, what it owes, and its net worth.

	Actual 2019/20 \$000	Actual 2020/21 \$000	Forecast 2021/22 \$000	AP Budget 2022/23 \$000	LTP Budget 2024/25 \$000	LTP Budget 2025/26 \$000
ASSETS						
Current assets						
Cash and cash equivalents	39,296	22,159	14,628	9,231	14,876	15,007
Receivables	12,720	15,713	13,583	13,668	14,201	14,528
Other financial assets	13,762	12,938	35,040	37,296	35,040	35,040
Total current assets	65,778	50,810	63,251	60,195	64,117	64,575
Non-current assets						
Property, Plant and equipment	1,882,870	1,915,255	2,043,245	2,129,801	2,206,670	2,291,427
Intangible assets	3,507	4,810	5,075	8,594	5,075	5,075
Forestry	1,373	1,150	1,401	1,150	1,429	1,443
Investment Property	1,955	1,740	1,994	1,740	2,034	2,055
Investment in CCOs and other similar entities	55,589	56,359	55,589	55,725	55,589	55,589
Total non-current assets	1,945,294	1,979,314	2,107,304	2,197,010	2,270,797	2,355,589
Total assets	2,011,073	2,030,125	2,170,555	2,257,205	2,334,914	2,420,164
LIABILITIES						
Current liabilities						
Trade and other payables	25,242	29,562	18,586	23,802	19,091	19,355
Employee benefit liabilities	3,587	2,635	3,938	2,635	4,259	4,430
Borrowings	40,548	56,577	-	-	-	-
Total current liabilities	69,377	88,773	22,524	26,437	23,350	23,785
Non-current liabilities						
Provisions	2,814	5,183	2,292	13,182	2,292	2,292
Employee benefit liabilities	407	409	496	409	536	558
Borrowings	164,984	163,955	306,754	282,301	405,563	430,139
Total non-current liabilities	168,205	169,547	309,542	295,892	408,391	432,989
Total liabilities	237,582	258,321	332,066	322,329	431,741	456,774
Net assets	1,773,490	1,771,805	1,838,489	1,934,876	1,903,173	1,963,390
EQUITY						
Retained earnings	784,119	771,466	767,850	837,594	765,470	764,912
Other reserves	40,970	51,937	40,933	48,268	38,417	41,751
Asset revaluation reserves	948,403	948,403	1,029,706	1,049,014	1,099,286	1,156,727
Total equity	1,773,492	1,771,807	1,838,489	1,934,876	1,903,173	1,963,390

Our Funding Impact Statement

The Funding Impact Statement identifies Council's funding (including where the funds come from and how much) and also where the funds will be spent.

	Actual 2022/23 \$000	Actual 2023/24 \$000	Forecast 2024/25 \$000	AP Budget 2025/26 \$000	LTP Budget 2026/27 \$000	LTP Budget 2027/28 \$000
General rates, uniform annual general charge, rates penalties	40,443	41,676	46,183	53,177	59,896	62,038
Targeted rates	25,070	31,132	37,817	39,313	45,156	48,055
Subsidies and grants for operating purposes	4,778	4,688	9,278	5,781	6,412	6,683
Fees and charges	17,316	18,561	20,492	21,236	23,750	25,230
Interest and dividends from investments	4,369	5,723	5,017	4,852	5,165	5,244
Local authorities fuel tax, fines, infringement fees, and other receipts	6,237	5,588	6,210	6,096	6,216	6,385
Total Operating Funding (A)	98,213	107,368	124,997	130,455	146,595	153,635
Applications of operating funding						
Payments to staff and suppliers	85,492	86,051	93,048	90,657	94,857	98,119
Finance costs	7,402	9,995	14,298	11,968	20,399	21,384
Other operating funding applications	-	-	-	-	-	-
Total applications of operating funding (B)	92,894	96,046	107,346	102,625	115,256	119,503
Surplus (deficit) of operating funding (A-B)	5,319	11,322	17,651	27,830	31,339	34,132
Sources of capital funding						
Subsidies and grants for capital expenditure	8,526	11,766	16,628	9,238	6,736	7,006
Development and financial contributions	953	739	-	-	-	1
Increase (decrease) in debt	40,697	15,000	56,782	35,588	34,767	27,910
Gross proceeds from sale of assets	1,126	96	-	-	-	-
Lump sum contributions	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-
Total sources of capital funding (C)	51,302	27,601	73,410	44,826	41,503	34,917
Applications of capital funding						
Capital expenditure						
- to meet additional demand	2,397	506	-	-	-	-
- to improve the level of service	17,411	11,627	48,511	29,580	20,730	23,365
- to replace existing assets	33,201	45,868	45,611	50,568	53,763	42,350
Increase (decrease) in reserves	769	10,969	(3,061)	(7,492)	(1,651)	3,334
Increase (decrease) of investments	2,842	(30,047)	-	-	-	-
Total applications of capital funding (D)	56,621	38,923	91,061	72,656	72,842	69,049
Surplus (deficit) of capital funding (C-D)	(5,319)	(11,322)	(17,651)	(27,830)	(31,339)	(34,132)
Funding balance ((A-B)+(C-D))	-	-	-	-	-	-



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