

LONG TERM PLAN

Forging a Future

T O G E T H E R

Consultation Document

KEY ISSUES:

- Roothing investment
- Financial planning for Queen Mary south site
- Proposed change to how we rate for stormwater & drainage

Submissions close on 29 April 2024

Phone: (03) 3148816
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Forging a Future, Together

In accordance with the Water Services Acts Repeal Bill, Council has elected to proceed with this Long Term Plan with no audit report included with this Consultation Document. A full audit of the final Long Term Plan will be undertaken following consultation.

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Anvil and old shed - Hurunui District.



Welcome

Within these pages, we have set out an outline of the next 10 years for Hurunui District, looking at:

- what services your Council will provide
- what they will cost and
- at what levels rates will be set.

This is your opportunity to influence our future for the next 10 years in Hurunui District.

This Consultation Document is only a summary of what we are thinking of doing. To find out more about the draft Long Term Plan, go to [Council's website](#).

We invite you to join us as we forge a future,

together, looking at the important issues that face us over the next 10 years. We will present you with a number of options to think about and will provide you with several ways of giving us your feedback.

Although Long Term Plans cover 10 years, we also develop a new Long Term Plan every three years. We do this to allow a long-term approach to planning, while also being able to have flexibility to respond to unexpected issues, such as pandemics and earthquakes.

Below is a timeline of key milestones as we forge our plan for the next 10 years, together.

Key milestones



Message from Mayor Marie Black

Kia Ora,

We have again reached the milestone when we ask the community to provide feedback to inform elected members about the direction that is proposed in the 10 year plan for the Hurunui District.

The Hurunui District is proud of its wide open spaces, productive farmland, beaches and wonderful recreation areas. These features we embrace, but the flipside is that our large geographical area is sparsely populated. This means there are fewer people to pay for what needs doing, whether it be fixing roads, looking after assets like water pipes or maintaining our large number of reserves. As with any plan, it is necessary to make choices about what we do now, what we do later, and what we have to put aside for reasons of affordability.

As is evident in the news, the regulatory environment in New Zealand has and continues to see rapid change. The past three years have seen major upgrades to most of the Council's water supplies in order to comply with New Zealand Drinking Water Standards. One impact is that the Council has borrowed to fund this work. Part of the increase in water rates in the coming year relates to the servicing of this debt – both the interest and, of course, the repayment of debt over time.

Compliance with resource consent obligations is driving some aspects of the proposed programme



Mayor Marie Black.

for the next 10 years. We will need to introduce new wastewater solutions in some parts of the district. New kerbside waste collection services for glass and food scraps will become mandatory in Amberley.

Looking after what we have now helps ensure that infrastructure continues to function in coming years. In recent years, the expenditure on roading renewals has been less than needed to ensure that road surfaces are maintained to the desired standard. As part of this consultation, we are asking you about the level of investment in roading. The Council is seeking a much needed increase in central government subsidies for roading. While it will be some months before we know the outcome, any increase in roading subsidies will need to be matched by other income (primarily rates).

In recent years, we have all felt the effect of inflationary pressures, whether it be at the supermarket or the petrol pump. The Council is not exempt from these pressures, for example, the Council has experienced cost hikes in roading materials and contracts.

Our district continues to grow, with the fastest rates of growth being in the south. The draft Long Term Plan considers the likely increase in demand for



infrastructure and services such as water, wastewater treatment, reserves and library services.

A further pressure on costs relates to the changing climate and the need for emergency works. Over the past three years, some parts of the district have experienced significant rain events. In some cases, roads have been damaged or even washed away. With the ever-changing climate, we are faced with natural events with greater frequency and intensity. In addition, some impacts of rising sea levels are starting to be felt in coastal communities. In the light of these challenges, there is an increasing focus on resilience.

All of the above factors have meant that the Council, along with many others across the country, is looking at a significant increase in rates in the coming year. After allowing for growth, the average increase in 2024/25 is expected to be 12.37%. The

draft Long Term Plan also currently indicates a rates increase in 2025/26 of 14.26%, although the level may vary depending on the outcome of the application for roading subsidies and community input.

This challenging environment means we must make choices as we prepare for the next chapter in our journey together. By making a submission, you can help the Council understand what matters most to our community. We call it “forging our future, together”.

Marie M. Black.



View from Mt Cass.

Getting your direction

Have your say

We want to hear our community's views on the key issues for our district over the next 10 years.

Submissions open on 27 March 2024 and close on 29 April 2024.

Forging a future, together ... tell us what you think

<p>Hardcopy submission:</p> <p><i>You may wish to use the submission form at the back of this Consultation Document.</i></p> <p>These are also available from any of our libraries or service centres, or by emailing or phoning us. Submissions can be dropped off at one of our libraries or service centres.</p> <p>If you prefer to submit in another format (not using the form), you can post or email us at the addresses below. (Please ensure you include your contact details.)</p>	<p>Community discussions (public meetings):</p> <ul style="list-style-type: none">• Amberley Domain/The Tin Shed - Amberley Thursday 4 April at 6.30pm Amberley Domain, 50 Douglas Rd.• Hanmer Springs Library - Hanmer Springs Wednesday 10 April at 6.30pm 49 Amuri Avenue.• The Knox Community Centre - Cheviot Monday 15 April at 6.30pm 13 Reeves St.
<p>Post to: LTP Submissions Hurunui District Council PO Box 13 Amberley 7441</p>	<p>Online:</p> <p>You can find more information, as well as an online submission form, at https://www.hurunui.govt.nz/have-your-say/consultations</p>
<p>Email to:</p> <p>submission@hurunui.govt.nz Please put 'Long Term Plan' in the subject line.</p>	<p>Submission hearings (in person or online via Zoom):</p> <p>Amberley office - 66 Carters Road Monday 6 May Tuesday 7 May</p> <p>Contact - 03 3148816 to book a time and for more details. Email - submission@hurunui.govt.nz</p>

MAKING A SUBMISSION: Subject to the provisions of the Local Government Official Information and Meetings Act 1987, we will make all submissions publicly available, including your name or organisation, but not your contact details. Please notify the Council if you consider there are reasons why your name or organisation should be kept confidential. If you choose to speak to your submission, you will present to the full Council at a public hearing. Councillors will have a copy of your submission before the meeting. After the hearing, the Council will consider all submissions and you will be advised of the decision on your submission.

Your councillors

Custom forging for Hurunui



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Over the last three years... 2021-2024

Our achievements



Go to www.hurunui.govt.nz/ltp-projects-map for a full list of our projects funded through the 2021-2031 LTP.

Drinking water

- Eight water treatment plant upgrades completed, with a further six to be completed within the next four months.
- 19 water safety plans submitted to Taumata Arowai.
- Full bacterial compliance achieved for four years running.



MainPower Amberley Pool

- Refurbished heated pool and pool pod.



Roading:

- Sealed road resurfacing of 23km (2021-22) and 28km (2022-23).
- Unsealed road metalling of 24,175m³ (2021-22), 24,708 m³ (2022-23).



Waste:

- Second weighbridge at Amberley Transfer Station.
- New weighbridge and designated green waste area at Hanmer Springs Transfer Station.



Camp grounds:

- Upgrades to Waikari and Scargill/Motunau Reserve campgrounds.



Libraries

- 122,265 items borrowed in 2021-22 and 125,344 items borrowed in 2022-23.



Stormwater & Wastewater:

- Amberley Eastern Drain improvements.
- Leithfield Township stormwater upgrade.
- District-wide wastewater facility renewals.



Building consents & Codes of Compliance issued

- 592 building consents and 547 Codes of Compliance certificates (2021-22) and 587 building consents and 467 Codes of Compliance (2022-23).



Hurunui District Council 2023 Strategy

Lighting the forge

Vision

Hurunui is a thriving, dynamic and resilient district shaped by our rich and diverse heritage. We relentlessly pursue social and economic prosperity for all, creating a future where our residents and communities enjoy a high quality of life in harmony with our environment and each other.

Values

Respect. Give it to get it
We show civility through listening, being thoughtful and acknowledging others' points of view. We embrace diversity, recognise differences and are inclusive in our treatment of others. We demonstrate our appreciation through praise and recognition.

Integrity. Do what's right
We are honest, transparent, and authentic. We are ethical, sincere, and trustworthy. We seek the best solution rather than the easiest.

Commitment. Be in - boots and all
We are passionate about the work we do and are motivated to do the best job. We are solution focused and accountable for our actions. We take pride in working for the Hurunui District.

Mission

We act boldly and innovatively, to enable communities to achieve their social, economic, cultural and environmental goals, supported by sustainable, resilient infrastructure.

Strategic Objectives

01	02	03	04	05
Deliver good quality services supported by sustainable, resilient infrastructure.	Support and facilitate appropriate economic development.	Support communities to develop and shape their own direction.	Respect the foundations of our shared history to build the future.	Focus on ensuring financial decisions result in tangible outcomes for residents and ratepayers.
<p>ROADING:</p> <ul style="list-style-type: none"> Improve levels of service delivered by roading network. Improve resilience of roading network. <p>THREE WATERS</p> <ul style="list-style-type: none"> Continue to advocate for community ownership of assets. Ensure any centralisation of three waters services continues to deliver good levels of service to the Hurunui district. Meet quality standards. Ensure sufficient volumes and quality to support growth. <p>BUILT ENVIRONMENT</p> <ul style="list-style-type: none"> Ensure community facilities are safe and fit for purpose. <p>WASTE</p> <ul style="list-style-type: none"> Deliver district wide waste services that meet community needs. 	<ul style="list-style-type: none"> Well thought-out spatial planning will support development. Attracting investment to build on our strong primary production base will add value. Excellent customer experience makes it easier to do business. Attracting tourists will support our businesses. Supply of affordable housing is critical for our economic development. 	<ul style="list-style-type: none"> Work with communities to ensure key community infrastructure is appropriate for the future. Continue the development of relationships with social service providers to facilitate access to appropriate services. Deliver key services where funding is available, and the services meet the needs of the communities. Encourage communities to consider how they can enhance the tourist visitor experience by taking pride and ownership in their district. 	<ul style="list-style-type: none"> Forge strong and respectful relationships with Ngāti Kuri and Ngāi Tuāhuriri as tangata whenua. Respect the natural environment and work to facilitate good environmental outcomes. Be influential in preserving and adaptively reusing the built environment. Support the cultural values developed by communities over a long period of time. 	<ul style="list-style-type: none"> Deliver value for money outcomes on time, to specification and in budget. Maintain a vigilant focus on controlling overhead costs.

Major projects at a glance

The next 10 years

Wastewater

\$13.9m

Major developments for treated wastewater disposal at Cheviot, Greta Valley, Motunau Beach, Hawarden and Waikari to meet regulatory requirements.

Stormwater

Leithfield Beach stormwater improvements.

\$2.5m

Roads

\$19.6m

Low-cost, low-risk roading projects.



Drinking water

Pipe upgrades district wide. **\$7.9m**

Upgrade the Balmoral water treatment plant to comply with regulatory requirements. **\$0.9m**

New water main to Waipara. **\$5.1m**

Upgrades to water mains at Cheviot, Blythe booster main, Lower Waitohi main and a main to Seadown reservoir. **\$8.9m**

New reservoir and pump station at Hanmer Springs. **\$5.2m**

Parks & Reserves

\$13.5m

Queen Mary south site development.

Dog park in Leithfield.

\$0.4m

Community facilities

Expansion of the Amberley Library.

\$2.4m



Development of the Amberley and Cheviot transfer stations to provide for growth.

\$2.5m

New sports pavilion in Hanmer Springs.

\$0.5m



The challenges ahead

Impacting Hurunui

Changing regulatory obligations is one of the key issues with potential to affect delivery of services to Hurunui District.

For example, we need additional stormwater treatment facilities to meet new resource consent conditions, as well as changes to how we manage freshwater.

The 12.37% average increase in rates is the highest the Council has experienced. This increase has been replicated around the country with all councils, particularly rural councils, experiencing the same issues that Hurunui is facing: affordability of three waters and maintaining levels of service for roading.

Affordability of Three Waters

Water Supplies:

In the early 2010s, the Council recognised that affordability of three waters (drinking water, wastewater and stormwater) was developing as a major issue. In the 2015-25 Long Term Plan, the Council actively planned for Council to be fully compliant with the drinking water standards but recognised that to make it affordable, the Council needed to change the rating system for water and sewer. The result was a district-wide water rate and a district-wide sewer rate. As there were significant variances in the rates for restricted water supplies, the Council opted to stage in the increase for each water supply to ensure that by 2024, all restricted water supplies were paying the same rate.

The Labour Government recognised that affordability of three waters was an issue for all councils and promoted the Affordable Waters Reform programme. In early 2024, the Coalition Government has repealed that legislation, resulting in councils continuing to be responsible for the ownership, operations and funding of three waters.

There has been significant capital expenditure in water infrastructure in the last three years, particularly to meet drinking water standards and to facilitate growth in Amberley. This work has been funded via debt. With the sharp

increase in interest rates, the debt servicing costs have increased. For the 2023/24 year, the Council opted to fund a portion of the increased interest costs from debt as an interim step. With the clear direction of the future of three waters, the Council has resolved to ensure that all operating costs relating to water are sufficiently funded from rates. Funding of operating costs from debt is not considered to be prudent financial management. This has meant that there is a 23.57% increase in water rates for the 2024/25 year, which accounts for 6.22% of the overall increase in rates.

There will be continual increases to the rates for water over the next 10 years due to staging in the funding of depreciation on the water supplies to ensure that 100% of the cost of depreciation is covered by rates by the end of the Long Term Plan. This will necessitate a further increase of 8.2% per annum to the water rates in each succeeding year of the Long Term Plan. The funds received from depreciation funding are used to repay debt.



Cheviot rural supply upgrade.

Sewerage (Wastewater):

Since the Council had combined all sewerage systems in 2015, there has been a portion of depreciation that has been funded through rates. In an effort to reduce the impact on rates, the portion of depreciation has gradually decreased over time.

Given the significant increase experienced in water supplies for the coming year, the Council has left the sewer rates unchanged for the 2024/25 year. However, as for the water supplies, there is a requirement to stage in the depreciation funding over the course of the 10-year period, resulting in an 11.6% increase per annum for sewer rates. Like water, the funded depreciation is used to repay debt.

Stormwater:

All urban communities will now be responsible for stormwater due to the finalising of the various global consents. The Council is proposing that the funding for stormwater be centralised (similar to the process undertaken with water and sewer in 2015). The overall rates for stormwater are set to increase by 31% to take account of costs relating to the individual townships. The Council's preferred option for funding stormwater is that 90% of the overall cost is funded as a fixed charge to each urban ratepayer and the remaining 10% funded as a fixed charge to each rural ratepayer.

The Council reviewed various options for funding stormwater and these are scheduled in Key Issue 3 of this Consultation Document for consideration.

Levels of Service for Rooding

Recognising that rooding is the single biggest activity that the Council undertakes and is the activity which attracts the largest amount of community criticism, the Council has determined that it is an area that needs immediate attention. The costs of rooding are essentially funded by two sources: rates and subsidies from Waka Kotahi. The financial assistance rate (FAR) provided by Waka Kotahi is set at 52% over the next three years, with

the Council's local share through rates being the remaining 48%. This, however, does not mean that Waka Kotahi blindly funds 52% of the cost of rooding – it is subject to an approved rooding programme. While the Council has applied to Waka Kotahi with its desired rooding programme for the next three years, at the time of preparing the budget or the draft Long Term Plan, the Council hasn't received approval for the proposed rooding programme.

The bid made by the Council was for a total rooding programme for the 2024 to 2027 period of \$64.5 million (\$17.8 million in 2024/25; \$23.4 million in 2025/26 and \$23.3 million in 2026/27). To put that into context, the rooding programme for the current 2023/24 year is \$11.0 million.

Informal indications from Waka Kotahi suggest the bid won't be successful. As a result, the Council is proposing to leave the current rooding rate unchanged from the 2023/24 year level of \$7.5 million, with the expectation that Waka Kotahi will increase its contribution to \$8.1 million to match its 52% FAR. This will allow the subsidised rooding programme to increase from \$11.0 million to \$15.6 million.

In the absence of the approved programme, the Council has budgeted to maintain the amount of the bid for the 2025/26 year of \$23.4 million. This will result in a requirement to increase the Council's share of the cost from \$7.5 million to \$11.2 million, with Waka Kotahi's share increasing to \$12.2 million. For the subsidised rooding activity, this represents a 49.8% increase in rates, which forms the vast majority of the 14.2% increase in overall rates for the 2025/26 year.

The Council's approach to funding for an increase to improve the levels of service for rooding is detailed further in Key Issue 1 of this Consultation Document.

Growth: The populations of our larger urban areas are expected to continue growing. Hurunui's population is expected to increase by almost 19% over the next 10 years and 72% over the next 30 years. The fastest rates of growth are expected to occur in the South Ward.

While growth provides some significant benefits for the district, it also presents challenges: increased traffic volumes increase wear on roads; increased demand for water for drinking, stock and agriculture; higher volumes of waste going to landfill; and increased demand for library services. People moving into the district could be used to higher levels of service. The Council's Infrastructure Strategy outlines how the Council proposes to respond to the impacts of growth on infrastructure.



Climate change

Changing weather impacts are expected to have far-reaching impacts on our communities. We will need to manage increasing stormwater volumes from significant rainfall events. Some houses may be at risk of flooding. Our coastal communities are also looking at adaptation measures in response to rising sea levels. Infrastructure design will have regard for future climate impacts.

Proposal to increase rates investment in roading

Current situation

The Council is responsible for managing the district's roading network, other than state highways and private roads. Of the total length of 1,459.5km of Hurunui's roading network, 622.8 km is sealed and 827.9 km is unsealed.

We often hear from the community that they would like us to do more work on our roads - and we are keen to do more. However, while we receive funding from Waka Kotahi NZTA, there is still a lot of cost left over for the ratepayer to pick up. The budgeted cost of roading activities in 2023/24 is \$11.8 million, of which Waka Kotahi has agreed to fund \$4.3 million. The remaining \$7.49m is rates funded.

Two of the largest expenditure items in the Council's roading budget are re-sealing of sealed roads and the metalling of unsealed roads. However, in recent years, the rate of resealing and the rate of metalling have dropped below the rate of deterioration. This means that we need to be spending more just to keep up with current levels of service.

Maintenance and improvements

- Over the past four years, 4% of the sealed network has been resealed each year. A rate of resealing of 6% would more closely align to the expected life of the seal. Carrying out reseals in a timely manner helps reduce the risk of more expensive works at a later date.
- In recent years, metalling has averaged 6mm per annum across the full network. However, unsealed roads lose around 10-15mm of aggregate per annum, depending on location, conditions and usage.

- While the Council's bridge stock is generally in good condition, 23% of bridges and culverts are expected to reach the end of their useful lives in the next 30 years, so we're expecting several high-priority structural maintenance works and renewals to likely fall due in the next 10 years.

Waka Kotahi NZTA Transport Agency Funding

To meet the Council's commitment to levels of service, it needs to increase its roading spend. In 2023/24, the Council's total roading programme totalled \$12 million. Ideally, there is a need for roading investment of at least \$64.4 million over the next three years.

The Council receives roading subsidies from Waka Kotahi to help with some of these costs. For the three-year period between 2024/25 and 2026/27, Waka Kotahi has undertaken to subsidise 52% of the cost of agreed roading works. In order to access the subsidy, the Council has to fund the remaining 48%.

The Council applied to Waka Kotahi for increased funding of \$33.5 million over three years, representing 52% of the \$64.4 million. This is considerably more than has been received from Waka Kotahi in previous years.

To support roading expenditure of \$66.4 million over the next three years, should Waka Kotahi approve the full amount of the bid, the Council would be required to fund \$30.9 million over three years.

The outcome of the Council's application will not be known before the Long Term Plan is finalised or before the start of the 2024/25 financial year.

Given the large increase in the subsidy requested and the level of uncertainty, the Council is proposing to assume that Waka Kotahi agrees to an increase in funding, but not to the full amount requested in 2024/25, but that the full amount of the bid is received in 2025/26 and 2026/27. In the event that the full amount of the bid is awarded, then the work can be smoothed over the three-year period. If the amount awarded is less than the bid, then the roading budgets for 2025/26 and 2026/27 can be reduced as part of the annual planning process.



Option 1:



Continue the Council's current level of rates funding for subsidised roading activities in 2024/25 (\$7.5 million) and increase the level of rates funding for subsidised roading activities in 2025/26 and thereafter to \$11.2 million per annum (adjusted for inflation).

Positives:

- Rates levied for the subsidised roading programme in 2024/25 would be unchanged.
- Rates of \$7.5 million in 2024/25 would be sufficient for the Council to be able to access \$8.1 million in Waka Kotahi subsidies in 2024/25 without the Council incurring debt.
- The total programme of \$15.6 million in 2024/25 would be a significant increase over the current size of the programme.
- The increased expenditure from 2025/26 onwards would make it possible to increase the rate of road reseals and road metalling.

Negatives:

- A total programme of \$15.6 million would be insufficient to carry out all of the planned work in the bid lodged with Waka Kotahi. In the event that Waka Kotahi funding for 2024/25 is higher than expected, it would not be possible to match fund the additional subsidy funding without accessing debt funding in the first instance.
- This option would mean there would be a significant increase in the roading rate in 2025/26. However, it is envisaged that the level of 2025/26 rates will be reviewed once the outcome of the Waka Kotahi bid is known.

Option 2:

Increase the level of rates funding for subsidised roading activities to meet the full proposed programme to \$8.6 million in 2024/25; \$11.2 million in 2025/26 and 2026/27.

Positives

- If Waka Kotahi were to approve the whole of the proposed three-year programme, it would be possible to access the full amount of the Waka Kotahi subsidy without incurring debt.
- The increased investment would make it possible to increase the rate of road reseals and road metalling.

Negatives:

- This option would mean there would be a significant increase in the roading rate in 2024/25.
- It is envisaged that the level of 2025/26 rates will be reviewed once the outcome of the Waka Kotahi bid is known.

Option 3

Maintain the level of rates funding for subsidised roading activities at \$7.5 million (adjusted for inflation) per annum over the next 10 years.

Positives:

- The rate requirement for subsidised roading activities would not change significantly (other than for inflation/price movements).














Negatives:

- By not increasing roading rates, the Council may not be able to access the full dollar value of Waka Kotahi subsidies (depending on the agreed subsidy amount).
- The total roading programme would be smaller than for the other options. This means that over time, roads would continue to deteriorate.

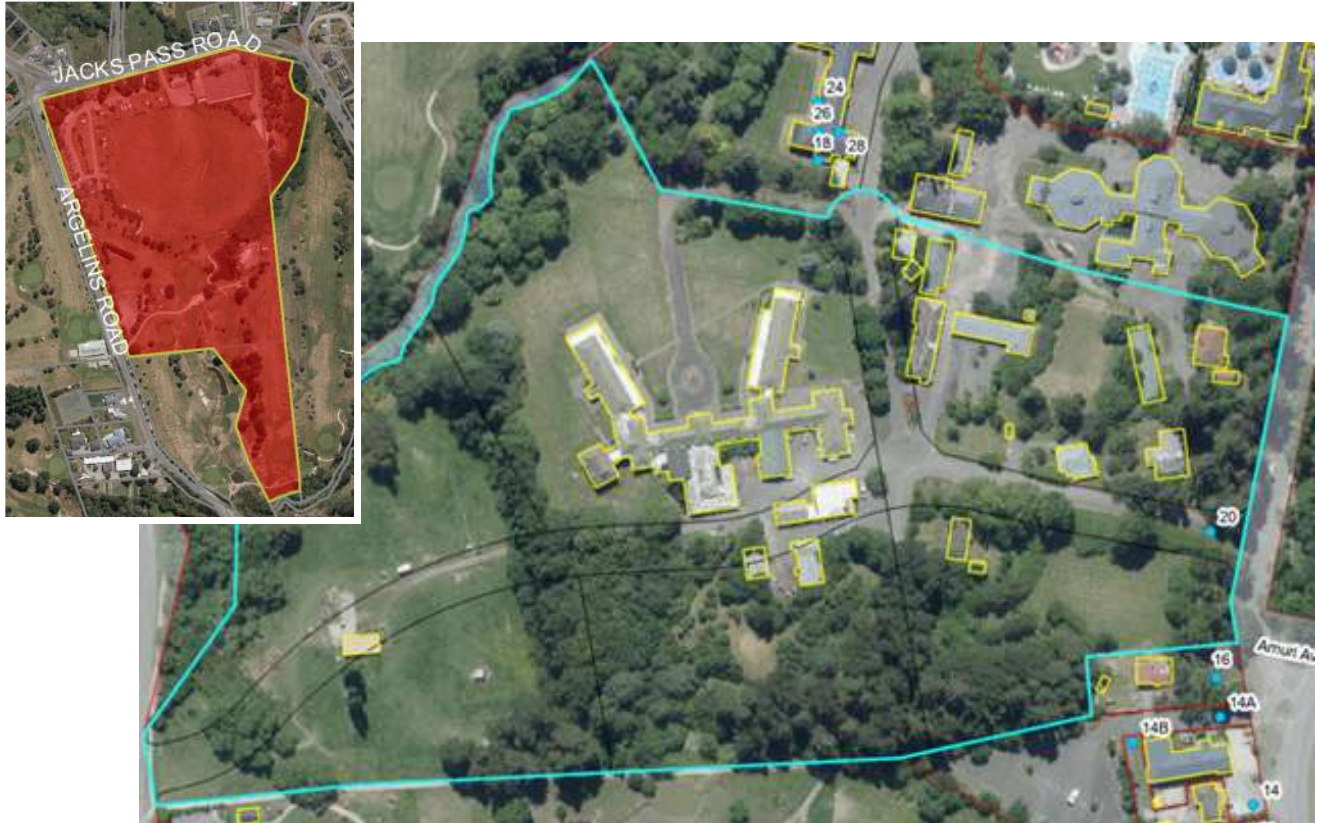
Due to affordability considerations, none of the above options will provide sufficient funding to enable the sealing of roads which are currently unsealed.

Our options

All of these options depend on the Council's application to Waka Kotahi NZTA - however, we won't know the outcome until after the Long Term Plan is finalised or before the start of the 2024/25 financial year.

 Preferred option		
OPTION 1	Effect on:  Overall rates	<ul style="list-style-type: none"> • 2024/25 Rates collected for Subsidised Rooding remains constant at \$7,487,075. The overall rates increase will sit at 12.61% after allowing for growth. • 2025/26 Rates collected for Subsidised Rooding increases to \$11,213,773. The overall rates increase will sit at 14.19% after allowing for growth. • 2026/27 Rates collected for Subsidised Rooding decreases to \$11,193,994. The overall rates increase will sit at 4.97% after allowing for growth.
	 Individual rates	<ul style="list-style-type: none"> • 2024/25 Rates set for Rooding is \$77.60 per \$100,000 of capital value • 2025/26 Rates set for Rooding is \$114.92 per \$100,000 of capital value • 2026/27 Rates set for Rooding is \$117.76 per \$100,000 of capital value.
	 Expenditure	<ul style="list-style-type: none"> • 2024/25 Rooding programme increases from \$11,027,900 to \$15,598,073 - \$7,585,086 in maintenance and network management and \$8,012,987 in renewals and improvements. • 2025/26 Rooding programme increases to \$23,362,028 - \$9,283,054 in maintenance and network management and \$14,078,974 in renewals and improvements. • 2026/27 Rooding programme sits at \$23,320,028 - \$9,506,900 in maintenance and network management and \$13,813,922 in renewals and improvements.
	 Debt	<p>As Council funds all operating and capital expenditure for subsidises rooding from rates and subsidies from Waka Kotahi, there is no impact on the overall debt held by Council.</p>
OPTION 2	Effect on:  Overall rates	<ul style="list-style-type: none"> • 2024/25 Rates collected for Subsidised Rooding increases from \$7,487,075 to \$8,569,331. The overall rates increase will sit at 16.35% after allowing for growth. • 2025/26 Rates collected for Subsidised Rooding increases to \$11,213,773. The overall rates increase will sit at 10.52% after allowing for growth. • 2026/27 Rates collected for Subsidised Rooding decreases to \$11,193,994. The overall rates increase will sit at 4.97% after allowing for growth.
	 Individual rates	<ul style="list-style-type: none"> • 2024/25 Rates set for Rooding is \$89.45 per \$100,000 of capital value • 2025/26 Rates set for Rooding is \$114.92 per \$100,000 of capital value • 2026/27 Rates set for Rooding is \$117.76 per \$100,000 of capital value
	 Expenditure	<ul style="list-style-type: none"> • 2024/25 Rooding programme increases from \$11,027,900 to \$17,852,773 - \$8,681,509 in maintenance and network management and \$9,171,263 in renewals and improvements. • 2025/26 Rooding programme increases to \$23,362,028 - \$9,283,054 in maintenance and network management and \$14,078,974 in renewals and improvements. • 2026/27 Rooding programme sits at \$23,320,028 - \$9,506,900 in maintenance and network management and \$13,813,922 in renewals and improvements.
	 Debt	<ul style="list-style-type: none"> • As Council funds all operating and capital expenditure for subsidises rooding from rates and subsidies from Waka Kotahi, there is no impact on the overall debt held by Council.
OPTION 3	Effect on:  Overall rates	<ul style="list-style-type: none"> • 2024/25 Rates collected for Subsidised Rooding remains constant at \$7,487,075. The overall rates increase will sit at 12.61% after allowing for growth. • 2025/26 Rates collected for Subsidised Rooding increases to \$7,758,087. The overall rates increase will sit at 3.73% after allowing for growth. • 2026/27 Rates collected for Subsidised Rooding decreases to \$7,934,790. The overall rates increase will sit at 6.23% after allowing for growth.
	 Individual rates	<ul style="list-style-type: none"> • 2024/25 Rates set for Rooding is \$77.60 per \$100,000 of capital value • 2025/26 Rates set for Rooding is \$77.72 per \$100,000 of capital value • 2026/27 Rates set for Rooding is \$82.74 per \$100,000 of capital value.
	 Expenditure	<ul style="list-style-type: none"> • 2024/25 Rooding programme increases from \$11,027,900 to \$15,598,073 - \$7,585,086 in maintenance and network management and \$8,012,987 in renewals and improvements. • 2025/26 Rooding programme increases to \$16,146,015 - \$7,960,749 in maintenance and network management and \$8,185,266 in renewals and improvements. • 2026/27 Rooding programme increases to \$16,530,813 - \$8,150,831 in maintenance and network management and \$8,379,982 in renewals and improvements.
	 Debt	<ul style="list-style-type: none"> • As Council funds all operating and capital expenditure for subsidises rooding from rates and subsidies from Waka Kotahi, there is no impact on the overall debt held by Council.

Financial planning for Queen Mary south site



The Hanmer Springs Sports reserve (left) and Queen Mary Historic Reserve (above).

Current situation

In October 2023, the Council purchased a 9 ha block of land at 20 Amuri Avenue, Hanmer Springs. The block was previously owned by the Crown.

The Council, Te Rūnanga o Kaikōura (TRoK), who have mana whenua status in Hanmer Springs, and Ngāi Tahu Property entered into a heads of agreement to provide NTP and TRoK with first right of refusal to be the development partner for any development of the land. TRoK also has the first right of refusal on disposal of any part or all of the land.

The Council also owns the sports field on the corner of Jacks Pass Road and Argelins Road (Hanmer Springs sports reserve). The sports pavilion on that site is in poor condition and needs significant work or replacement. Over the years, there has been significant development in the surrounding area. The land is designated as a reserve.

The future of the site

The central northern part of the site contains old buildings from the former Queen Mary Hospital. These are in poor condition and of lesser historical

significance than the Queen Mary Soldiers' Block, which is being restored. Under each of the options outlined below, it is anticipated these old buildings would be demolished.

Planning is in the early stages. However, the Council is currently considering whether the site could be used for the following purposes:

- A reserve and sports fields on the western part of the site;
- commercial and/or retail development on the eastern part of the site (adjacent to Amuri Avenue);
- commercial, retail, accommodation and/or residential development on the central northern part of the site (by the old hospital buildings).

The southern part of the site features an historic spiritual garden, originally developed by patients and staff at the Queen Mary Hospital. This land is of historic significance to some members of TRoK. The Council is not proposing to develop this part of the Queen Mary south site. **All of the options assume that this part of the site is retained for its current use.**

In addition, the Council is considering repurposing the sports reserve in Jacks Pass Road for residential development from 2027/28 onwards. If this were to occur, then the sports field at the Queen Mary south site would replace part of the existing sports reserve. This would involve revoking the reserve status at the current Hanmer Springs sports reserve.

As part of the development of the Long Term Plan, the Hanmer Springs Community Board has requested the inclusion of a new pavilion for Hanmer Springs at a cost of \$0.5 million. It is noted that a building at that cost would be modest. It is envisaged that the location of the new pavilion would depend on whether a sports field is established at the Queen Mary south site.

The western part of the Queen Mary south site is smaller than the part of the Hanmer Springs sports reserve the Council is proposing to develop. Hence there would be less land available for residential development at the Queen Mary south site. It would be possible to establish a similar number of titles on the Queen Mary south site, but the average title size would necessarily be smaller than if the residential development were to occur on the Hanmer Springs sports reserve.

The western part of the Queen Mary south site is well suited for use as a sports field as it has a natural amphitheatre on the eastern side. Also, the site is connected to reserve areas, both to the south and to the east.

Option 1:



Council (with or without a partner) to lead a commercial, retail and/or residential development on part of the Queen Mary south site.

Council to build a sports field and sports pavilion on the Queen Mary south site and to repurpose part of the Hanmer Springs Sports Reserve for residential development.

A basic sports pavilion would be established at the Queen Mary south site.

This option assumes Council retains the western part of the site and the spiritual garden.

Positives

- The development would provide opportunities for additional commercial and retail development in Hanmer Springs, supporting growth.
- It is expected there will be a need for additional housing in Hanmer Springs during the 10-year planning period.
- This development has the potential to generate a significant surplus which could be used to pay down debt and reduce operating costs.
 - The current sports field is in poor condition. This option includes provision for a new sports pavilion for Hanmer Springs.
- The repurposing of the Hanmer Springs sports reserve site markedly increases the potential surplus from development compared with other options.

Negatives

- There would be significant external debt funding required to progress the development, and it is expected that there would be associated interest costs. The debt would be repaid on sale of the sections.
- There is a risk that the amount of the surplus on sale of the developed land could be less than expected.
- Some current businesses may be concerned about potential competition. However, others may see development as potentially attracting more people to Hanmer Springs.
- Some residents may prefer the sports field to remain at the current site.

Continued on next page

Option 2:

Council (with or without a partner) to lead a commercial, retail and/or residential development on part of the Queen Mary south site.

Part of the Hanmer Springs sports reserve would continue to be used as a sports field.

A basic pavilion would be developed at Hanmer Springs sports reserve rather than at the Queen Mary South site.

Council would develop part of the western side of the Queen Mary south site for residential use. The south western part of the site would remain as green space due to the earthquake faultline.

This option assumes Council retains the western part of the site and the spiritual garden.

Positives:

- The development would provide opportunities for additional commercial and retail development in Hanmer Springs, supporting growth.
- While the number of sections developed is smaller than for option 1, this option would also assist in addressing the anticipated demand for housing in Hanmer Springs.
- This development has the potential to generate a significant surplus which could be used to pay down debt and reduce operating costs. However, the surplus would be lower than for Option 1.
- The current sports pavilion is in need of renewal. This option includes a new basic sports pavilion at the Hanmer Springs Sports Reserve.
- Some residents may prefer the sports field to remain at the current site.

Negatives:

- There would be significant external debt funding required to progress the development, although the level of debt would be lower than for Option 1. The debt would be repaid on sale of the sections.
- The surplus on sale of the sections would be less than for Option 1 due to the smaller number of sections.
- As with option 1, there is a risk that the amount of the surplus on sale of the developed land could be less than expected.
- Some current businesses may be concerned about potential competition. However, others may see development as potentially attracting more people to Hanmer Springs.

Option 3

Council to subdivide off a block(s) of land at the Queen Mary south site and on sell that block to another party for commercial, retail and/or residential development.

This option assumes the Council retains the western part of the site and the spiritual garden.

Positives:

- Again, this option would provide opportunities for additional commercial, retail and residential growth in Hanmer Springs.
- Te Rūnanga o Kaikōura (TRoK) has a first right of refusal on disposition of the land. It is expected that there would be no difficulties selling the site.

Negatives:

- If TRoK were to exercise their right of first refusal, the Council would not generate a surplus on sale of the block of land.
- If TRoK did not exercise the right of first refusal then, while it is likely there would be a surplus on sale, it would be considerably lower than for Option 1, reflecting the lower level of investment and lower risk.
- The level of debt required to progress this option would be considerably lower than for Option 1.

Option 4

Do not progress development at the Queen Mary south site and retain the whole site.





Positives:

- Limited additional capital expenditure would be required (other than required for demolition of the old hospital buildings).

Negatives:

- This option would not support additional retail, commercial and residential growth in Hanmer Springs.
- The Council would not be able to recoup its financial investment in the site.
- The Council would lose the opportunity to generate a surplus from development.
- There would be ongoing costs relating to the maintenance of the site, which would probably be funded from rates.

Our options

Preferred option	OPTION 1	
		
		<p>Effect on:</p> <p>Overall rates</p> <ul style="list-style-type: none">• As the activity for the development of the Queen Mary south site is not directly funded by rates, there is no direct impact on the overall rates proposed to be charged.• There is an indirect effect on rates due to the internal interest that is charged on the activity for any internal debt that it incurs. After meeting the external cost of debt, the surplus generated by the Treasury Account from internal interest is used to offset general rates.
		<p>Revenue & Expenditure</p> <ul style="list-style-type: none">• 2024/25 Capital Expenditure for the year is budgeted at \$1.1 million, with the majority of the costs associated with demolition of the existing buildings and clearance of the site.• 2025/26 Capital Expenditure for the year is budgeted at \$2.4 million, which is the development of a sports ground as part of the movement of the current domain.• 2027/29 Capital expenditure on development of residential sections of \$7.6 million.• 2028 to 2033 Sale of residential sections forecast at \$28.7 million over the four year period.• 2031 to 2034 Sale of commercial properties forecast at \$9.0 million over the three years and continuing after the completion of the 2024-34 LTP period.
		<p>Debt</p> <ul style="list-style-type: none">• The movement in internal debt associated with the activity is forecast as follows:<ul style="list-style-type: none">o \$1,074,397 as at 1 July 2024.o \$4,521,327 as at 30 June 2027.o \$12,13,337 as at 30 June 2029. <p>With sales of property, the debt is repaid and will build to a positive balance of \$21.4 million as at 30 June 2034.</p>

OPTION 2

Effect on:



Overall rates

- As the activity for the development of the Queen Mary south site is not directly funded by rates, there is no direct impact on the overall rates proposed to be charged.
- There is an indirect effect on rates due to the internal interest that is charged on the activity for any internal debt that it incurs. After meeting the external cost of debt, the surplus generated by the Treasury Account from internal interest is used to offset general rates.



Revenue & Expenditure

- Capital Expenditure for the LTP Period will reduce from \$13.5 million to \$5.3 million.
- Sales of Property will reduce from \$38.8 million to \$13.8 million.



Debt

- The movement in internal debt associated with the activity is forecast as follows:
 - o \$1,074,397 as at 1 July 2024 being repaid to reach zero as at 30 June 2029.
- The overall external debt will be as follows:
 - o \$64.0 million as at 1 July 2024.
 - o \$114.0 million as at 30 June 2027.
 - o \$126.0 million as at 30 June 2029.
 - o \$127.5 million as at 30 June 2034.

OPTION 3

Effect on:



Overall rates

- As the activity for the development of the Queen Mary south site is not directly funded by rates, there is no direct impact on the overall rates proposed to be charged, however, Council will need to assess whether there is a rating input to clear the debt that had been incurred from the purpose – a debt that would be cleared from ongoing land sales.
- There is an indirect effect on rates due to the internal interest that is charged on the activity for any internal debt that it incurs. After meeting the external cost of debt, the surplus generated by the Treasury Account from internal interest is used to offset general rates.



Revenue & Expenditure

- **Capital Expenditure for the LTP Period will reduce from \$13.5 million to zero.**
- Sales of Property will reduce from \$38.8 million to zero.



Debt

- The movement in internal debt associated with the activity is forecast as follows:
 - o \$1,074,397 as at 1 July 2024 but being repaid through a transfer from a general reserve.

OPTION 4

Effect on:



Overall rates

- As the activity for the development of the Queen Mary south site is not directly funded by rates, there is no direct impact on the overall rates proposed to be charged.
- There is an indirect effect on rates due to the internal interest that is charged on the activity for any internal debt that it incurs. After meeting the external cost of debt, the surplus generated by the Treasury Account from internal interest is used to offset general rates.



Revenue & Expenditure

- Capital Expenditure for the LTP Period will reduce from \$13.5 million to zero.
- Sales of Property will reduce from \$38.8 million to \$1.65 million.



Debt

- The movement in internal debt associated with the activity is forecast as follows:
 - o \$1,074,397 as at 1 July 2024 with the sale of the site recouping the internal debt and allowing \$414,959 to be transferred in Council General Reserves.

Proposed change in rating for stormwater and drainage activities

Stormwater and drainage assets in the district comprise a mix of private and Council-managed assets. For rating purposes, stormwater and drainage assets exclude those in the roading corridor, as many of these are managed in conjunction with roading activities.

Current situation

Council-managed stormwater and drainage activities are currently funded by a mix of rates, debt and development contributions. There are separate targeted stormwater rates (fixed charges) for each of the following: South Ward properties, Hanmer Springs, Cheviot township, Motunau Beach township, Hawarden township and Waikari township. There is also a District Urban stormwater rate of \$24.45, which is charged to each urban property in the district. In addition, rates are collected from rating units close to the Jed River drainage system, and these vary based on location.

Other than the South Ward, the stormwater rates payable by rural properties are limited to a small, fixed charge.

Issues

Following regulatory changes, the Council is required to hold a discharge consent for its urban areas. Accordingly, the Council has applied for a global discharge consent for the discharge of stormwater for 13 urban areas: Amberley Beach, Cheviot, Culverden, Gore Bay, Greta Valley, Hawarden, Leithfield, Leithfield Beach, Motunau Beach, Rotherham, Waiau, Waikari and Waipara. It is expected that the consent will be issued subject to conditions relating to monitoring and, potentially, treatment, both of which would add to the cost of stormwater

activities for these areas. It would be cost effective for consent-related tasks relating to the 13 urban areas to be carried out in a cohesive manner.

The current rating system is inequitable because most rural rating units benefit from stormwater activities, but the majority pay no stormwater rates. Ways in which rural rating units benefit from stormwater networks include:

- Some stormwater originates in upstream catchment areas which include rural land. Hence, some rural rating units contribute to the need for this activity;
- urban stormwater services help reduce adverse downstream impacts which might otherwise affect both urban and rural land. Hence some rural rating units benefit from this activity;
- most rural residents either visit urban areas intermittently and/or benefit from goods and services provided by businesses in the district's urban areas; and
- while almost all stormwater activity is carried out in urban areas, limited drainage activities are carried out in some rural areas.

Nevertheless, it is not proposed to have a single targeted stormwater and drainage rate for the whole district because the level of service received by rural rating units is lower than for urban areas. For example, the clearing of most rural drains is the responsibility of the adjacent landowners.



Option 1:



Urban rating units contribute 90% of the rating requirement for the stormwater and drainage activity while rural rating units contribute the remaining 10% of the rating requirement for this activity.

All urban rating units pay the same fixed charge irrespective of location, and all rural rating units pay the same fixed charge irrespective of location.

Positives:

- Spreads the costs of providing stormwater and drainage services across a larger number of rating units.
- Recognises the likely increase in level of service which will be provided in some urban areas which do not currently receive direct stormwater services.
- Recognises the benefits received by rural rating units for this activity, while recognising that the difference in the level of service received by rural rating units.
- Recognises that ratepayers in one urban area may benefit from stormwater and drainage activities in another urban area.

Negatives:

- While the level of service would differ between specific urban locations, there would be a single fixed charge targeted rate for all urban rating units. This issue is common to many activities carried out by the Council, including water and wastewater services, roading and libraries.

Option 2:

Levy separate fixed charges for rating units in each of:

- Amberley urban
- Hanmer Springs urban
- Other urban areas in the district covered by a global discharge consent

Under this option, most rural rating units would continue to pay no stormwater rates.

Positives:

- This option would reduce stormwater rates for those ratepayers in the South Ward, who receive no more benefit from Amberley urban stormwater services than ratepayers in other parts of the district.
- Spreading the costs of providing stormwater and drainage services across the 13 smaller urban communities covered by the consent may help smooth the associated costs between communities and over time.
- There would be no change for rural rating units which do not currently pay drainage and stormwater rates.

Negatives:

- This option does not reflect the extent of benefits received by rural rating units.
- Because the costs of the Amberley stormwater activity would be spread across a smaller number of rating units, there would be an increase in stormwater rates for those properties.
- The financial impacts of the new consent conditions are not yet known. It is possible that there could be a significant rating impact for ratepayers in the 13 smaller urban communities covered by the new consent.

Option 3

Urban rating units are levied a single fixed charge which funds 100% of the rating requirement for stormwater and drainage activity.

Positives:

- There would be no change for rural rating units which do not currently pay drainage and stormwater rates.

Negatives:

- This option does not reflect the extent of benefits received by rural rating units.

Continued on next page

Option 4

Status quo. The existing targeted rates would continue to apply.

Positives:





- There would be no change for rural rating units which do not currently pay drainage and stormwater rates.

Negatives:

- This option does not reflect the extent of benefits received by rural rating units.
- Assuming the new global consent is confirmed, it is likely there will be an increase in the level of service provided to some urban areas which are not currently paying targeted rates (other than the district urban stormwater rate applying to all urban rating units). There will also be some associated cost increases. It seems equitable for the rating units benefiting from these changes to contribute to the rating requirement.



Our options

Preferred option	OPTION 1	
 Effect on: Overall rates		<ul style="list-style-type: none">• 2024/25 Overall rates collected for Stormwater increases from \$820,784 to \$1,075,172 – this recognises an increase in the direct operating costs associated with stormwater. The overall rates increase will sit at 12.61% after allowing for growth.• 2025/26 Stormwater Rates will increase to \$1,186,022 – taking into account of the need to stage in funding of depreciation. The overall rates increase will sit at 14.19% after allowing for growth.• 2026/27 Stormwater Rates will increase to \$1,308,301 – continuing the staging in of funding of depreciation. The overall rates increase will sit at 4.97% after allowing for growth.
	Expenditure	<ul style="list-style-type: none">• Amberley Urban Ratepayers will move from a total stormwater rate of \$197.05 in 2023/24 to \$208.66 in 2024/25.• Amberley Rural Ratepayers will move from a total stormwater rate of \$172.60 in 2023/24 down to \$33.09 in 2024/25.• Hanmer Springs township ratepayers will move from a total stormwater rate of \$173.23 in 2023/24 to \$208.66 in 2024/25.• Cheviot township ratepayers will move from a total stormwater rate of \$104.59 in 2023/24 to \$208.66 in 2024/25.• Hawarden township ratepayers will move from a total stormwater rate of \$260.29 in 2023/24 down to \$208.66 in 2024/25.• Waikari township ratepayers will move from a total stormwater rate of \$169.02 in 2023/24 to \$208.66 in 2024/25.• Other urban areas (Culverden, Rotherham, Waiau, Waipara, Gore Bay, Greta Valley) will move from a total stormwater rate of \$24.44 to \$208.66 in 2024/25.• Rural ratepayers (other than from the Amberley Rating Area) will pay a new stormwater rate of \$33.09 in 2024/25.
	Debt	<ul style="list-style-type: none">• Operating Expenditure for Stormwater moves from \$690,636 in 2023/24 to \$1,315,824 in 2024/25.• Excluding vested assets, Capital Expenditure for the LTP period amounts to \$16.1 million.• The internal debt for Stormwater is forecast to begin the LTP period with a debt of \$2.8 million.• With the level of Capital expenditure planned, the internal debt is expected to increase to \$17.4 million at the end of the LTP period.• The Council's external debt is forecast to move from \$64.5 million as at 1 July 2024 to \$112.5 million as at 30 June 2034 – peaking at \$141.0 million as at 30 June 2031.

Continued on next page

OPTION 2

Effect on:



Overall rates

- There will be no direct effect on the overall rates collected although there will be an indirect impact through the differing levels internal interest that may result in this option.



Individual rates

- Amberley Urban Ratepayers will move from a total stormwater rate of \$197.05 in 2023/24 to \$333.81 in 2024/25.
- Amberley Rural Ratepayers will move from a total stormwater rate of \$172.60 in 2023/24 down to zero in 2024/25.
- Hanmer Springs township ratepayers will move from a total stormwater rate of \$173.23 in 2023/24 to \$188.80 in 2024/25.
- Cheviot township ratepayers will move from a total stormwater rate of \$104.59 in 2023/24 to \$167.76 in 2024/25.
- Hawarden township ratepayers will move from a total stormwater rate of \$260.29 in 2023/24 down to \$167.76 in 2024/25.
- Waikari township ratepayers will move from a total stormwater rate of \$169.02 in 2023/24 to \$167.76 in 2024/25.
- Other urban areas (Culverden, Rotherham, Waiau, Waipara, Gore Bay, Greta Valley) will move from a total stormwater rate of \$24.44 to \$167.76 in 2024/25.
- Rural ratepayers (other than from the Amberley Rating Area) will pay a no stormwater rate.



Expenditure

- There will be no change to the operating of capital structure with this option.



Debt

- The internal debt for Stormwater will change with:
 - Amberley Stormwater Debt moving from \$2.3 million as at 1 July 2024 to \$8.7 million as at 30 June 2034
 - Hanmer Springs Stormwater Debt moving from \$0.5 million as at 1 July 2024 to \$4.7 million as at 30 June 2034
 - The Other Urban Stormwater Debt moving from zero as at 1 July 2024 to \$3.9 million as at 30 June 2034
- The overall Council external debt will remain unchanged in this option.

OPTION 3

Effect on:



Overall rates

- There will be no effect in the overall rates, just the change to how the rates are collected.



Individual rates

- Amberley Urban Ratepayers will move from a total stormwater rate of \$197.05 in 2023/24 to \$231.85 in 2024/25.
- Amberley Rural Ratepayers will move from a total stormwater rate of \$172.60 in 2023/24 down to zero in 2024/25.
- Hanmer Springs township ratepayers will move from a total stormwater rate of \$173.23 in 2023/24 to \$231.85 in 2024/25.
- Cheviot township ratepayers will move from a total stormwater rate of \$104.59 in 2023/24 to \$231.85 in 2024/25.
- Hawarden township ratepayers will move from a total stormwater rate of \$260.29 in 2023/24 down to \$231.85 in 2024/25.
- Waikari township ratepayers will move from a total stormwater rate of \$169.02 in 2023/24 to \$231.85 in 2024/25.
- Other urban areas (Culverden, Rotherham, Waiau, Waipara, Gore Bay, Greta Valley) will move from a total stormwater rate of \$24.44 to \$231.85 in 2024/25.
- Rural ratepayers (other than from the Amberley Rating Area) will pay a no stormwater rate.



Expenditure

- There will be no change to the operating of capital structure with this option.



Debt

- There is no change to the internal debt for Stormwater with this option.
- The overall Council external debt will remain unchanged in this option.

Effect on:



Overall rates

- There will be no direct effect on the overall rates collected although there will be an indirect impact through the differing levels internal interest that may result in this option.



Individual rates

- Amberley Ratepayers (urban and rural) will move from a total stormwater rate of \$197.05 in 2023/24 to \$231.08 in 2024/25.
- Hanmer Springs township ratepayers will move from a total stormwater rate of \$173.23 in 2023/24 to \$188.80 in 2024/25.
- Cheviot township ratepayers will move from a total stormwater rate of \$104.59 in 2023/24 to \$190.43 in 2024/25.
- Hawarden township ratepayers will move from a total stormwater rate of \$260.29 in 2023/24 to \$340.73 in 2024/25.
- Waikari township ratepayers will move from a total stormwater rate of \$169.02 in 2023/24 to \$253.46 in 2024/25.
- Other urban areas (Culverden, Rotherham, Waiau, Waipara, Gore Bay, Greta Valley) will move from a total stormwater rate of \$24.44 to \$94.53 in 2024/25.
- Rural ratepayers (other than from the Amberley Rating Area) will pay no stormwater rate.



Revenue & Expenditure

- Capital Expenditure for the LTP Period will reduce from \$13.5 million to zero.
- Sales of Property will reduce from \$38.8 million to \$1.65 million.



Debt

- The movement in internal debt associated with the activity is forecast as follows:
 - o \$1,074,397 as at 1 July 2024 with the sale of the site recouping the internal debt and allowing \$414,959 to be transferred in Council General Reserves.
- The overall external debt will be as follows:
 - o \$64.5 million as at 1 July 2024.
 - o \$111.5 million as at 30 June 2027.
 - o \$126.5 million as at 30 June 2029.
 - o \$135.5 million as at 30 June 2034.

Delivering the services you need

Infrastructure strategy

The 30-year Infrastructure Strategy provides information about the Council's infrastructure services and assets and how they will be managed. It includes information about potential future infrastructure developments.

The Council's Infrastructure Strategy encompasses roading, three waters, property, green spaces, waste management and information services infrastructure. For commercial reasons, the strategy excludes plans relating to the Hanmer Springs Thermal Pools and Spa. The Council's Activity Management Plans provide more detail regarding assets, levels of service and risk management.

Key issues from our Infrastructure Strategy

Some of the key issues relating to the management of infrastructure over the next 30 years include:

1. Population Growth and Demographics

The population of Hurunui District is expected to increase by almost 19% over the next 10 years and 72% over the next 30 years. The fastest rates of growth are expected to occur in the South Ward.

The Council's responses to this issue include:

- The Council is currently engaging with the community regarding spatial planning around Amberley that will influence future infrastructure strategies.
- Ongoing monitoring and modelling will help ensure that infrastructure is able to meet the needs of the growing population.
- Some of the infrastructure developments included in the draft Long Term Plan seek to prepare and respond to growth. For example, it is expected that there will be a need to access more water for the Amberley area. A number of pipe upgrades are planned for the next 10 years.
- It is proposed to establish some new reserves in the Amberley area and to further develop existing reserves.
- The plan includes provision for transfer station



development in Amberley and Cheviot to support the processing of multiple waste recycling streams and to provide for growth (\$2.5m).

- There is provision for the expansion of the Amberley library in 2033/34 (\$2.4m).

2. Regulatory obligations and regulatory change

Many aspects of local government activities are authorised and/or regulated by legislation and other regulatory instruments. There is inevitably some uncertainty regarding future regulatory change, and the ability to adapt to the changing regulatory context is important.

In recent years, some key areas of regulatory change which will have a continuing impact on infrastructure activities relate to drinking water treatment and wastewater disposal.

Some of the activities planned over the next 10 years which relate to regulatory compliance include:

- Enhancements to reduce the risk of three waters consent breaches, such as the increasing use of remote monitoring of infrastructure to ensure that it is operating as expected and that there are rapid responses to changing conditions.
- It is planned to upgrade the Balmoral water treatment plant in order to comply with regulatory obligations relating to protozoa

protection (\$0.9m)

- It is expected that once current resource consents expire, it will no longer be possible for treated wastewater to be discharged to waterways. The 10-year plan includes provision for major developments relating to the disposal of treated wastewater for Cheviot, Greta Valley, Motunau Beach, Hawarden, and Waikari (\$13.9m).
- The budgets include a provision for activities and infrastructure development which may be required in relation to a new stormwater consent that will affect 13 urban areas in the district. As the consent conditions are not yet known, actual activities may vary.
- The Council is/will be required to establish a new kerbside glass collection service and a food scrap collection service from 2027.

3. Affordability

The Council is facing increasing challenges in ensuring that services are able to be provided to the community in an affordable manner. These reflect both increasing cost pressures and funding constraints. Some factors contributing to cost pressures include national economic conditions, regulatory change and changing customer expectations. Also, following significant recent infrastructure developments, external interest costs are a significant consideration.

Rates increases are always unwelcome and the Council seeks to keep these to a minimum. However, increasing costs mean that it is necessary to fund additional costs through a mix of operating revenue (including rates) and debt.

To meet its lending covenants, it is not possible for the Council to borrow more than 175% of total revenue. It has been necessary to defer some projects in order to ensure that this cap is not exceeded.

Some of the Council's responses to this issue include:

- The Council endeavours to manage infrastructure assets and operations in an efficient and effective manner. For example:
 - Construction of a new Sequencing Biological Reactor at the Amberley wastewater treatment plant will reduce the need for future pond desludging (\$3.3m).
 - The installation of smart water meters will reduce the cost of reading meters, enabling meters to be read more frequently. This will

also assist water users and assist in identifying water leaks in a timely manner (\$2.4m).

- In reviewing funding mechanisms for infrastructure, the Council has considered the beneficiaries of services, those who contribute to the need for the infrastructure and intergenerational equity.
 - In some cases, it will be necessary to limit or defer some desired developments.
 - While efforts are made to keep rates increases low, the above cost pressures and limited alternative sources of revenue mean that some rates increases will be necessary.

The population of Hurunui District is expected to increase by almost 19% over the next 10 years and 72% over the next 30 years.

4. Climate change

Some anticipated effects of climate change in the Hurunui District include more hot days (over 25 degrees), increased risk of drought, and more severe rainfall events. We foresee these factors contributing to increased demand for water and pressure on stormwater and wastewater networks. Increased frequency of strong winds may impact community infrastructure.

A report by Jacobs New Zealand commissioned in 2020 assessed the risks of coastal erosion, coastal inundation and rising groundwater for six coastal communities in the district. Different communities are likely to be impacted in different ways. For example, coastal erosion has already had visible impacts in Motunau Beach and Claverley. The Council has been engaging with affected communities to assist them in identifying possible future directions. Some have developed Coastal Adaptation Plans that set out some triggers for further conversations and some options for adaptation. However, at this stage, the coastal communities are not committed to specific actions within designated timelines.

Some of the Council's responses to the infrastructure-related impacts of climate change include:

- Land use planning and infrastructure development and maintenance continue to take into account anticipated changes in climate.
- Council will continue to engage with coastal communities regarding their preferred options for the future.
- Provision has been made in the Long Term Plan 2024-2034 for the acquisition of a block of land for the possible proactive relocation of the Amberley Beach community, and for community funding of that acquisition.

- It is expected that rising groundwater will become an increasing issue over time. It is proposed to implement stormwater improvements in Leithfield Beach including upgrading culvert sizes, addressing Penfold Square issues, possibly developing a river stop bank and planning for the future of the outfall (\$2.5m).

5. Natural hazards

The Hurunui district is potentially at risk from a number of possible natural hazards, including earthquakes, flooding, snow events, windstorms, drought and tsunami.

Some of the Council's responses to some of the infrastructure-related risks include:

- Taking known natural hazards into account in land use planning and infrastructure development.
- Seeking access to additional water sources, particularly in the South Ward.
- Developing and implementing a plan in respect of identified vulnerable roads.
- Monitoring of water and wastewater activities remotely to help timely identification and rectification of any issues associated with natural events.
- For reasons of affordability, at this time, it is proposed that large-scale emergency works arising from natural hazards will be debt funded in the first instance.

6. Age and condition of infrastructure

Both age and performance based renewals have been provided for as part of the Long Term Plan 2024-2034 period.

Roading

For reasons of affordability, in recent years it has not been possible to renew some assets at the rate desired. For example, the average depth of road re-metalling has not been sufficient to keep up with estimated average gravel loss (6mm per annum compared with around 15mm per annum). There is currently a backlog of 134 km of chipseal length. This represents 22% of the chipseal network. Generally a 10-20% backlog is considered acceptable.

As at 2023, 92% of road sealed area was less than 15 years old. Nevertheless, the annual length of road resealing is also less than is desirable based on the length of the sealed network and average surface life. Unless the level of investment in

roading is increased, road surfaces will deteriorate over time.

Several bridges are expected to reach the end of their lives during the 30-year planning period. In particular, the Conway Bridge, which suffered significant damage in the 2016 earthquake, is due to be renewed during the planning period. This is a significant project and will be dependent on funding, particularly Waka Kotahi subsidies.

The Council is seeking additional Waka Kotahi subsidy funding to support roading renewals and maintenance at a more sustainable level, recognising the associated requirement for rates co-funding.

Three waters

While there is some backlog in respect of three waters renewals also, this is less of an issue than it was at the time the last Long Term Plan was prepared. In the intervening period, the Council has upgraded most of its water treatment plants and is currently working on upgrading the remainder. In addition, the Council received Covid-19 stimulus funding which enabled it to progress renewals and upgrades of water reticulation at a faster rate than had previously been anticipated.

Over the next 10 years, the Council will continue the implementation of a renewals and maintenance programme for three waters infrastructure. In general, high and very high criticality assets are renewed based on age (adjusted for performance as necessary), while medium, low and very low criticality assets are renewed based on performance. This approach is adapted based on practical considerations, such as the timing of renewal of other assets or capital works in close proximity. Some stormwater assets, such as open drains, do not require renewal, but do receive ongoing maintenance.

Property

The Council has recently carried out an assessment of more than half of its community properties and the assessment will be completed in the coming year. While most social and residential housing units and medical centres are in a good condition, some other community buildings are in need of significant maintenance.

For reasons of affordability, it is unlikely that it will be possible to retain and maintain all of the district's community buildings to a satisfactory standard. The Council has commenced conversations with some communities regarding options for the future, including possible rationalisation of buildings. However, this work is in

the early stages and further information and engagement will be needed before establishing a way forward.

Subject to affordability, it is proposed to:

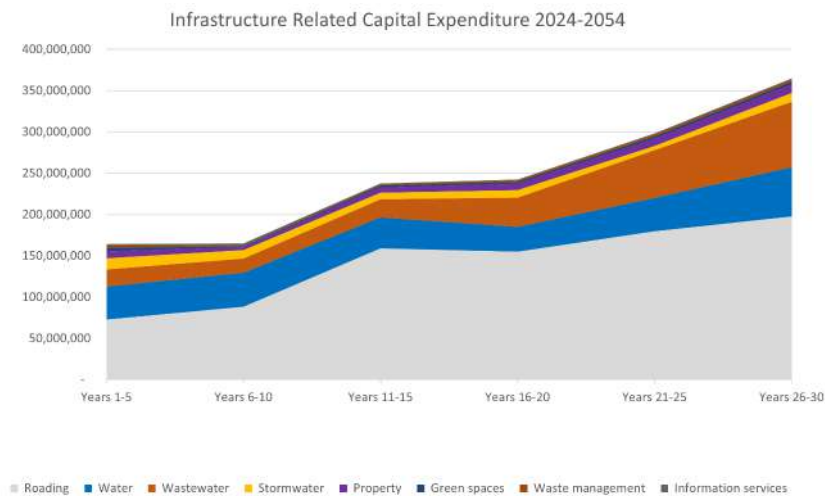
- Gradually implement a scheduled

maintenance programme for Council properties.

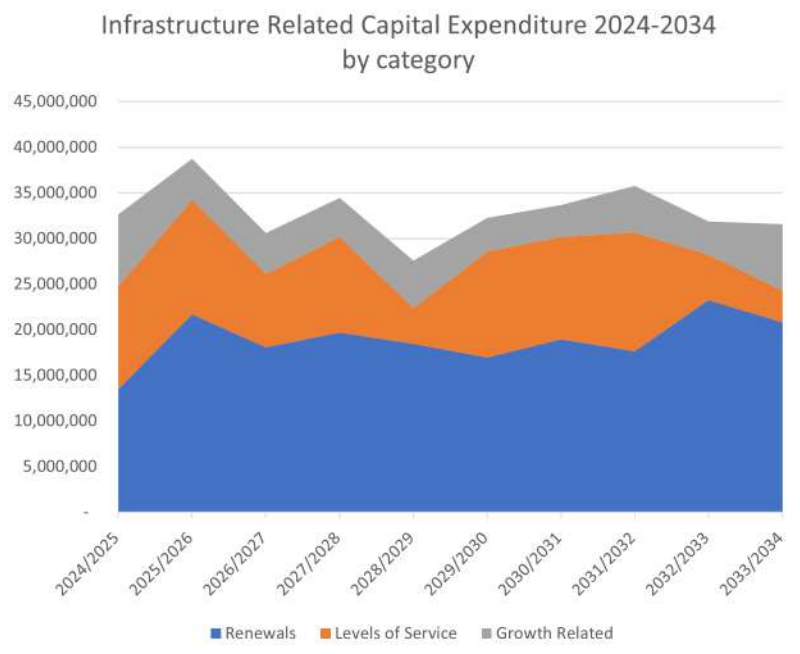
- Develop a new sports pavilion in Hanmer Springs. (The draft Long Term Plan includes a provision of \$0.5m, but it is intended to seek additional funding).

Financial projections

It is currently anticipated that capital expenditure over the 30 year planning period will be as follows:



The significant increase in roading expenditure from year 11 onward reflects various activities including some key bridge renewals, road rehabilitation associated with use by heavy vehicles and sealing of a small number of high-use unsealed roads.



Over the next 10 years, more than half of proposed capital expenditure relates to renewals of existing infrastructure. Renewal strategies vary between asset classes, with age, condition and performance being key considerations.

The significant increase in proposed capital expenditure for years 26-36 is partly due to a number of key water and wastewater assets being due for renewal during that period.

Other major infrastructure projects over the next 10 years

Other major proposed infrastructure investments over the next 10 years not mentioned above include:

- Development of the Queen Mary South site in Hanmer Springs (\$13.5m). Development costs will be recognised as land held for sale and a portion of the cost will be expensed when sections are sold.
- Low-cost low-risk roading projects (\$19.6m).
- Development of a dog park in Leithfield (\$0.4m)
- Other investments in the water network, including:
 - Upgrades to water mains including the Cheviot main, Blythe booster main, upgrade of the Lower Waitohi main from Karaka, and a main to the new Seadown reservoir (total of these 4 projects \$8.9m).
 - A proposed new reservoir and pump station to alleviate pressure issues on Conical Hill, Hanmer Springs (\$5.2m).
 - A new water main from Lower Waitohi to Waipara to increase access to drinking water in Waipara (\$5.1m).
 - Installation of a new pressure main for the Upper Waitohi scheme (\$4.2m).

Our infrastructure at a glance



Having the conversation

Policy reviews

Local authorities are required to include several policies into the Long Term Plan, such as funding and financing policies, and the Significance and Engagement Policy.

Some proposed policy changes are outlined below. The draft policies are available at <https://www.hurunui.govt.nz/have-your-say/consultations>

Significance and Engagement Policy

The Council's Significance and Engagement Policy recognises the importance of involving Hurunui's communities in the work that we do. Councils are required through legislation to have Significance and Engagement Policies.

Our policy provides a range of options and ways we can engage with our communities, groups and other stakeholders, and is also a measurement tool for the different degrees of significance of issues, decisions and proposals.

- The policy lists some factors to be considered in assessing the significance of decisions. It is proposed to include the following additional factors: the likelihood of significant rates impacts, possible impacts on service levels, community vulnerabilities to climate change and the Council's carbon footprint.
- The draft policy includes factors for the Council to consider in deciding how much time, money and effort to invest in consultation.
- Proposed amendments to the policy strengthen the recognition of the relationship of mana whenua with the land and the role of Te Rūnanga o Ngāi Tahu and the papatipu rūnanga.

Treasury Risk Management Policy

The Treasury Risk Management Policy outlines approved policies and procedures relating to all treasury activity undertaken by the Council. As circumstances change, the policies and procedures in the policy will be modified to ensure the Council will manage treasury risks.

- In order to borrow from the Local Government Funding Agency, the Council needs to comply with specified debt covenants. In addition, the Council has previously established more stringent internal limits which are used to manage and monitor debt and debt servicing. It is proposed to ease these internal limits so that the Council can borrow more to fund the proposed 10 year capital expenditure programme. The use of debt funding helps ensure that those benefiting from long term assets contribute their fair share to the cost of those assets.
- The Treasury Policy currently enables the Council to hedge its interest rate risk by entering into interest rate swaps maturing within eight years. It is proposed to modify the policy to enable the Council to enter into interest rate hedges up to 12 years.

Revenue and Financing Policy

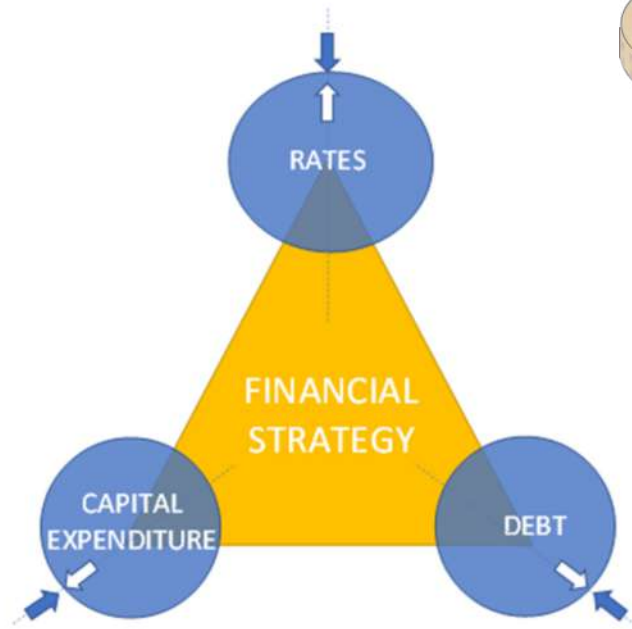
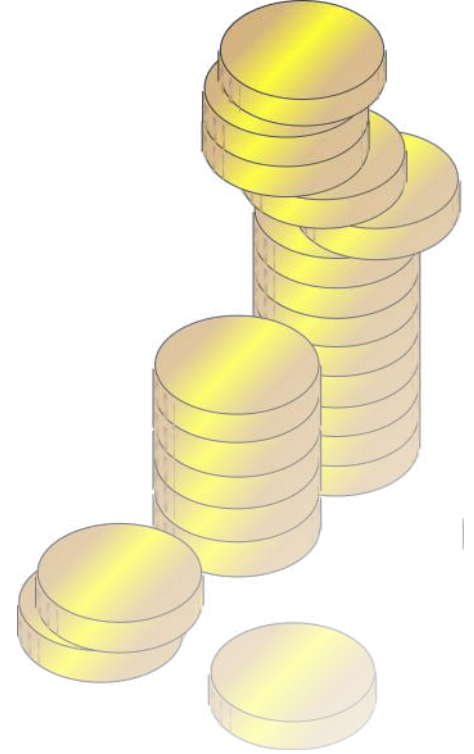
The Revenue and Financing Policy explains who pays for Council services and why. The policy also sets out the community outcomes to which the service primarily contributes and the funding principles relevant to each service.

- As discussed earlier in this consultation document, it is proposed to change how the Council rates for stormwater activities.
- At some stage, climate changes impacts may negatively affect some coastal communities. The Council has been engaging with the Amberley Beach community about the possible proactive relocation of the community at a later time (beyond the Long Term Planning Period (2024-2034)). While discussions are ongoing, there is a proposal to establish a new targeted rate on Amberley Beach properties. This rate would fund the acquisition of a block of land for possible future proactive relocation. If the community chooses not to relocate, the fund could be used for other climate change adaptation/mitigation activities.
- As a result of changing regulation, the Council is required to establish new kerbside waste collection services in Amberley for glass and food scraps from 2026/27. There will also be some set-up costs in 2025/26. To fund this, it is proposed to establish a new rate from 2025/26 which would apply to properties for which the service is available. The details of the new service will be influenced by the kerbside waste collection feasibility study which is planned for 2024/25.

Funding the plan

Financial strategy

The financial strategy aims to achieve a balance of undertaking activities and completing projects, and how to pay for it. This balance can be represented by reflecting the three financial components of rates, capital expenditure and borrowings as levers, as shown in the diagram below:



There are various pressures on the Council to do more, including regulatory reforms and meeting community requests for improvements in levels of service. While generally possible, increased expenditure needs to be financed, whether through increases in income (primarily rates) or debt. Debt enables costs to be spread over a longer period of time, promoting intergenerational equity.

Factors which are expected to have a significant impact on the Council's finances during the Long Term Planning period include:

1. Growth – The district is expected to growth from an estimated population of 14,737 on 1 July 2024 to an estimated population of 17,505 by 30 June 2034. The population growth has contributed to an increase in the number of residential properties, particularly in the Amberley area. The Council is currently engaging with the community regarding spatial planning around Amberley, as some changes in urban boundaries will be needed to accommodate the expected growth.

2. Capital expenditure – The Council has budgeted for capital expenditure as follows (including Hanmer Springs Thermal Pool and Spa):

	\$ million
Renewals	\$198.6
Improved Levels of Service	\$109.5
Growth	\$49.7
TOTAL	\$357.8

The largest area of projected infrastructure expenditure relates to roading (\$161.0 million). It is also expected that there will be significant expenditure relating to water supplies (\$81.3 million), wastewater (\$37.9 million) and stormwater (\$23.4 million). Projected capital expenditure relating to public services totals \$34.3 million).

3. Funding depreciation – In 2015, the Council resolved to move towards fully funding depreciation on assets, particularly those associated with three waters. Due to the impacts of the 2016 Hurunui-Kaikoura earthquakes and then Covid 19, this has not yet eventuated as it was recognised that there was considerable pressure on communities.

The draft Long Term Plan 2024-2034 includes provision for moving towards fully funding depreciation on infrastructure assets by 2034. Funding depreciation helps ensure that ratepayers pay their fair share, and only their fair share, of the assets they use and benefit from, ensuring intergenerational equity.

There are two exceptions to this approach. The first relates to roading, for which all operating and capital expenditure is funded through operating income, reflecting Waka Kotahi funding mechanisms. The second exception relates to some community buildings, for which depreciation will not be fully funded until a review of the building stock has been completed and an assessment made of future needs.

4. Debt servicing – The Council is expecting to be in a net borrowing position throughout the 10-year planning period. Total projected external interest costs over this period are \$58 million.

5. Operating revenue – Other than indicated above, it is Council’s policy for operating expenditure to be funded by operating revenue in the year in which the expenditure is incurred. In the case of any shortfalls, the Council will work towards addressing those during the Long Term Plan period.

Limits on rates increases and borrowing

1. Rates – The limits on increases in total rates and projected rates increases after adjusting for growth are shown below:

Year	Limit on Increases in Total Rates	Projected Rate Increases
2024/2025 (Year 1)	13.00%	12.37%
2025/2026 (Year 2)	14.50%	14.26%
2026/2027 (Year 3)	5.00%	4.94%
2027/2028 (Year 4)	5.00%	1.65%
2028/2029 (Year 5)	5.00%	4.94%
2029/2030 (Year 6)	5.00%	1.23%
2030/2031 (Year 7)	5.00%	3.68%
2031/2032 (Year 8)	5.00%	4.95%
2032/2033 (Year 9)	5.00%	3.69%
2033/2034 (Year 10)	5.00%	4.39%

2. Borrowing – The revised Treasury Risk Management Policy allows for the following ratio limits:

- Total Debt is no more than 165% of Total Income (excluding Development Contributions and Vested Assets Income) – previously 125%.
- Total External Interest Cost is no more than 20% of Total Income (excluding Development Contributions and Vested Assets Income)
- Total External Interest Cost is no more than 25% of Total Rates
- The Liquidity Ratio ((External debt + committed loan facilities + available cash)/Existing External Debt) must be at least 110%.

The 165% limit is an internal limit. This is more stringent than the Local Government Funding Agency debt covenant limit of 175%.

Hence the debt limit will change as projected Total Income (excluding Development Contributions and Vested Assets) changes.

Year	Total Income (excluding DCs and Vested Assets)	Internal Debt Limit at 165%	Total Anticipated Debt
2024/2025 (Year 1)	\$66.9 m	\$110.5 m	\$87.0 m
2025/2026 (Year 2)	\$76.2 m	\$125.7 m	\$106.0 m
2026/2027 (Year 3)	\$79.8 m	\$131.7 m	\$116.0 m
2027/2028 (Year 4)	\$82.2 m	\$135.6 m	\$131.5 m
2028/2029 (Year 5)	\$87.0 m	\$143.5 m	\$138.5 m
2029/2030 (Year 6)	\$96.0 m	\$158.4 m	\$137.0 m
2030/2031 (Year 7)	\$99.7 m	\$164.5 m	\$140.0 m
2031/2032 (Year 8)	\$108.4 m	\$178.9 m	\$134.0 m
2032/2033 (Year 9)	\$112.7 m	\$185.9 m	\$121.0 m
2033/2034 (Year 10)	\$110.1 m	\$181.7 m	\$111.5 m

Policy regarding the giving of security for borrowing

In 2010, the Council entered into a debenture trust deed in respect of its debt. This is a standard security document for councils. The key security available to lenders is that a charge can be made against the Council's rates in order to repay debt.

Objectives for holding and managing financial investments

- Cash investments - Over the period of the Long Term Plan 2024-2034, the Council expects to remain a net borrower. Accordingly, it is not expected that the Council will hold long-term cash assets. Spare cash funds may be held on call or in short term deposits to earn a small amount of interest.
- Equity investments
 - The Council holds shares in Civic Financial Services Limited (previously Civic Assurance). The company administers the Local Authority Protection Programme (LAPP) and offers a Kiwisaver scheme for local government employees.
 - The Council also owns 1.2% of Transwaste Canterbury, which owns and operates the Kate Valley Landfill. The purpose for holding this investment is to continue to receive dividend income.
- Forestry investments – The Council holds around 75 hectares of land which is being used for forestry. The Council also holds some units in the Emissions Trading Scheme. The investment in forestry is expected to generate long-term positive returns.

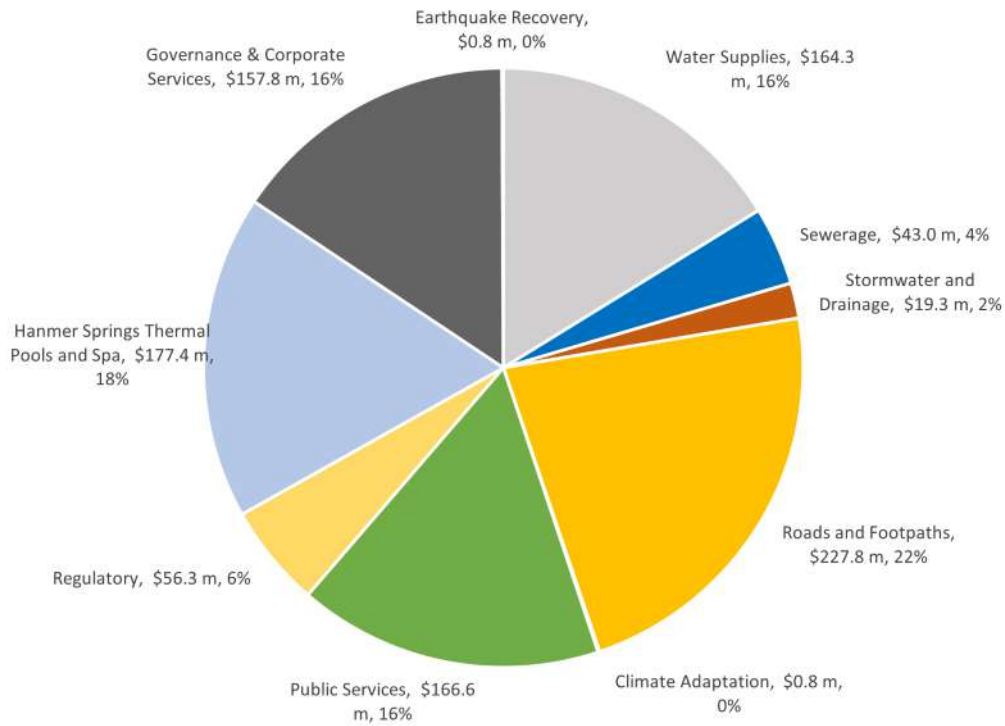
'Funding depreciation helps ensure that ratepayers pay their fair share, and only their fair share, of the assets they use and benefit from, ensuring intergenerational equity. There are two exceptions to this approach: roading...and community buildings...'

Other items we budget for

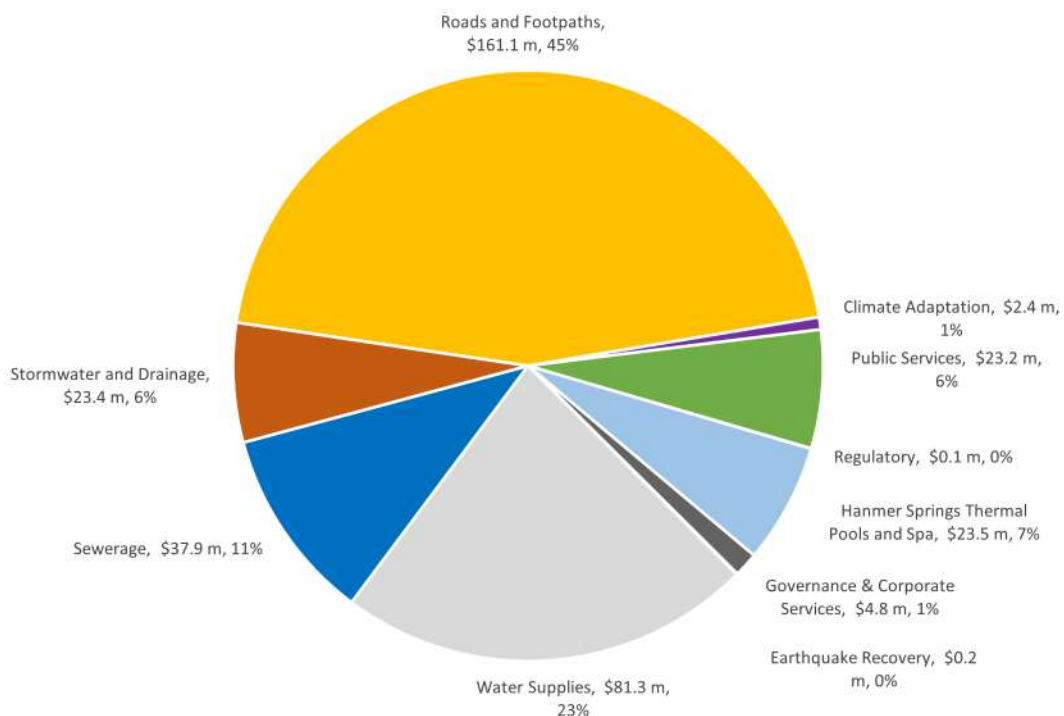
Where the money goes

The Council accounts for every cent it receives and we budget our expenditure carefully across all the levels of services we provide.

Operating Expenditure 2024-2034

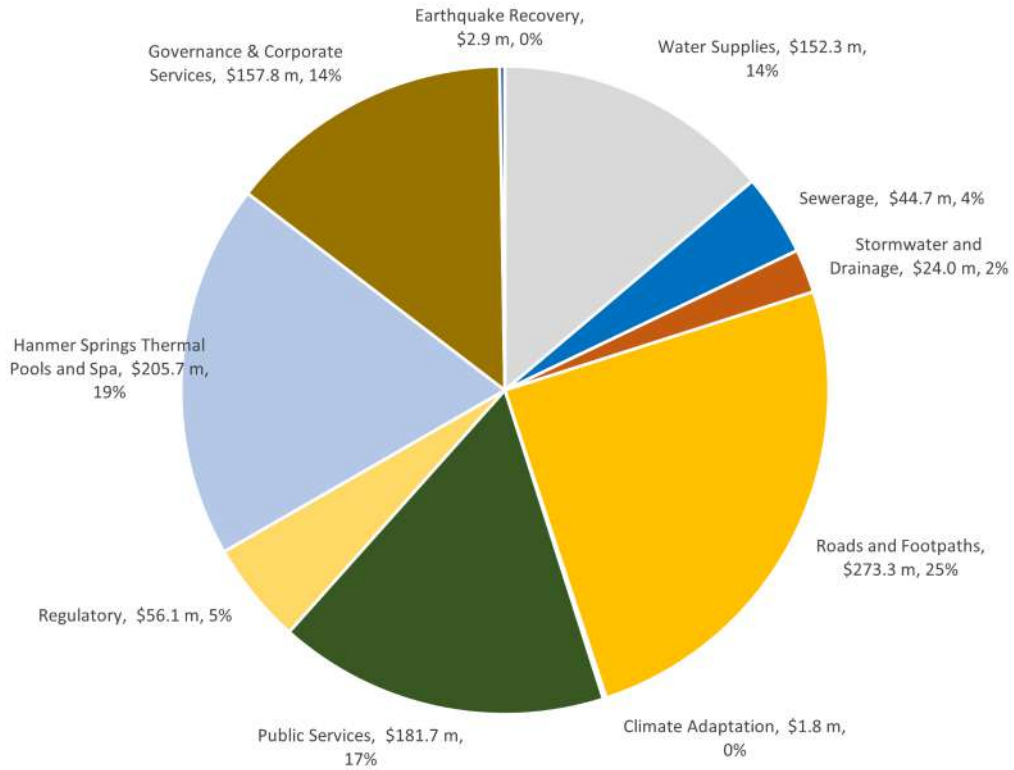


Proposed Capital Expenditure 2024-2034

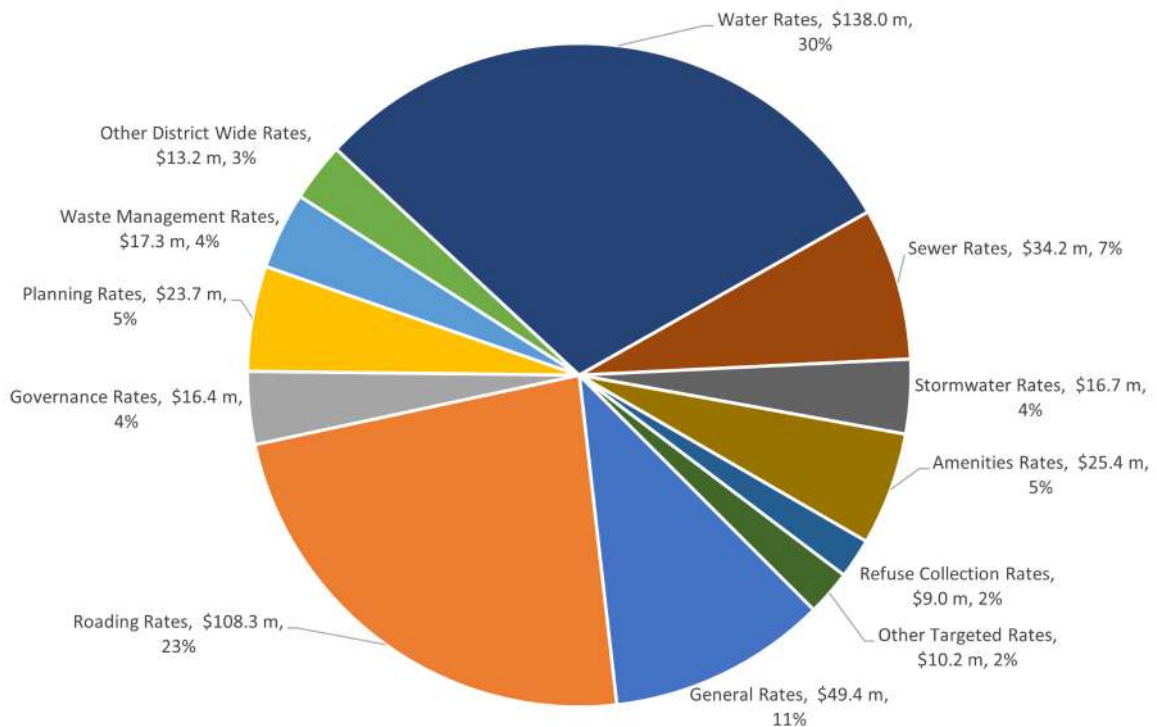


Where the money comes from

Operating Income 2024-2034



Breakdown of rates income 2024-2034



Proposed rates changes

Sample properties summary — Urban



Amberley township dwelling		
Capital value	\$590,000	
Water usage	296m ³	
	Actual rates	Proposed rates
	2023/24	2024/25
District-wide rates (inc roading)	\$1,450	\$1,606
Water	\$641	\$748
Sewer	\$506	\$511
Stormwater	\$197	\$196
Local rates	\$371	\$396
Total rates	\$3,166	\$3,456
	Increase \$	\$290
	Increase %	9.17%

Culverden township dwelling		
Capital value	\$445,000	
Water usage	356m ³	
	Actual rates	Proposed rates
	2023/24	2024/25
District-wide rates (inc roading)	\$1,307	\$1,449
Water	\$711	\$824
Sewer	-	-
Stormwater	\$24	\$196
Local rates	\$255	\$263
Total rates	\$2,298	\$ 2,732
	Increase \$	\$434
	Increase %	18.91%

Cheviot township dwelling		
Capital value	\$415,000	
Water usage	1 unit of Cheviot water	
	Actual rates	Proposed rates
	2023/24	2025/26
District-wide rates (inc roading)	\$1,307	\$ 1,446
Water	\$481	\$ 591
Sewer	\$506	\$511
Stormwater	\$105	\$196
Local rates	\$168	\$ 173
Total rates	\$2,568	\$2,916
	Increase \$	\$348
	Increase %	13.57%

Waipara township dwelling		
Capital value	\$600,000	
Water usage	384m ³	
	Actual rates	Proposed rates
	2023/24	2024/25
District-wide rates (inc roading)	\$1,462	\$1,618
Water	\$744	\$860
Sewer	-	-
Stormwater	\$24	\$196
Local rates	\$164	\$194
Total rates	\$2,394	\$2,868
	Increase \$	\$475
	Increase %	19.83%

Hanmer Springs dwelling		
Capital value	\$810,000	
Water usage	269m ³	
	Actual rates	Proposed rates
	2023/24	2024/25
District-wide rates (inc roading)	\$2,082	\$2,273
Water	\$610	\$713
Sewer	\$506	\$511
Stormwater	\$173	\$196
Local rates	\$408	\$429
Total rates	\$3,780	\$4,121
	Increase \$	\$342
	Increase %	9.04%

Waikari township dwelling		
Capital value	\$405,000	
Water usage	491m ³	
	Actual rates	Proposed rates
	2023/24	2024/25
District-wide rates (inc roading)	\$1,235	\$1,374
Water	\$868	\$997
Sewer	\$506	\$511
Stormwater	\$169	\$196
Local rates	\$112	\$123
Total rates	\$2,891	\$3,201
	Increase \$	\$310
	Increase %	10.71%

Sample properties summary — Rural



Amberley rural property		
Capital value	\$1,470,000	
Water usage	2 units of Ashley water	
	Actual rates	Proposed rates
	2023/24	2024/25
District-wide rates (excl Rooding)	\$1,223	\$1,440
Water	\$1,903	\$2,363
Rooding	\$1,141	\$1,140
Stormwater	\$173	\$31
Local rates	\$393	\$421
Total rates	\$4,833	\$5,395
	Increase \$	\$561
	Increase %	11.61%

Amuri rural property		
Capital value	\$3,740,000	
Water usage	5 units of Waiau rural water	
	Actual rates	Proposed rates
	2023/24	2024/25
District-wide rates (excl Rooding)	\$2,101	\$2,526
Water	\$4,827	\$5,907
Rooding	\$2,903	\$2,900
Stormwater	-	\$31
Local rates	\$268	\$275
Total rates	\$10,100	\$11,640
	Increase \$	\$1,541
	Increase %	15.25%

Cheviot rural property		
Capital value	\$3,210,000	
Water usage	2 units of Cheviot water	
	Actual rates	Proposed rates
	2023/24	2024/25
District-wide rates (excl Rooding)	\$1,896	\$2,273
Water	\$1,926	\$2,363
Rooding	\$2,492	\$2,489
Stormwater	-	\$31
Local rates	\$194	\$200
Total rates	\$6,508	\$7,356
	Increase \$	\$847
	Increase %	13.02%

Glenmark rural property		
Capital value	\$2,530,000	
Water usage	1 unit of Hurunu rural water	
	Actual rates	Proposed rates
	2023/24	2024/25
District-wide rates (excl Rooding)	\$1,633	\$1,954
Water	\$970	\$1,181
Rooding	\$1,964	\$1,962
Stormwater	-	\$31
Local rates	\$138	\$145
Total rates	\$4,705	\$5,267
	Increase \$	\$562
	Increase %	11.94%

Hanmer Springs lifestyle block		
Capital value	\$1,530,000	
Water usage	1 unit HS rural water	
	Actual rates	Proposed rates
	2023/24	2024/25
District-wide rates (excl Rooding)	\$1,246	\$1,469
Water	\$955	\$1,181
Rooding	\$1,188	\$1,187
Stormwater	-	\$31
Local rates	\$431	\$453
Total rates	\$3,820	\$4,321
	Increase \$	\$501
	Increase %	13.11%

Hurunui rural property		
Capital value	\$1,630,000	
Water usage	3 units Hurunui rural water	
	Actual rates	Proposed rates
	2023/24	2024/25
District-wide rates (excl Rooding)	\$1,285	\$1,517
Water	\$2,909	\$3,544
Rooding	\$1,265	\$1,264
Stormwater	-	\$31
Local rates	\$121	\$132
Total rates	\$5,580	\$6,488
	Increase \$	\$908
	Increase %	16.27%

Notes:

- The total rates are Hurunui District Council rates and does not include Environment Canterbury rates.
- The indicative rates are based on the Draft Long Term Plan budgets and are subject to change through the consultation process.
- For an assessment on an individual property, please contact rates@hurunui.govt.nz

Community outcomes

1 A desirable safe place to live.

- We have attractive well-designed townships.
- Communities have access to adequate health and emergency services and systems and resources are available to meet civil defence emergencies.
- Risks to public health are identified and appropriately managed.

Services

- Library, waste minimisation, township maintenance, parks and playgrounds, civil defence/emergency management, building and resource consents alcohol and food licensing animal control
- Water, wastewater, stormwater, roads and footpaths
- Planning for coastal hazards
- Repayment of debt from 2016 earthquake.

2 A place where our traditional rural values and heritage make Hurunui unique.

- People have a range of opportunities to participate in leisure and culture activities
- Our historic and cultural heritage is protected for future generations.

Services

- Libraries, community halls, public toilets, parks, and playgrounds
- Swimming pools, Hanmer Springs Thermal Pools and Spa resource management and planning

3 A place with a thriving local economy.

- We are a good place to do business, to live and to visit.

Services

- Planning, resource management, tourism, economic development, Hanmer Springs Thermal Pools and Spa

4 A place with essential infrastructure.

- We have a strong emphasis on service delivery across all infrastructure including roading, water (for drinking and development), wastewater, stormwater, and solid waste.

Services

- Water supply, wastewater
- Stormwater and drainage, Roads and footpaths, Waste minimisation and recycling

5 A place that demonstrates environmental responsibility.

- We protect our environment while preserving people's property rights
- We minimise solid waste to the fullest extent and manage the rest in a sustainable way.

Services

- Waste minimisation and recycling
- Renewal of resource consents for discharges

Submission Form for the Long Term Plan 2024-34

Submissions must be received by 5pm on 29 April 2024

Post to:

LTP Submissions
Hurunui District Council
PO Box 13, Amberley 7441

Email to:

submission@hurunui.govt.nz
Please put 'Long Term Plan' in the subject line.

Your details:

Name:

Telephone:

Email:

Council will hear submitters on Monday 6 May and Tuesday 7 May in Amberley.

I wish to speak to my submission (present my views orally to the Council)

Yes

No

I am available:

Monday 6 May

Tuesday 7 May

I will present my submission:

In person at the Amberley Council office, 66 Carters Rd

Online

When I present my oral submission, I will need a New Zealand Sign Language interpreter.

Have your say:

1- Issue 1: ROADING: Proposal to set level of rates funding (see page 13)

Option 1: Continue the Council's current level of rates funding for subsidised roading activities in 2024/25 (\$7.5 million) and increase the level of rates funding for subsidised roading activities in 2025/26 and thereafter to \$11.2 million per annum (adjusted for inflation).

Option 2: Increase the level of rates funding for subsidised roading activities to meet the full proposed programme to \$8.6 million in 2024/25; \$11.2 million in 2025/26 and 2026/27.

Option 3: Maintain the level of rates funding for subsidised roading activities at \$7.5 million (adjusted for inflation) per annum over the next 10 years.

2- Issue 2: PROPERTY: Financial planning for Queen Mary site south (see page 16)

Option 1: Council (with or without a partner) to lead a commercial, retail and/or residential development on part of the Queen Mary South site.

Council to build a sports field and sports pavilion on the Queen Mary south site and to repurpose part of the Hanmer Springs Sports Reserve for residential development.

A basic sports pavilion would be established at the Queen Mary south site.

Option 2: Council (with or without a partner) to lead a commercial, retail and/or residential development on part of the Queen Mary South site.

Part of the Hanmer Springs sports reserve would continue to be used as a sports field.

A basic pavilion would be developed at Hanmer Springs sports reserve rather than at the Queen Mary South site.

Council would develop part of the western side of the Queen Mary South site for residential use. The south western part of the site would remain as green space due to the earthquake faultline.

Option 3: Council to subdivide off a block(s) of land at the Queen Mary south site and on sell that block to another party for commercial, retail and/or residential development.

Option 4: Do not progress development at the Queen Mary south site and retain the whole site.

3- Issue 3: STORMWATER: Proposed change in rating for stormwater and drainage activities (see page 21)

Option 1: Urban rating units contribute 90% of the rating requirement for the stormwater and drainage activity while rural rating units contribute the remaining 10% of the rating requirement for this activity. All urban rating units pay the same fixed charge irrespective of location, and all rural rating units pay the same fixed charge irrespective of location.

Option 2: Charge separate fixed charges for rating units in each of Amberley urban, Hanmer Springs urban, other urban areas in the district covered by a global discharge consent. Under this option, most rural rating units would continue to pay no stormwater rates.

Option 3: Urban rating units are levied a single fixed charge which funds 100% of the rating requirement for stormwater and drainage activity.

Option 4: Status quo. The existing targeted rates would continue to apply.



Water tanks at the Racecourse Road water treatment plant, Amberley.

