HURUNUI DISTRICT COUNCIL

Strategic Direction 2026 – 2037

A Council That Delivers, Enables, and Leads Where It Counts

This document sets out Hurunui District Council's strategic direction for the next decade. It has been developed following structured councillor engagement and reflects the collective intent of elected members on the kind of council Hurunui should be.

Version: 1.0 Released

1. Purpose of This Strategy

This strategy establishes the governing framework for how Hurunui District Council makes decisions about what it does, how it spends public money, and when it leads, enables, or steps back.

It does not replace the Long Term Plan or individual policies. It sits above them, shaping how Council approaches every significant decision, from budget setting to responding to community requests to embarking on major projects.

The strategy reflects a clear set of values agreed by elected members:

- Core infrastructure and statutory services are Council's first and non-negotiable responsibility.
- Communities are capable of leading for themselves, and Council should enable that where it can.
- There are occasions where Council leadership, beyond everyday services is the right response, but those occasions must be chosen carefully and tested rigorously.

2. What Councillors and Communities Told Us

The strategic options presented to Council were developed from structured discussions with elected members. The following themes emerged with strong consistency.

2.1 Get the Basics Right

Council's first job is ensuring roads and bridges are safe and reliable, rubbish is collected, and essential regulatory services are delivered. These are non-negotiable. When the basics fail, confidence in Council drops quickly.

Water and wastewater services — while no longer directly delivered by Council, remain a fundamental community expectation. Council owns the Kaikōura Hurunui Water Services CCO (WSCCO) and will exercise its ownership interest to ensure those services are delivered safely, affordably, and with a long-term focus. This is an ownership responsibility, not a delivery one.

2.2 Keep Services Affordable and Fair

Affordability matters, particularly for older residents, people on fixed incomes, and households under unexpected financial pressure. People care not just about total cost but about fairness: who pays and who benefits.

2.3 Protect the District's Long-Term Future

Councillors expressed strong concern about ageing infrastructure (especially bridges and roading assets), climate and emergency risks, and the importance of maintaining financial headroom. The intent is to think beyond the next decade and avoid leaving larger problems for future generations.

2.4 Respect Community Identity and Place

Community halls, reserves, historic buildings, and local spaces carry deep emotional and cultural value. Council must understand this attachment, even when tough decisions are required. Smaller and rural settlements particularly rely on these anchors for their identity and cohesion.

2.5 Be Clear and Honest

People want clear explanations of costs and trade-offs, transparency about funding sources, and early genuine engagement, not consultation on decisions that already feel made. Trust improves when the 'why' is explained early and the full cost picture is visible.

3. Hurunui's Strategic Direction

Council has adopted a strategic direction that integrates the three options considered during the councillor engagement process. Rather than choosing one approach and discarding the others, Council has determined that all three reflect legitimate and necessary modes of operation — but they are not equal in priority or frequency.

The direction is structured around three tiers:

Tier 1: Core Services — Always

Council's primary and non-negotiable responsibility. Delivered consistently, to a high standard, for every community.

Includes: roading and bridges, waste services, and statutory regulatory functions.

Water services are delivered through the WSCCO — Council's role is active ownership, not direct delivery.

Hanmer Springs Thermal Pools and Spa is a significant Council-owned asset — managed commercially, with active ownership obligations.

Tier 2: Enabling Communities — When Appropriate

Council supports communities and partners to lead non-core outcomes, without Council owning or funding everything.

Triggered by clear criteria. Council enables, facilitates, or advocates — it does not take over.

Tier 3: Strategic Projects — Only When Justified

Council leads a small number of carefully chosen initiatives that cannot be achieved otherwise and that deliver clear, district-wide benefit.

Subject to rigorous testing before approval. High scrutiny, clear decision criteria, and transparent trade-offs.

3.1 Tier 1 — Core Services First

Hurunui District Council's foundational purpose is the reliable, efficient, and affordable delivery of core infrastructure and statutory services. This is the baseline expectation of every ratepayer in the district, and it takes precedence over all other activities.

Core services directly delivered by Council include:

- Roading, footpaths, and bridges
- Solid waste and recycling
- Building and resource consent processing
- Environmental health and animal control
- Emergency management coordination
- Property management (lawful obligations)

Council will maintain long-term activity management plans for core infrastructure, fund depreciation appropriately, and prioritise renewal over deferred maintenance. Financial sustainability and intergenerational equity are explicit requirements at this tier.

Water Services — Ownership, Not Direct Delivery

Three waters infrastructure is fundamental to the health and wellbeing of the district. Following the establishment of the Kaikōura Hurunui Water Services CCO (WSCCO) under Local Water Done Well legislation, Council no longer directly delivers these services. The WSCCO is the responsible entity for service delivery and investment decisions.

Council's role in relation to water services is that of an active and informed owner. This means:

- Setting clear ownership expectations for the WSCCO — including affordability, service standards, and long-term asset condition
- Holding the WSCCO to account through its Statement of Intent and annual reporting obligations
- Advocating to the WSCCO on behalf of communities where service issues arise
- Ensuring Council's interests as owner, including the long-term protection of asset value are reflected in the WSCCO's planning

Council does not direct the WSCCO's operational decisions, but it takes its ownership responsibility seriously. A poorly performing WSCCO reflects on Council, and Council will use its ownership levers accordingly.

Hanmer Springs Thermal Pools and Spa — Strategic Commercial Ownership

Council owns the Hanmer Springs Thermal Pools and Spa, one of the district's most significant assets and a major economic driver for the Hanmer Springs township and the wider district. While the Pools sit outside core services in character, it is a commercial and visitor operation, not an infrastructure or regulatory function. Council's ownership of this asset carries a weight and permanence that places it in a different category from discretionary activities.

The Pools generate revenue that contributes to the district's financial position, support local employment, and underpin the economic viability of Hanmer Springs as a community. Council's stewardship of this asset is therefore both a commercial and a community responsibility.

Council's role as owner means:

- Ensuring the Pools operate commercially and sustainably, with a long-term focus on asset condition and reinvestment
- Setting clear performance expectations and holding management to account through regular reporting
- Protecting the long-term value of the asset for the benefit of the district as a whole
- Making strategic investment decisions that maintain the Pools' competitiveness and relevance as a visitor destination

The Pools are not managed as a core service, but Council takes its ownership obligations seriously. Strategic decisions about the Pools, including significant capital investment, major operational changes, or questions of ownership structure will be subject to the same rigour as any strategic project (see Section 5).

3.2 Tier 2 — Enabling Communities

Hurunui is a district of strong communities, many of them rural, small, and self-reliant. Council recognises that communities often have the will and the capacity to deliver outcomes for themselves — and that Council's role is frequently best played as an enabler rather than a provider.

Enabling looks different in different situations. It may mean:

- Providing a small grant or subsidy to a community group taking over management of a local asset
- Offering staff time, legal support, or facilitation to help a community develop a plan
- Advocating to central government or other agencies on behalf of a community
- Entering a partnership or memorandum of understanding where roles are clearly defined
- Transferring ownership or responsibility for a facility to a community trust or incorporated society

Council will apply a consistent set of criteria before taking any enabling action (see Section 4). The intent is to build community ownership and reduce long-term cost to ratepayers — not to add new obligations to Council's balance sheet.

3.3 Tier 3 — Strategic Projects

Situations will arise that requires Council to step beyond its everyday role and lead an initiative that is significant, deliberate, and consequential. These are strategic projects, not part of the regular work programme, but discrete, Council-led interventions that address a material issue or opportunity for the district.

Strategic projects may be commercial, social, or environmental in character. What unites them is that:

- They involve a material commitment of public money, assets, or borrowing
- They are pursued for a specific purpose and bounded in time
- They carry risk that must be explicitly understood and accepted by elected members
- They require a decision that cannot be delegated to staff

Examples of the type of initiative that would be considered a strategic project include:

- Purchasing a building and land, demolishing it, and rezoning or selling the land to enable residential development — pursued primarily to generate revenue or unlock housing supply
- Acquiring a block of land to enable the planned relocation of a coastal settlement whose long-term viability is threatened by projected sea level rise — pursued to protect community safety and wellbeing

Strategic projects are subject to a rigorous decision-making framework before Council commits resources (see Section 5). They are never approved on the basis of urgency alone.

4. Decision-Making Guide: Enabling Communities

When a community group, rūnanga, business association, or other organisation asks Council to support a local outcome, or when Council itself identifies an opportunity to enable community action the following framework applies. This mostly comes in the form of approving their wishes through the long term plan.

This guide is not a veto tool. It is a thinking framework to help elected members and staff have consistent, transparent conversations about when and how Council enables.

4.1 Threshold Questions

Before applying detailed criteria, Council should be satisfied that the following threshold questions can be answered affirmatively:

#	Threshold Question	If 'No'...
1	Is this request clearly outside core services? (If not, it should be delivered as a core service — not treated as enabling.)	Deliver as core service
2	Is there a genuine community group, organisation, or partner willing to lead this outcome?	Do not proceed — enabling requires someone to enable
3	Does the outcome benefit the community broadly, not just a specific private interest?	Decline or require the beneficiary to self-fund
4	Can Council's role be time-limited or bounded in some way?	Carefully consider the long-term obligation before proceeding

4.2 Assessment Criteria

If the threshold questions are satisfied, Council should consider each of the following criteria. These do not need to all be answered 'yes' but each should be consciously addressed in any report or recommendation to Council.

Community Capability and Commitment

- Does the community organisation have the governance capacity to manage the responsibility?
- Is there demonstrated commitment, not just enthusiasm from the community? (e.g. volunteers, existing fundraising, established membership)
- Has the community been consulted broadly, or is this the request of a small group?

Financial Clarity

- What is the cost to Council, upfront and ongoing?
- Who pays? Is the split between general rates, targeted rates, and community contributions clear and fair?
- Is there a risk that Council ends up as the funder of last resort if the community effort fails?
- Are there external funding sources available that reduce the cost to ratepayers?

Risk and Liability

- If the community-led arrangement fails, what is Council's fallback position?
- Does Council retain any liability (health and safety, insurance, asset condition) even after transfer?

- Are the legal arrangements (leases, licenses, grants, MoUs) fit for purpose?

Consistency and Fairness

- If Council enables this community, would it be prepared to enable a similar request from another community on similar terms?
- Does enabling this activity create an expectation that similar requests will always be supported?
- Are there communities in the district that cannot self-organise in the same way and who may be disadvantaged by this approach?

Strategic Alignment

- Is this consistent with Council's adopted strategy and long-term plan?
- Does it sit within an existing policy framework, or does it require a new policy position?
- Is there a connection to community outcomes Council has previously signalled it cares about?

4.3 Forms of Enabling

Council's enabling role should be as lightweight as possible. The following forms of support are available, listed roughly in order of Council exposure and commitment:

Form of Enabling	What It Involves	Council's Exposure
Information and advice	Staff time, signposting, templates, guidance	Low
Advocacy	Representing community interests to external parties	Low
Facilitation	Convening stakeholders, running community processes	Low–Medium
One-off grant	Seed funding with clear conditions and accountability	Medium
Ongoing subsidy	Annual contribution — requires regular review	Medium–High
Asset transfer/lease	Transferring ownership or management of a Council asset	High (residual risk)
Partnership/co-investment	Shared funding, governance, or delivery	High

Council should default to the lightest form of enabling that achieves the desired outcome. Escalation to heavier forms requires explicit justification.

5. Decision-Making Guide: Strategic Projects

Strategic projects represent Council's most consequential discretionary decisions. They go beyond enabling: they require Council to take direct ownership, commit significant resources, and accept meaningful risk in pursuit of a specific outcome.

The bar for approving a strategic project is deliberately high. The purpose of this framework is not to prevent Council from acting, it is to ensure that when Council acts, it does so with clear intent, full information, and genuine accountability.

5.1 What Qualifies as a Strategic Project?

Strategic projects may be included within the Long Term Plan or may arise between LTP cycles. The key is not where they sit in the planning calendar, but the nature and scale of what Council is being asked to commit to.

A matter should be treated as a strategic project (and subjected to this framework) when it involves:

- A significant capital commitment, borrowing, or asset acquisition, whether planned through the LTP or arising outside of it
- Significant commercial risk or speculative return to Council
- An action taken primarily to shape the future of the district, rather than to deliver a routine service
- A decision that sets a precedent for future Council involvement in a new area

If in doubt, apply the framework. The cost of over-applying it is minor. The cost of under-applying it can be significant.

5.2 Pre-Decision Requirements

Before any strategic project is brought to Council for a decision, the following must be addressed in writing:

1. Problem or Opportunity Definition

- What is the specific problem, risk, or opportunity that Council is responding to?
- What evidence underpins this — and how confident are we in that evidence?
- Why is this a matter for Council rather than central government, the private sector, or community action?
- What happens if Council does nothing?

2. Strategic Purpose

- What is the primary purpose of this project? (Revenue generation? Risk mitigation? Community protection? Asset rationalisation?)
- Is this purpose clearly within Council's statutory role, or does it push at the boundaries?
- Is this purpose consistent with the adopted strategic direction?

3. Options Analysis

- What are the realistic alternatives to Council leading this project?
- Has a 'do nothing' or 'minimum intervention' option been genuinely assessed?
- What is the comparative cost, risk, and outcome of each option?

4. Financial Case

- What is the full cost, including purchase price, holding costs, remediation, financing, and exit costs?

- What is the expected return, if any — and over what timeframe?
- What assumptions underpin the financial case, and how sensitive is the outcome to those assumptions?
- How will this be funded, cash- reserves, borrowing, grants and what is the impact on Council's debt covenants and rates affordability?
- What is the worst-case financial scenario, and can Council absorb it?

5. Risk Register

- What are the top five material risks?
- What is the likelihood and consequence of each?
- What mitigation is available, and at what cost?
- Are there risks that Council cannot mitigate, and is Council prepared to accept them?

6. Community and Iwi Engagement

- Who is affected by this project, directly and indirectly?
- Have affected communities and hapū been engaged, not just consulted?
- Is there meaningful support, or is there significant opposition that needs to be addressed?
- Are there Treaty of Waitangi implications?

7. Governance and Accountability

- Who is responsible for delivering this project?
- What reporting will Council receive, and at what frequency?
- What are the decision points where Council can review, redirect, or exit?
- What does success look like, and how will it be measured?

5.3 Decision Criteria

Council should satisfy itself on each of the following before approving a strategic project. These are not sequential, they should be assessed holistically. A poor result on any single criterion warrants serious consideration of whether to proceed.

Criterion	Questions to Satisfy	Weight
Strategic Fit	Does this align with our adopted direction? Would we do this if we weren't already talking about it?	High
Financial Soundness	Is the financial case credible? Can we absorb the downside? Is funding structured appropriately?	High
Risk Acceptability	Do we understand the risks? Are they proportionate to the purpose? Are they manageable?	High
Community Benefit	Who benefits, and how clearly? Is the benefit district-wide or narrow? Is there genuine community support?	Medium-High
Council Capability	Does Council have (or can it acquire) the skills to execute this well? Are we likely to be a good steward?	Medium

Criterion	Questions to Satisfy	Weight
Affordability Impact	What is the rates impact — short and long term? Is this fair to all ratepayers, including those who do not benefit directly?	High
Precedent Effect	Does approving this open the door to similar requests Council may not want to support? Can we draw a principled boundary?	Medium
Exit Clarity	Do we know how we get out if things go wrong? Is the exit cost understood and acceptable?	Medium-High
Unintended Consequences	What might this project set in motion that we did not intend? Could it displace private investment, alter community dynamics, affect neighbouring properties or businesses, or create obligations Council has not anticipated?	Medium-High

On unintended consequences specifically: Council should ask not just what this project is designed to do, but what it might inadvertently cause. A decision to purchase land can affect surrounding land values, development viability, and community expectations about what Council will do next. A decision to invest in one community may create pressure from others. These second-order effects are often harder to predict than the primary outcome, which is why they require explicit consideration, not an afterthought.

5.4 How the Decision Process Works

The following describes how a strategic project moves from initial idea to Council decision, and what happens after approval. This is not a bureaucratic process for its own sake — it is the sequence of thinking that protects Council and the community from poorly considered commitments.

Stage	What Happens	Who Is Responsible
1. Identification	An opportunity or problem is identified by a councillor, staff, or community. It is assessed at a high level against the strategic direction. If it appears to meet the threshold for a strategic project, it is escalated rather than progressed informally.	Any councillor or CE; confirmed by CE
2. Scoping	Staff prepare a brief scoping paper covering: what the opportunity or problem is, why it is a matter for Council, a rough order of costs, and the key risks and unknowns. This is not a full business case it is enough for Council to decide whether to invest in further analysis.	CE and relevant staff

Stage	What Happens	Who Is Responsible
3. Council Direction	Council considers the scoping paper and decides: investigate further, decline, or refer to another body. A decision to investigate further does not commit Council to proceeding, it commits Council to obtaining the information needed to decide properly.	Full Council resolution
4. Full Assessment	If Council directs further investigation, staff (and where appropriate, independent advisors) prepare a full assessment addressing all seven pre-decision requirements in Section 5.2, including the decision criteria in Section 5.3.	CE; independent advice where required
5. Engagement	Affected communities, rūnanga, and other stakeholders are engaged before a final recommendation is made. Engagement findings, including opposition and unresolved concerns are reported to Council alongside the recommendation.	Staff; Council sets scope of engagement
6. Council Decision	Full Council considers the assessment, engagement results, and staff recommendation. Council may approve, decline, defer, or approve with conditions. The decision — including the reasoning — is recorded in full in the meeting minutes.	Full Council resolution
7. Delivery and Oversight	An approved project is delivered against a project charter with defined milestones, budget, and reporting obligations. Council receives quarterly updates and conducts a formal mid-project review. A post-project evaluation is completed and reported publicly.	CE accountable to Council; reported quarterly

At any stage, Council may resolve to stop. The ability to make that call and the cost of doing so must be part of the assessment from the outset.

5.5 Approval and Oversight Requirements

All strategic projects must be approved by the full Council, they cannot be delegated. The following oversight requirements may apply to all approved strategic projects:

- A project charter approved at the time of the funding decision, setting out purpose, budget, milestones, and success measures
- Quarterly reporting to Council against milestones and budget
- A formal mid-project review at a pre-determined point (typically 50% of budget spent or 50% of timeline elapsed, whichever comes first)
- A post-project evaluation within 12 months of completion, to be included in the Annual Report

Council may resolve to pause or exit a strategic project at any stage. The ability to make that decision, and the cost of doing so must be understood at the outset.

6. What This Strategy Means in Practice

The following summarises how the three tiers translate into everyday Council behaviour and decision-making.

Situation	Council's Likely Response	Framework Applied
A road needs resealing	Deliver as part of the roading programme	Tier 1 — Core Service
A community hall needs a new roof	Assess whether Council owns the asset; if community-owned, explore enabling options (grant, lease review, advocacy for external funding)	Tier 2 — Enabling
A community wants a new playground	Support the community to lead fundraising and delivery; consider a small seed grant if criteria are met	Tier 2 — Enabling
A private landowner wants Council to buy their land for conservation	Decline unless there is clear strategic justification; explore alternative mechanisms (QEII covenants, regional council involvement)	Not within strategy unless strategic project criteria met
A surplus Crown building becomes available with commercial potential	Apply strategic project framework before any decision; commission independent advice on feasibility	Tier 3 — Strategic Project
Sea level rise modelling shows a settlement is at material risk within 50 years	Commission a detailed assessment; engage affected community; apply strategic project framework if Council intervention is warranted	Tier 3 — Strategic Project
A community organisation asks for an annual operating grant	Apply enabling criteria; assess community benefit, financial impact, and precedent; set clear conditions and review period	Tier 2 — Enabling (ongoing subsidy)

7. Accepting the Trade-offs

This strategy involves real trade-offs.

By prioritising core services, Council accepts that some community activities may receive less support than in the past, or may not receive Council support at all. Some communities, particularly those with less capacity to self-organise, may find this harder to navigate. Council will seek to mitigate this by applying the enabling framework consistently and transparently.

By enabling communities rather than directly delivering, Council accepts that it cedes some control over outcomes. Community-led initiatives will not always succeed. Council's role is to create the conditions for success, not to guarantee it.

By reserving strategic projects for occasional and carefully justified circumstances, Council accepts that it will say no to some initiatives that might, in isolation, seem reasonable. The discipline required to maintain this boundary is real, but it is also necessary to prevent scope creep and protect long-term financial sustainability.

These trade-offs are the price of clarity. Council believes that a clear, principled strategy, even one with limits, serves the community better than an expansive strategy that overpromises and underdelivers.

8. Review and Adaptation

This strategy will be reviewed in full at the beginning of each electoral term. It will also be reviewed if:

- A significant change in the district's circumstances (economic, environmental, or demographic) makes a material component of the strategy unfit for purpose
- Council considers a strategic project that cannot be satisfactorily assessed within the existing framework
- The enabling framework consistently produces outcomes that conflict with Council's intent

Annual reporting to Council will include a brief assessment of how well the strategy has been applied in practice, including any decisions where the framework was tested or where departures were made.

In Summary

Hurunui District Council is first and always a provider of reliable, affordable core services. It is also a council that believes communities are capable, and it will help them act for themselves where it can. On those occasions where only Council can lead, it will do so with clarity, discipline, and accountability to the people it serves.

HURUNUI DISTRICT COUNCIL

Strategy on a Page

A Council That Delivers, Enables, and Leads Where It Counts

TIER 1 **Core Delivery & Active Ownership**	TIER 2 **Enabling Communities**	TIER 3 **Strategic Projects**
Always — non-negotiable	*When criteria are met*	*High bar, high scrutiny*
Directly Delivered • Roading & bridges • Solid waste & recycling • Building & resource consents • Environmental health & animal control • Emergency management **Active Ownership (not direct delivery)** • WSCCO — water & wastewater services • Hanmer Springs Thermal Pools & Spa	**Council helps — communities lead** • Information, advice & facilitation • Advocacy to external agencies • Seed grants (criteria-based) • Asset transfers & leases • Targeted partnerships & co-investment **Key tests before enabling** • Is there a group ready to lead? • Broad community benefit (not private)? • Financially clear and bounded? • Fair to apply consistently across district?	**Council leads — deliberately** • Significant capital or borrowing commitment • Commercial or speculative ventures • District-shaping interventions **Must satisfy all of the following** • Strategic fit & clear purpose • Sound financial case • Acceptable & understood risk • Rates impact is fair & affordable • Unintended consequences considered • Exit understood before entry • Full Council approval (non-delegable)
Accountability: Asset management plans, annual reporting	*Accountability: Clear conditions, review periods, reporting*	*Accountability: Project charter, quarterly reporting, post-project evaluation*

Underpinning Principles

Affordability & intergenerational equity • Transparency about costs and trade-offs • Fit-for-place decisions • Long-term financial sustainability • Community identity respected

What Council will not do	What guides every decision
• Fund activities without clear community benefit • Take ownership of outcomes communities can lead • Approve strategic projects without full assessment • Expand scope without explicit Council resolution • Allow urgency to bypass due diligence	• Who pays and who benefits — is this fair? • What happens if we do nothing? • Can we absorb the worst-case outcome? • What could this unintentionally set in motion? • Are we leaving this in a better state than we found it?