2024
2034

Draft Long Term Plan

He Mahere Pae Tawhiti

QUEENSTOWN LAKES DISTRICT COUNCIL

Welcome

Haere mai

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Welcome from Glyn and Mike / He mihi nā Glyn me Mike

Nau mai, haere mai. Welcome to the draft Long Term Plan 2024-2034.

The previous Long Term Plan (LTP 2021-2031) was developed during a time of great uncertainty in the middle of an unprecedented global pandemic. While that might now be largely behind us, change and uncertainty remains a significant challenge for our communities, this Council and the whole of Aotearoa New Zealand.

Residential growth in the district continues to outpace the rest of the country and visitor numbers are beyond pre-COVID levels. Providing the services and infrastructure to respond to that growth and maintain the wellbeing of our communities is a priority challenge. Whether that's capacity on our roads, maintaining a clean drinking water supply, collection and processing of waste and recycling, or delivering community sports, recreational, library and parks facilities for essential social wellbeing. As the district grows, so do the needs and expectations of our people.

Over the past three years we have continued to invest in meeting these needs. Highlights include opening Wānaka's newest recreation facility – Paetara Aspiring Central – progressing further with the Wānaka lakefront development, significant investment in active travel for both Wānaka and around Queenstown, finishing the upgrades to Queenstown's town centre, and delivering water supply, stormwater and wastewater upgrades right across the district.

As we look ahead to the next ten years, affordability is top of mind for everyone. Inflation, high interest rates and government compliance costs are not only being felt by the whole local government sector but also worldwide. Everything we do is costing more to deliver making this one of the most difficult budgets to prepare for the district. In short, it's simply not possible to deliver many of the things the community or this Council want to within the existing significant financial constraints.

While we were navigating multiple programmes of government reform over the last three years, a change of government created further uncertainty about what new reforms will deliver, what regulatory expectations they will have and the associated costs, especially in relation to the delivery of three waters infrastructure.

What we do now know is that in December 2023, the coalition Government provided formal direction to bring planning and delivery of three waters infrastructure back onto councils' books for years 3-10 of their LTPs. This represented a significant change to the requirement under the former government to include three waters for years 1 and 2.

To put that challenge into context, three waters make up close to 60% of the Council's capital expenditure programme. That, along with ensuring we're complying with higher regulatory standards, is now a major influence on costs to the community and our opportunity to invest in other areas.

The consequence of this change in direction is huge for our district and it was the key driver behind a decision to defer the LTP process, which would usually have seen consultation happening over March and April.

This allowed us more time to work through how we would reintegrate this significant cost back into the budget. We've spent the last six months working closely to scrutinise all our projects, services, programmes and general operating costs, and making some very tough decisions around priorities and what this means for rates increases.

As we've had these difficult discussions, we keep returning to the feedback you gave us during early engagement on the plan in mid-2023. At that time, you said that getting the basics right and focusing on "bread and butter" issues was the priority. To do those things you told us that a solid foundation of infrastructure, community facilities and consistent levels of service are essential.

So we've kept this, along with other key drivers, front of mind as we've developed this draft plan. The foundation for the proposed capital

Glyn Lewers
Queenstown Lakes District Mayor

Mike Theelen
Chief Executive

investment programme has been getting the basics right and the first two years focuses primarily on essential three waters investment.

We've also had to work on things that we must do – whether that's for legal or compliance reasons, to complete work already underway, or important enabling or planning work to ensure we're ready for the future.

The reality therefore is we simply cannot afford to deliver many of the more discretionary projects we had previously intended and unfortunately, this will affect our ability to invest in important community facilities and services. We have however endeavoured to maintain existing levels of service across all Council functions and activities, also in the face of increasing costs.

As you might have seen in recent media coverage, most councils across the country are proposing significant rates increases. Every single one will be conscious of the fact it can't just keep taking extra rates from the same people, year on year. But we can't ignore the costs in front of us and attempting to delay simply creates an even bigger problem in the future.

Something's got to give. There are more and more requirements being placed on councils but very limited alternative funding levers. And while the government has signalled it will be introducing new funding tools, there is currently no certainty about what form this will take and when it will be available. There are also more government reforms yet to come, in particular 'local water done well', resource management, fast track consenting and transport priorities.

All of these will affect how we plan for, and fund delivery of, our infrastructure and services in the future. Because of this, we anticipate that considerable replanning will be required within the next three years meaning the current years 3-10 will look very different when we get to LTP 2027-2037.

This Council's commitment to you is that we will work with central government and the community to identify how to make best use of existing and emerging alternative funding tools because it is a priority to reduce the rates burden on our ratepayers.

In the meantime, no matter what we do, rates will need to increase. The size of the capital programme has increased to accommodate three waters which has resulted in the proposed average rates increase being higher than we had anticipated for 2024-2025 at 15.6%.[1] There's been reports that many councils are proposing higher increases, with some above 20%, and the pressure is on councils like ours that face high demand for new infrastructure. This level of increase is tough for everyone and not something proposed lightly or without significant consideration.

Consultation on the draft LTP 2024-2034 is underway and your voice is so important as we finalise this plan. It is a plan for the whole district, so whether you live in the smaller communities of Makarora or Kingston, or the larger urban centres of Wānaka or Queenstown, this plan affects everyone.

We encourage you to take some time to read the consultation document which will be distributed right across the district. If you don't receive a copy, visit the Let's Talk page or get in touch and we'll get one over to you. There's also lots of more detailed information available here, within this LTP document, along with all the policies and strategies we use to shape the plan.

As always, there are some key consultation topics we're specifically seeking your feedback on. These include proposals to introduce a revised targeted CBD rate for Queenstown, proposed clean energy upgrades for our aquatics facilities and investment in sports fields and community facilities. Council is also proposing to increase development contributions which would affect you if you were planning to develop or subdivide your property.

We invite you to comment on these or any aspect of the draft plan. We need to know what you think, and your submissions will help shape the final plan and decisions made by the elected Council when it is time to adopt it.

Thank you for your input. Kā mihi nui.

[1] After allowing for growth of 3.5% in rateable properties in the rates database.

How to read this document

Me pēhea e pānuitia tēnei puka

The draft Long Term Plan 2024-2034 is split into six sections:

SECTION 1 – AN OVERVIEW | WĀHANGA 1 – HE TIROHANGA WHĀNUI

An overview of this Long Term Plan, including the strategic drivers and proposed priorities for the next ten years. This section also includes detail on how you can help to shape the final plan.

SECTION 2 – OUR ACTIVITIES | WĀHANGA 2 – Ō KĀ MAHI

Details of the activities and services we provide on behalf of the community, including how we measure performance, how much the activities costs to deliver and how they are funded.

SECTION 3 – OUR STRATEGIES | WĀHANGA 3 – Ā MĀTOU RAUTAKI

Includes the latest Financial Strategy and Infrastructure Strategy.

SECTION 4 – OUR COSTS IN DETAIL | WĀHANGA 4 – TE UTU WHAKAHAERE

How Council proposes to manage the funding it receives and spends on its operations throughout the ten year period. This section also outlines the significant assumptions made during the planning process and information about the impact on rates.

SECTION 5 – OUR POLICIES | WĀHANGA 5 – Ō MĀTOU KAUPAPA HERE

Includes the policies that have guided our planning and decision-making as we developed this Long Term Plan.

SECTION 6 – AUDIT REPORT | WĀHANGA 6 – RĪPOATA O TE KAITĀTARI KAUTE

Section 1 – An overview

Wāhaka 1 – He tirohaka whānui

An overview of this Long Term Plan, including the strategic drivers and proposed priorities for the next ten years. This section also includes detail on how you can help to shape the final plan.

Purpose of the Long Term Plan

Te whaitake o te mahere roa

Every three years we produce a Long Term Plan (LTP), setting out the projects, activities and services that Council will invest in over a minimum ten-year period. This is a requirement under the Local Government Act 2002.

The LTP provides a long-term focus to Council's activities and decision-making, outlining what's planned, how much it will cost, how it will be paid for and key assumptions that have been taken into consideration during the planning process.

It includes how Council will maintain current assets and levels of service, invest in the future of our diverse and growing district, and responsibly manage rates and debt. In addition, it describes how Council will measure success against the levels of service the community expects.

The LTP also contains several important policies and strategies, including the Significance and Engagement Policy, Revenue and Financing Policy, Development Contributions Policy and Infrastructure Strategy.

The LTP is guided by Council's Strategic Framework and underpinned by the community's Vision Beyond 2050. These are described in more detail from page 10.

LONG TERM PLAN

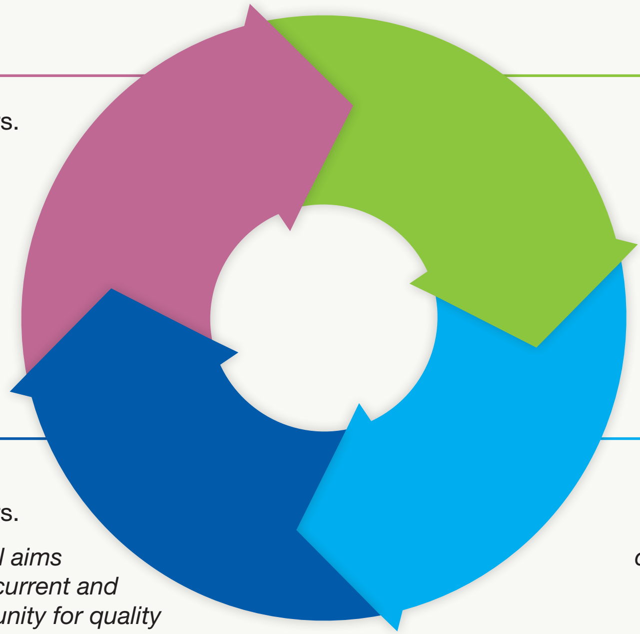
Reviewed every three years.

Sets the direction of the Council, providing a long-term focus on community outcomes, and explaining the purpose, direction and cost of each of our activities.

ANNUAL PLAN

Completed in each of the two years between the Long Term Plan.

What the Council plans to do in the next 12 months to achieve the direction set in the Long Term Plan.



COMMUNITY OUTCOMES

Reviewed every three years.

Outcomes that the Council aims to achieve in meeting the current and future needs of the community for quality infrastructure, public services and the performance of regulatory functions.

ANNUAL REPORT

Produced every year.

Reports back to the community on whether the Council has done what it planned to do.

Strategic drivers

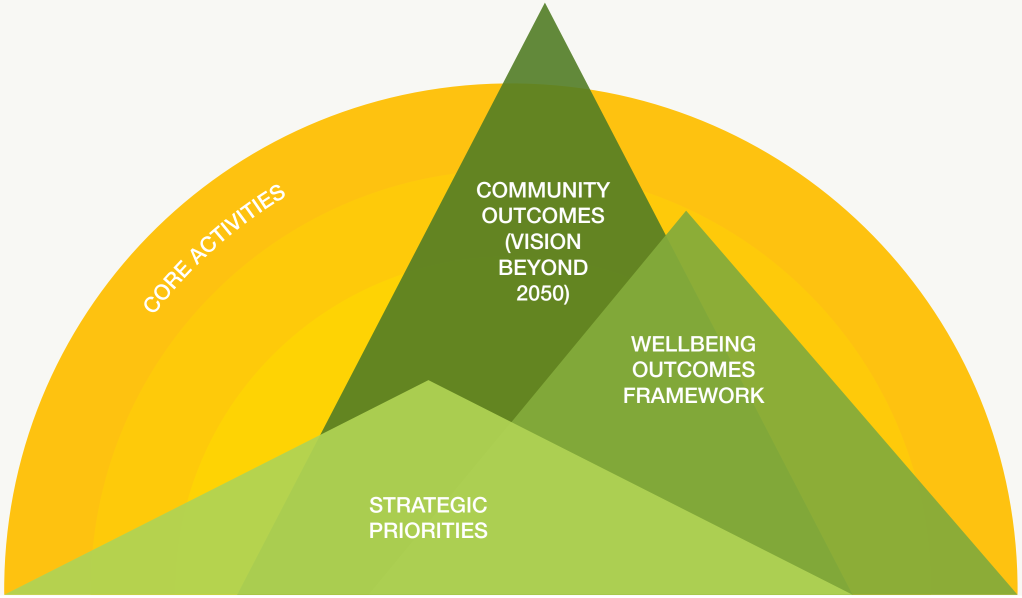
Kā kipakipa ā-rautaki

The following pages describe the opportunities, challenges and constraints influencing Council's strategic thinking and planning process for this Long Term Plan (LTP).

This includes our strategic framework, what has influenced it and how it has been used to determine strategic investment priorities across the district.

Our strategic framework

The strategic framework outlines how the community's aspirations and wellbeing drive everything we do. The framework identifies areas we need to prioritise to address local issues and make meaningful progress towards meeting community outcomes.



OUR COMMUNITY OUTCOMES...

- Thriving people | Whakapuāwai Hapori
- Living Te Ao Māori | Whakatinana i te ao Māori
- Opportunities for all | He ōhaka taurikura
- Breathtaking creativity | Whakaohooho Auahataka
- Deafening dawn chorus | Waraki
- Zero carbon communities | Parakore hapori
- Disaster-defying resilience | He Hapori Aumangea
- Pride in sharing our places | Kia noho tahi tātou katoa

...ARE SUPPORTED BY OUR WELLBEING OUTCOMES FRAMEWORK...

CROSS CUTTING
Equity
Mātauraka Kāi Tahu
Resilience
Sustainability

PEOPLE
Healthy and fulfilled people
A good standard of living

PLACE
A healthy natural environment
An enabling built environment

COMMUNITY
Connected communities
Belonging and identity
Participation and governance

...AND DELIVERED EVERYDAY THROUGH OUR CORE ACTIVITIES...

| Community Partnerships | Libraries | Sport & Recreation | Community Facilities and Venues | Parks and Reserves | Property | District Plan | Planning Policy
| Resource Consents | Water Supply | Wastewater | Stormwater | Transport | Waste Minimisation and Management | Strategic Growth - Spatial Plan | Economy
| Climate Action and Resilience | Regulatory Functions and Services | Local Democracy | Emergency Management | Finance and Support Services

...AND THROUGH ADDITIONAL FOCUS ON OUR STRATEGIC INVESTMENT PRIORITIES.

GET THE BASICS RIGHT FIRST
| Protect human and environmental health
| Maintain levels of service
| Undertake essential renewals
| Ensuring we're ready for the future

DIRECTLY INVEST IN INFRASTRUCTURE & SERVICES
| Create well designed communities
| Provide for growth
| Build resilience and ability to adapt to the future
| Enhance performance of the transport network
| Create thriving town centres
| Reduce carbon emissions

INVEST THROUGH PARTNERSHIP WITH OTHERS
| Diversify the economy
| Build a sustainable tourism system
| Improve housing affordability

OUR COMMUNITY OUTCOMES: As defined in Vision Beyond 2050[2], 'A unique place. An inspiring future | He wāhi Tūhāhā. He āmua whakaohooho'. These outcomes reflect the community's aspirations for itself and the values that collectively define what is unique about our district. They are owned by the whole community and have been recognised by organisations across the district. Every one of our activities aligns to delivering on these outcomes, as identified in each of the activity plans from page 23. The outcomes are summarised in the diagram below and can be read in detail at **www.qldc.govt.nz/our-strategic-framework**

OUR WELLBEING OUTCOMES: The community outcomes are supported by our Wellbeing Outcomes Framework, which guides how Council contributes to the wellbeing of our people and environment now and into the future. This framework is based on the Wellbeing Framework for Otago developed by Otago Regional Council in conjunction with councils across the region. Read more about these here: **www.qldc.govt.nz/your-council/our-vision-mission/**

CORE SERVICES: The community and wellbeing outcomes are delivered every day through our core services, which are outlined in section 02. As a high growth area with limited resources, there are challenges and constraints we must work within, some of which are outside of our control.

STRATEGIC INVESTMENT PRIORITIES: We have identified specific strategic priorities that require additional focus, investment, or partnerships to address district-specific issues or aspirations. Our strategic investment priorities are outlined on page 15.

[2] www.qldc.govt.nz/your-council/our-vision-mission/

Influences on our strategic framework

The development of our strategic framework has been influenced by Kāi Tahu aspirations and values, our growth plan for the district and a local commitment to climate action and resilience. These influences are described in more detail below.

QUEENSTOWN LAKES SPATIAL PLAN 2021

Understanding the future opportunities and challenges for residents, business and visitors, how we futureproof and manage infrastructure, and protect our exceptional environment is key to delivering a Spatial Plan. The Queenstown Lakes Spatial Plan 2021 (Spatial Plan) sets out the strategic growth plan for the district, with key priorities aimed at ensuring future growth happens in the right places and is supported by the right infrastructure and services – those within the control of the Council and wider utility and service providers. The Spatial Plan was developed in partnership with Central Government, Kāi Tahu and the Otago Regional Council.

The strategic framework was developed in line with the existing Spatial Plan outcomes and priorities and alongside the development of the next iteration of the Spatial Plan. **www.qldc.govt.nz/your-council/council-documents/queenstown-lakes-spatial-plan/**

CLIMATE ACTION AND RESILIENCE

Over the last few years, Council has begun a journey towards a major organisational behaviour shift ensuring climate change considerations are reflected in decision making, policy setting, projects and service delivery. Acknowledging climate action and resilience as key drivers, Council declared a climate and ecological emergency in June 2019. Since then, we have developed our Climate and Biodiversity Plan, which sets out how we're going to respond to biodiversity loss and climate change in Queenstown Lakes.

We've made good progress but there's still a way to go. We need to build on our work to embed resilience and climate adaptation planning across the organisation. This will explicitly target infrastructure upgrades and consider new solutions, built or otherwise, to ensure the district is resilient to the hazards associated with a changing climate.

The projects and priorities in the Climate and Biodiversity Plan 2022-2025 have helped shape our strategic framework and this draft LTP. You can read more about the plan and its actions at **climateaction.qldc.govt.nz**

KĀI TAHU AS MANAWHENUA

Whakatipu-Wai-Māori, Wānaka and Hāwea are iconic lakes of cultural and statutory significance to Kāi Tahu.

Around Lake Wānaka were a number of pā (strongholds), kāika (settlements) and nohoaka (camp sites). The name "Wānaka" is a Kāi Tahu variant of the word "wānanga" which refers to ancient schools of learning. In these schools Kāi Tahu tohuka (experts) would be taught whakapapa (genealogies) which stretched back to over a hundred generations and karakia (incantations) for lots of situations.

At Whakatipu-Wai-Māori (Lake Whakatipu) a network of villages lay along the routes to access pounamu at Te Koroka, located beyond the head of the lake. Countless generations transported it back to coastal settlements in Otago and Southland on waka and mōkihi for fashioning into tools, ornaments and weapons. Settlements included the kāika Tāhuna (meaning sandy shore) near present-day Queenstown, Te Kirikiri Pā at present day Frankton; a Kāti Mamoe kāika near the Kawarau Falls called Ōterotu; Tititea Pā and another called Takerehaka at Kingston. Tititea was located on the south side of the Kawarau River, near Ōterotu.

Whakatipu-Wai-Māori is an important source of freshwater, the lake being fed by hukawai (melt waters). These are waters with the highest level of purity and were accorded traditional classifications by Kāi Tahu that recognised this value. These tapu (sacred) waters sustain many ecosystems important to Kāi Tahu.

PARTNERSHIP WITH KĀI TAHU PAPATIPU RŪNAKA

Including mana whenua perspective across Council activities is essential to creating thriving communities. QLDC as a crown entity honours its commitment to our Te Tiriti o Waitangi Partners (Kāi Tahu) by acknowledging and adopting Kāi Tahu values, issues and aspirations as a shared responsibility.

The Council recognises that in this district the seven Papatipu Rūnaka of Kāi Tahu (Te Rūnanga o Moeraki, Kāti Huirapa Rūnaka ki Puketeraki, Te Rūnanga o Ōtākou, Te Rūnanga o Hokonui, Te Rūnanga o Waihōpai, Te Rūnanga o Awarua, Te Rūnanga o Ōraka Aparima) as holding a shared mana whenua status. The Council works with Rūnaka through partnerships with Aukaha Ltd and Te Ao Marama Inc as representatives of the the seven Papatipu Rūnaka with interests in the district.

KĀI TAHU VALUE FRAMEWORK

VALUE	DESCRIPTION
Whanaukataka	Family and community focused
Manaakitaka	Hospitality
Rakatirataka	Leadership
Haere whakamua	Future focused
Tikaka	Appropriate action
Kaitiakitaka	Stewardship
Mauri	Life force

MĀNAWA KĀI TAHU

The contemporary presence of Kāi Tahu in the Queenstown Lakes centres on wise use, restoration and protection of the natural environment, incorporation of design elements into the physical environment that reflect mātauraka and Kāi Tahu associations, and an active role for Kāi Tahu in development opportunities. Outcomes (manawa or aspirations) sought by Kāi Tahu are shown here.

KĀI TAHU OUTCOMES

Strategic investment priorities

Kā whakarotau haumi ā-Rautaki

1. Get the basics right first

Our foundational priority is that we get the basics right first. This means making sure we deliver on essentials before investing in areas that are considered more discretionary, aspirational or where timing is more flexible.

For us, getting the basics right means we prioritise investment in:

Protecting human and environmental health: Ensuring our infrastructure, facilities and services meet legislative and regulatory requirements.

Maintaining levels of service: We need to prevent a material deterioration in the quality and accessibility of our services.

Undertaking essential renewals: Maintaining our existing assets will assist in ensuring there is no material degradation in our service offerings, resilience will improve, risks can be maintained at acceptable levels, and more expensive interventions are avoided in future.

Ensuring we're ready for the future: We will continue planning to provide for projected growth; well-developed structure and master plans, asset management plans, and project designs will ensure we have a clear investment roadmap and scoped projects that can be progressed if funding becomes available.

2. Directly invest in infrastructure and services

Delivering infrastructure and community services are at the heart of what we do every day.

Funding constraints mean we can't always do this on our own. We often need to partner with others to obtain funding beyond what we can raise through rates, borrowing or other existing forms of revenue and sometimes this means we need to adjust our priorities. For example, where we receive funding from central Government, its priorities often drive the projects we invest in. The funding arrangements we rely on are outlined in the Finance Strategy, on page 137.

Our focus areas include:

Creating well-designed communities: Communities can access and build community relationships and connections through parks, open spaces, and community facilities in their neighbourhood.

Ensuring our people can connect, socialise, play, learn and participate in a wide range of social, cultural, art, sport, and recreational activities. As communities grow ensuring greater access to a range of social and recreational facilities will help to improve the health and wellbeing of communities.

Priorities in this area are outlined in the Community Facilities Strategy, Parks and Open Spaces Strategy[3] and the Infrastructure Strategy[4].

[3] https://www.qldc.govt.nz/media/p33asyep/qldc_parks-and-open-spaces-strategy_jul22-web.pdf
[4] https://www.qldc.govt.nz/media/vy5jklpn/qldc_community-facilities-strategy_30aug21-final-desktop.pdf

Provide for growth: We provide for the development of infrastructure, green spaces and community facilities that meet the needs today and of the future. As a Tier 2 Council we are required to plan well for growth and ensure that communities and future generations can live in a well-functioning urban environment.

New infrastructure and services will be needed to enable the projected growth expected in the priority development areas identified in the Spatial Plan. The next iteration of the Spatial Plan is being developed and if this identifies different needs, this will inform engagement with partners to deliver investment on our behalf, and/or updates to the LTP through the Annual Plan process.

Current needs are outlined in the Queenstown Lakes Spatial Plan[5], Community Facilities Strategy, Parks and Open Spaces Strategy[6] and Infrastructure Strategy (see page 159).

Build resilience and ability to adapt for the future: Queenstown Lakes is a place that is ready and prepared to adapt to a changing climate and natural hazardscape and to respond to emergencies.

We need to embed resilience building and climate adaptation planning across the organisation. This will explicitly target infrastructure upgrades and consider new solutions, built or otherwise, to ensure the district is resilient to the hazards associated with a changing climate. We will continue to work with the Otago Regional Council and the community to build a complete picture of key natural hazard risks across the district and use this evidence base to identify the adaptation and response actions that are possible.

Priorities for this area are outlined in the **Climate and Biodiversity Action Plan 2022-2025**[7].

Enhance the performance of the transport network: The transport network enables the effective and sustainable movement of people and goods into and around the district.

The transport network is constrained geographically, with numerous parts of the district served by single routes, which are vulnerable to closure. The dispersed, low density settlement pattern within the district means many people are reliant on private vehicles to move around. As our district grows (both residential and visitor) the transport network is becoming increasingly constrained, adding to congestion, emissions, productivity losses and safety risks.

Priorities in this area are developed in partnership with NZ Transport Agency Waka Kotahi and the Otago Regional Council and within the Infrastructure Strategy (see page 159).

Create thriving town centres: Our core urban centres (Queenstown, Wānaka) are welcoming, thriving and provide for the needs of both locals and visitors.

Our urban centres support rapidly growing populations and large volumes of visitors on a daily basis. We want our urban centres to be places that locals are proud of, visitors want to enjoy and respect, and give business-owners confidence to continue operating and investing.

Current needs are outlined in the **Spatial Plan** and the **Town Centre Masterplans**.

[5] https://www.qldc.govt.nz/your-council/council-documents/queenstown-lakes-spatial-plan/
[6] https://www.qldc.govt.nz/media/p33asyep/qldc_parks-and-open-spaces-strategy_jul22-web.pdf
[7] https://climateaction.qldc.govt.nz/

Reduce carbon emissions. Our district reduces its greenhouse gas emissions by 44% by 2030 and achieves net zero greenhouse gas emissions by 2050.

Council plays a vital role in driving carbon emission reductions for our communities, either through direct action or via collaboration with partners such as the private sector, to meet the reduction targets for 2030 (44% reduction against 2019 baseline) and 2050 (net zero). To meet these challenges, we are embedding new ways of working across our operations and influence others to do the same. We will continue to take specific action to reduce emissions from our operations, in line with our emissions reduction plan and Tōitu Carbon reduce certification.

Our priorities in relation to climate change are outlined in our **Climate and Biodiversity Action Plan 2022-2025.**

3. Invest through partnership with others

The following priorities are critical for our district but require a different approach. These are areas where QLDC's role is not one of direct investment, rather leadership, facilitation and coordination across the district.

Improve housing affordability. Anyone who chooses to live here can easily access quality, stable, affordable housing now and into the future.

Our district continues to experience unprecedented levels of growth in terms of population, visitors and economic growth. Housing choice and affordability have not kept up and as a result many residents struggle to find suitable, affordable, accessible, secure homes. The district is now one of the least affordable places in Aotearoa New Zealand to live, but to some degree these challenges are being felt across the country. Addressing housing need is complex and needs a partnership approach as there is no single solution. **The Joint Housing Action Plan**[8] outlines nine housing solutions with a focus on increasing housing across the housing continuum, but with a particular focus on affordability.

Build a sustainable tourism system. Improve coordination to ensure visitors tread lightly and are a welcome contributor to the social, economic, cultural and environmental story of Queenstown Lakes.

The Regenerative Tourism Plan (Travel to a Thriving Future)[9] aims to improve local and visitor wellbeing and experience, forge connections between people and places, and enable healthy ecosystems, so the district becomes known as a leading example of how travel creates a thriving future. The plan aims to achieve regenerative tourism and a carbon zero visitor economy by 2030. QLDC partners with Destination Southern Lakes, the independent organisation leading the delivery of the plan.

Diversify the economy. Build economic resilience, capability and productivity so that the district both values what visitors bring to the community and is not so reliant on visitors for economic success.

Queenstown Lakes is rising to the challenge of building a resilient and sustainable economy that offers a diverse range of career and income opportunities not solely focused on hosting visitors. **The Economic Diversification Plan (New Pathways to a Thriving Future)** will ensure that Queenstown Lakes continues to be a special place for residents and visitors today, with opportunities for future generations yet to come.

[8] https://www.qldc.govt.nz/media/p1epjwti/joint-housing-action-plan-final.pdf
[9] https://www.queenstownnz.co.nz/regenerative-tourism-2030/

Challenges and constraints

QLDC is facing challenges and constraints to delivering on community outcomes and strategic priorities. Like many councils around Aotearoa New Zealand, we have been facing these for some time leading to infrastructure and service deficits.

CHALLENGES PUT PRESSURE ON EXISTING SERVICES AND REQUIRE US TO DO MORE:

We're growing faster than expected: demand projections indicate this will continue at levels well above any other urban centre in Aotearoa New Zealand[10]. This puts pressure on existing services and infrastructure as well as traditional funding models which aren't well suited to enable growth infrastructure. This is particularly evident amongst high growth councils such as QLDC, Tauranga and Hamilton.

The goal posts are shifting: central government reforms in recent years have resulted (or will result) in obligations to deliver new services and infrastructure at a higher standard than in the past, and to upgrade existing services and infrastructure to meet these higher standards.

BUT OUR ABILITY TO DO MORE IS CONSTRAINED BY:

Increased costs to deliver our services: councils across the motu are facing increasing interest rates, high inflation, compliance costs and high demand. These costs are outside of Council control and further affected by continuing high resident and visitor growth funded by a small ratepayer base.

Workforce shortages: in recent years it has been challenging to secure the market capacity to deliver infrastructure projects on time due to workforce shortages. The district's relative remoteness makes the cost of construction high and access to construction services low.

Limited capital: capital availability has been significantly affected by the settlement of large building defect and weather tightness claims (often referred to as 'leaky buildings'), and the visitor levy sought in 2019 not being available. This means a higher-than-expected level of debt has been carried forward into this LTP and limits our ability to borrow.

Limited, unproven alternative funding tools: Our ability to support growth in resident and visitor numbers through rates alone is not sustainable. There are alternative funding tools available through the Infrastructure Funding and Financing Act, but these are largely untested. The Government is planning on introducing more alternative funding tools, and a new National Infrastructure Agency to direct how these should be used. We will pursue these as they become available, so we can mitigate rates increases for residents as much as possible. We will continue to pursue a visitor levy for the district.

Using our strategic framework to build the capital programme

We have used our strategic investment priorities to build a proposed capital investment programme for the district. The first two years of the capital programme focus on getting the basics right, with other strategic investments only being included in addition to these from year three.

As we've built the programme, we have tried to balance debt and rates increases with the need to continue to invest in infrastructure and services that deliver outcomes for our communities. This means we have not been able to able to invest as extensively in our strategic priorities as we would like.

[10] https://www.qldc.govt.nz/community/population-and-demand/

A STYLISED GRAPH TO REPRESENT HOW CAPITAL EXPENDITURE IS SPLIT

Available funding is allocated to “getting the basics right first”. The first two years of the capital programme are almost exclusively “getting the basics right first”.

We do not fully allocate the available captial, retaining some funding to enable us to respond to shocks, like the recent weather event.

Remaining funding is allocated to projects associated with strategic priorities.

We have tried to balance rates increases with need to continue to invest in infrastructure and services to meet community outcomes and aspirations.

The capital programme can be found within each activity, in Section 2.

HOW UNCERTAINTY MAY AFFECT OUR ABILITY TO DELIVER ON THE CAPITAL PROGRAMME

Local government is facing a complex and uncertain future. The size of the infrastructure deficit across Aotearoa New Zealand is significant. Locally this is worsened by high visitor numbers and significant growth in the Queenstown Lakes District. As we’ve already highlighted, there are currently few alternatives to traditional rates and development contribution-based funding and financing models for local government.

While the government has signalled it will be introducing new funding tools, there is currently no certainty about what form this will take and when it will be available.

In addition there are government reforms yet to come, in particular the Local Water Done Well programme, resource management and transport priorities. These will have a significant impact on how we plan for and fund delivery of our infrastructure and services in the future.

As a result of the uncertainty, we anticipate that significant replanning will be required within the next three years, meaning the current years 3-10 will look quite different when we get to LTP 2027-2037.

We will work with central government, our Spatial Plan partners, Kāi Tahu and the community to identify how to make best use of existing and emerging funding tools to reduce rates burden on existing ratepayers during this period while moving forward on our strategic priorities.

The numbers – a financial summary

Kā tau – he whakarāpopoto ahumoni

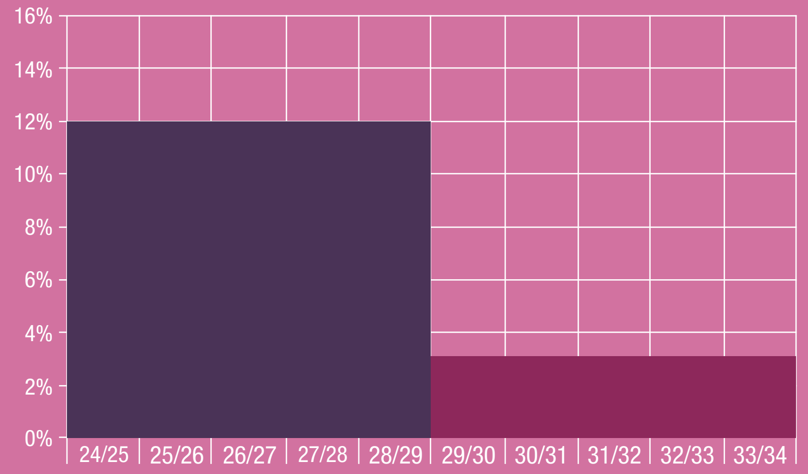
Council is proposing an average rates increase of 15.6%

FOR 2024-2025 (AFTER ALLOWING FOR GROWTH[11])

This is driven by inflation, high interest rates, increasing insurance and compliance costs and meeting demand for growth-related infrastructure.

Higher debt servicing costs and increased depreciation accounts for more than 50%

OF THE PROPOSED RATES INCREASE.



THE FIRST FIVE YEARS OF THE PLAN FORECAST SIGNIFICANT RATES INCREASES, AVERAGING

12%

over the five years, after growth.

INCREASES FORECAST FOR YEARS 6-10 ARE MUCH LOWER, AVERAGING

3.1%

per annum after growth.

[11] After allowing for growth of 3.5% in rateable properties in the rates database.

COUNCIL'S AVERAGE NET DEBT TO TOTAL REVENUE RATIO OVER THE TEN YEAR PERIOD IS

259.5%

This is within Council's limit of 280%.

$979M (40%)

OF THE $2.4B CAPITAL PROGRAMME IS REQUIRED DUE TO EXPECTED GROWTH.

THE OVERALL TEN YEAR CAPITAL PROGRAMME IS VALUED AT APPROX. $2.4B. THIS IS

46%

MORE THAN THE 2021-2031 LONG TERM PLAN.

DEPRECIATION FUNDING WILL INCREASE PROGRESSIVELY OVER THE TEN YEAR PERIOD TO FUND RENEWAL PROGRAMMES.

We need to increase the funded percentage 67% by 2033-2034. This strategy helps us to avoid a large spike in rates required in a single year. QLDC has historically funded up to 50% of depreciation expense.

DEPRECIATION[12] FUNDING FOR THREE WATERS AND ROADING ASSETS INCREASES 22% TO $3.2M IN 2024-2025

as a result of increasing asset revaluations.

DEBT IS FORECAST TO INCREASE STEADILY OVER THE TEN YEAR PERIOD

from $642.9M in 2024-2025 to $1.22B in 2033-2034.

COUNCIL IS COMMITTED TO INVESTIGATING ALTERNATIVE FUNDING TOOLS TO REDUCE PRESSURE ON RATES AND DEBT.

Our costs in more detail

Our overall Financial Strategy can be found on page 137. Or go to page 223 for detailed information on how Council proposes to manage the funding it receives and spends on its operations throughout the ten year period. This includes detailed financial statements and reporting, along with the significant assumptions made during the planning process.

[12] Most assets lose their value over time through wear and tear. Depreciation is used to recognise this decrease in value and spreads the cost over their useful life.

How you can help shape this plan

Ka pēhea koe e ārahina tēnei mahere

Community input is a vital part of developing this Long Term Plan.

We started talking to our communities between March and September 2023. This included a quick three-question survey asking what people liked about living in the Queenstown Lakes District, what Council could do to make living here even better and what should be considered when developing this Long Term Plan.

The responses showed:

- our environment and opportunities for recreation were the key reasons people loved to live here
- improved access to housing, arts and cultural facilities, public transport and alternative ways of getting around and managing growth effectively were areas people thought would make living here even better
- people want us to 'stick to the basics' and focus on core services, infrastructure and improving housing access.

With these themes in mind, the Council has proposed a draft Long Term Plan to address these issues as much as possible, within constrained funding and ensuring continued prudent management of infrastructure, meeting statutory requirements and delivery of the levels of service you have come to expect.

CONSULTATION DATES:

28 June 2024:
Submissions open

28 July 2024:
Submissions close

26 August 2024:
Submission hearings in Queenstown

27 August 2024:
Submission hearings in Wānaka

19 September 2024:
Council adopts final Long Term Plan

HOW TO MAKE A SUBMISSION:

The preferred way to make a submission is online at **letstalk.qldc.govt.nz**.

Alternative options for making a submission include:

- via email to letstalk@qldc.govt.nz - please include the subject line 'LTP submission'
- complete a hard copy submission form, available by contacting customer services on 03 441 0499 (Queenstown) or 03 443 0024 (Wānaka) or by popping into your closest Council office, library or recreation centre district-wide.

Visit **letstalk.qldc.govt.nz** or the QLDC Facebook page to find out about in-person opportunities to engage with councillors planned during the consultation period.

Section 2 – Our activities

Wāhaka 2 – Ō kā mahi

Details of the activities and services we provide on behalf of the community, including how we measure performance, how much the activities costs to deliver and how they are funded.

Community services and facilities

Kā Ratoka me kā whare ā-hapori

Community partnerships

THIS ACTIVITY SUPPORTS DELIVERY OF THE FOLLOWING COMMUNITY OUTCOMES:

- Thriving people | Whakapuāwai Hapori
- Living Te Ao Māori | Whakatinana i te ao Māori
- Disaster-defying resilience | He Hapori Aumangea
- Pride in sharing our places | Kia noho tahi tātou katoa

WHAT WE DO

We are focused on building thriving, safe and resilient communities through a variety of community development approaches and community-centered initiatives.

Our goal is to achieve sustainable and intergenerational wellbeing outcomes for Queenstown Lakes communities.

We empower and support communities to develop the tools, resources, capabilities and capacity to achieve their aspirations. Central to this work is a meaningful community engagement approach with a focus on social cohesion through diversity, equity, inclusion and belonging.

We support teams within council to successfully engage and establish trusted relationships with communities, social sector organisations and central government agencies, and to deliver strategies and policies that support cultural and social wellbeing.

WHY WE DO IT

Effective partnerships strengthen collaboration and communication between community and council. They build capability within community organisations, and support community wellbeing, connection and resilience.

Our relationships with central government agencies such as Te Whatu Ora and the Ministry of Social Development enable us to be strong advocates for our communities.

We foster community connection and activation through events and wellbeing initiatives, such as Summerdaze and Winterdaze events. Our Responsible Camping Programme allows us to engage with visitors to the district, helping to ensure they enjoy our environment and communities respectfully.

Council has committed to the Welcoming Communities programme to support newcomers to the district to feel welcome and able to participate in the economic, civic, cultural and social life of their new community.

WHAT WE HAVE PLANNED

Community Associations Work Programme

> Refining the community projects process to improve how council and community collaborate on local community-led projects

> Introducing quarterly networking events and monthly newsletters

> Supporting key community engagement including:

- Future Development Strategy Structure Planning
- Head of the Lake (Glenorchy) ORC natural hazards project
- ‘Our Community Spaces’ report - the Future

Community programmes and plans

- Delivering the Summerdaze and Winterdaze event series
- Supporting governance engagement events for elected members
- Delivering the Responsible Camping Programme, and implementing key actions from our Responsible Camping Strategy
- Completing and implementing the inaugural Welcoming Communities Plan 2024-2027.

Community grants and investment

- Delivering a community grants programme and implementing a new grants management tool
- Developing a community investment framework for grants, services agreements, and leases/licences
- Delivering a community governance and capability initiative in partnership with Central Otago District Council, Central Lakes Trust and key community stakeholders.

Strategies and policies

- Completing our Creativity, Culture and Heritage Strategy in partnership with Three Lakes Cultural Trust and Lakes District Museum
- Completing our Smokefree and Vapefree Policy in partnership with Te Whatu Ora Southern and the New Zealand Cancer Society
- Implementing our Accessibility Plan.

Libraries

THIS ACTIVITY SUPPORTS DELIVERY OF THE FOLLOWING COMMUNITY OUTCOMES:

- Thriving people | Whakapuāwai Hapori
- Living Te Ao Māori | Whakatinana i te ao Māori
- Breathtaking creativity | Whakaohooho Auahataka

WHAT WE DO

The council provides library facilities to support community access to a wide range of physical and digital resources for information, leisure, connection and cultural enjoyment.

The Queenstown Lakes district has eight public libraries which are linked in a joint venture with Central Otago District Council (CODC). The combined library service provides residents and visitors with physical and online access to 15 branches across both districts.

Our physical collections include local history and te reo Māori texts, world language texts, large print texts, magazines and newspapers. Digital resources include eBooks eAudiobooks, eMagazines and eSerials, online learning (including languages), research and history, news and current affairs, and film streaming.

We provide high quality, relevant collections in all formats for reading, learning, recreation, information, research and literacy. Using intuitive and up-to-date digital technologies, we supply residents and visitors with free access to education and literacy resources in the online and cloud environments. Our collections reflect the Queenstown Lakes District diverse communities.

The libraries also act as community hubs, providing digital access, offering work and study spaces, and hosting a variety of programmes and events for both children and adults. We regularly undertake outreach to local education providers and retirement villages, and host drop-in sessions to foster digital literacy.

QLDC Libraries are guided by the following principles:

> Freedom of information

> Equity of access

> Sustainability

> Manaakitanga

> Whakawhanaungatanga

> Mātauranga

> Kaitiakitanga.

WHY WE DO IT

Our libraries provide functional, welcoming, fit-for-purpose community spaces where people can connect and have free and equitable access to information, events and services. These services, and the work of our skilled and knowledgeable library staff, contribute to enhancing community wellbeing, educational opportunities, cohesion and resilience.

WHAT WE HAVE PLANNED

Literacy and language

- Increasing our digital collections to provide greater access to eResources for recreational and learning purposes, with a focus on junior borrowers
- Increasing our physical and digital collections of world languages for recreational purposes
- Strengthening our collections to support parents who speak languages other than English (LOTE) to teach these to their children.

Learning for Life

- Providing free Learning for Life access through a redeveloped QLDC Library website
- Providing improved access and a greater offering of online learning and recreational platforms
- Improving resources for neurodivergent learners
- Offering improved access to free, relevant online platforms for jobseekers and patrons retraining for work.

Connected, vibrant communities

- Improving sustainable services to housebound and retirement village residents to meet demand
- Focusing on rural communities, with Community Engagement Librarians scheduling digital drop-ins and creating pop-up libraries with hot spots for Wi-Fi access and training
- Providing outreach services that prioritise non-traditional users to support equitable access to library resources
- Establishing a digital repository to capture and preserve our district's stories, history and identity in association with a range of other community organisations
- Ensuring our physical recreational and informational collections remain relevant and current and include local history items.

Wellbeing and equity

- Continuing and adding events that focus on wellbeing and equity, e.g. meaningful conversations for marginalised groups, life skills events and social English
- Providing free access to the internet, Wi-Fi, devices and technology
- Focusing on bridging the digital divide to address digital poverty in a fast-changing world, including drop-in digital sessions for all ages

- Diversifying our collections to become more inclusive, e.g. supporting learning pathways for parents and children in te reo Māori, and providing technology for visually impaired people.

Climate action

- Implementing a 'green library' strategy to support climate action, including:
  - developing a physical and digital sustainability collection
  - implementing eco-friendly book-covering practices with plant-based book covering material
  - fast-tracking a 'Library of Things' for borrowing, e.g. warm home kits and eReading devices
  - establishing eWaste recycling centres in library branches
  - diversifying workshops to focus on sustainable practice at home, e.g. composting, seeding and gardening.

Sport, recreation, community facilities and venues

THIS ACTIVITY SUPPORTS DELIVERY OF THE FOLLOWING COMMUNITY OUTCOMES:

WHAT WE DO

Thriving people | Whakapuāwai Hapori
Breathtaking creativity | Whakaohooho Auahataka
Zero carbon communities | Parakore hapori

The Council provides a range of community facilities across the district, including large multi-purpose sport, recreation and aquatic facilities and event venues.

Aquatic facilities include Alpine Aqualand, Arrowtown Memorial Pool and the Wānaka Recreation Centre. We also support the Glenorchy and Hāwea community pools in a range of ways.

We provide indoor courts at Wānaka Recreation Centre, Paetara Aspiring Central and Queenstown Events Centre, while there are outdoor sports fields and multi-sport artificial turfs at the Wānaka Recreation Centre and the Queenstown Events Centre. Further facilities include Alpine Fitness Centre, an indoor climbing wall and Frankton Golf Centre within the Queenstown Events Centre, as well as a separate studio space and dedicated tenanted areas for local community groups at Paetara Aspiring Central. Our facilities are home to many community programmes, including swimming classes, sports leagues, climbing, fitness and wellbeing initiatives.

We work closely with community organisations and individuals to build recreation and sports capacity at all levels, reducing reliance on Council as the provider.

Our quality venues attract commercial events and provide affordable spaces for small local community businesses and organisations to deliver recreation and sport activities, which provide opportunities for community connection and enhanced wellbeing. The Queenstown Events Centre also hosts a number of international events annually including concerts, sport and recreation events, conferences and expos.

WHY WE DO IT

Providing outstanding facilities promotes involvement in sport, recreation and events. This in turn improves quality of life, helps build strong and resilient communities and promotes personal health and wellbeing.

Great recreation and sport facilities and quality venues stimulate the economy and attract families and individuals as well as non-profit and commercial events to the district.

For every $1 spent the return to the community is $2.12[13]

[13] https://thehub.swa.govt.nz/sitemap/social-return-on-investment-sroi-report/#:~:text=The%20estimated%20Net%20Present%20Value,of%20social%20impacts%20are%20generated.

WHAT WE HAVE PLANNED

- Maintaining our levels of service and focus on programmes, utilising technology to improve and expand services
- Undertaking further work on the Development Plan for a Sports Hub on Ballantyne Road in Wānaka
- Revisiting the timelines for the Queenstown Events Centre and Wānaka Recreation Centre Development Plans, as well as the design for indoor courts and shared clubrooms at Queenstown Events Centre
- Rescoping the planned development of a community centre at 516 Ladies Mile, Queenstown
- Further planning for the location of a future community hub in the southern corridor of Queenstown
- Managing ongoing pressures on our activities, including high inflation, increasing costs, insufficient built and green space facilities, growing population and climate change.

Parks and reserves

THIS ACTIVITY SUPPORTS DELIVERY OF THE FOLLOWING COMMUNITY OUTCOMES:

- Thriving people | Whakapuāwai Hapori
- Breathtaking creativity | Whakaohooho Auahataka
- Deafening dawn chorus | Waraki
- Zero carbon communities | Parakore hapori

WHAT WE DO

The Council is responsible for over 2,500ha of parks and reserves, including playgrounds, sports fields, and walking and cycle trails.

Our field team are the custodians of Te Kararo Queenstown Gardens. We are responsible for all amenity horticulture work within the Queenstown, Arrowtown and Wānaka CBDs, and for maintaining and cleaning streetscapes within these areas.

The council owns the Mount Iron Recreation Reserve in Wānaka, after purchasing the land in May 2023. We maintain three exotic forest areas: Ben Lomond Reserve and Queenstown Hill Reserve, which are managed as recreational forests; and Coronet Forest, which was harvested in 2023 (with replanting taking place).

We manage cemeteries, many of which have historical significance. We also lead activities in reserves such as tree management, pest management and cleaning and maintaining public amenities.

Working closely with community groups, we support community aspirations for reserve land, e.g. through planting, pest management and the establishment of new recreational facilities.

WHY WE DO IT

Open spaces play an important role in making the district a great place to live, work and play. These are places for people to meet, connect and get involved in the community. Parks and open spaces can also provide green space for natural cooling, biodiversity enhancement, carbon sequestration and increased resilience to extreme weather events.

Our parks and reserves also host many of the events and activities that bring visitors to the district, making them vital to our economy. Our outstanding landscapes, large open spaces and natural values draw many visitors to our region.

Our parks and reserves contribute to the long-term health and wellbeing of our community, providing accessible opportunities to be active and get outdoors. By maintaining, enhancing and caring for these spaces, we help protect our district's cultural, heritage and environmental values for current and future generations.

WHAT WE HAVE PLANNED

General improvements

> Completing renewals and minor improvements to lighting, playgrounds, amenity turf, cemeteries, tennis courts, toilets and carparks

> Planning, programming and delivery of strategic capital projects, for example the Wānaka Lakefront Development Plan, sports field upgrades, trail network development and the district's wildfire programme

> Focusing on maintaining levels of service, while acknowledging significant pressures such as population growth and climate change

> Tracking agrichemical use across Council activities and implementing a review of our current practice.

Mount Iron

> Working closely with the community to develop a Reserve Management Plan, setting out a shared vision for how the reserve will be used and managed whilst protecting the Significant Natural Area of kānuka woodland

> Applying a multifaceted approach to mitigate wildfire risk, recognising Mount Iron (and Ben Lomond) have been identified nationally as a high-risk fire area

> Adopting a single approach to the management of Mount Iron, applying for Department of Conservation land at the site to be vested in Council for the benefit of residents and visitors.

Tracks and trails

> Meeting and exceeding our defined levels of service to deliver a world-class tracks and trails network

> Developing a strategic approach to our future tracks and trails network

> Developing a renewals programme based on future needs, improvements, and condition assessments.

Biodiversity protection and restoration

> Working with community and volunteer groups to provide resources and in-kind support to enable revegetation of council land with indigenous species

> Finalise the Blue Green Network Plan in conjunction with mana whenua and in consultation with the community, to inform the planning for future open space provision, biodiversity corridors and recreation and ecological connections for communities across the district. This work links with the Spatial Plan and Climate & Biodiversity Plan work programmes.

Coronet Forest revegetation

> Replanting the site with indigenous beech forest and shrubland, creating the largest native revegetation project in the South Island

> Eradicating pests in the area

> Conducting ongoing maintenance and track construction to create a valuable community asset.

Interventions to reduce wildfire risk in council reserves

> Implementing the relevant and appropriate recommendations in the Wildfire Reduction Report such as improved signage, an environmental monitoring network, education programmes and vegetation removal.

Effects on the community

We strive to ensure that we operate in a way that provides the most positive outcomes for our communities, but it's important we acknowledge that complex challenges require difficult decisions and sometimes there are trade-offs. This table summarises significant potential negative effects and what we are doing in response.

ACTIVITY	SIGNIFICANT POTENTIAL NEGATIVE EFFECTS	OUR RESPONSE
Community partnerships	The display of some negative public attitudes and agitation towards QLDC and other members of the community e.g. LGBTQ+ and ethnic groups.	Continuing to work with staff and the community on the Welcoming Communities programme with a focus on improving cultural competency and advocating for diversity, equity and inclusion for all people living in our communities.
	Increasing visitor numbers, including those freedom camping, creating situations of conflict with, and complaints from, community members.	Continued education of visitors about where freedom camping is prohibited in the district, and reminders of other camping options and expected behaviours.
	Increasing financial pressures on community groups, likely resulting in more groups seeking more community funding from QLDC.	Continuing communication, capability building and advice about funding options available to community groups from QLDC and from other community funders.
Libraries	There is significant growth pressure on our library services and physical facilities.	Developing incorporated partnerships with local organisations, such as Kāi Tahu, Festival of Colour, Altrusa and Otago Museum. Gather usable data by completing an annual user survey to use innovative approaches to improve our user experience.
	Some deferred social infrastructure projects due to external constraints.	Obtaining funding from external sources, such as Te Hau Toka, New Zealand Libraries Partnership Programme and Otago Community Trust and Funding Trusts such as Central Lakes and Otago Community Trusts.
	The display of some negative public attitudes and agitation towards QLDC and other members of the community, e.g. LGBTQ+ and ethnic groups.	Continuing and improving collection support for marginalised groups, and the provision of additional staff training.
	Increasing misinformation and disinformation.	Providing additional staff training, educational promotional material and public workshops in libraries.
	Fines for overdue books are providing a barrier to lending.	Removing overdue fines for junior, senior, teacher and housebound borrowers. In July 2024, we will remove overdue fines for adult borrowers, in partnership with Central Otago Libraries. Running a month-long fine amnesty each year until fine-free status is implemented across all types of borrowers.
	Hold fees are providing a barrier to lending.	Removing hold fees for junior, senior and housebound borrowers. In July 2024, we will remove hold fees for adult borrowers.

ACTIVITY	SIGNIFICANT POTENTIAL NEGATIVE EFFECTS	OUR RESPONSE
Sport, recreation, community facilities and venues	Carbon emissions from the LPG boilers that heat our pools.	Running maintenance schedules to minimise heating as much as possible overnight. Reducing emissions in other areas using a number of initiatives, such as composting on site and mindful purchasing decisions (e.g. Project Awesome).
	An increase in embodied carbon in the construction of community facilities.	Planning for the use of sustainable materials and look for energy efficiency models (e.g. Luggate Memorial Centre).
	An influx of visitors for large events can cause increased pressure on infrastructure and minimise the time available for local community groups to hire venues.	Continuing to maximise community participation from April to September annually, including at Queenstown Events Centre's indoor courts.
	Investment in community facilities does not keep pace with the growth in the population.	Undertaking planning and investment through the Future Development Strategy and Queenstown Events Centre/Wānaka Recreation Centre Masterplans to cater for future growth areas.
Parks and reserves	Carbon emissions generated by maintenance operations for our parks and reserves.	Conducting annual planting programmes to offset emissions. Encouraging alternative techniques and practices when tendering for maintenance works.
	The use of agrichemicals in our parks and reserves.	Undertaking work to better understand our use of agrichemicals and investigate alternative means of vegetation management. Applying, wherever possible, alternative means of vegetation management, including meadowing, low-mow and alternative site management. Complying with legislation and standards around advertising, signage and safety equipment when using agrichemicals.

Measuring our performance

We use the following measures (Key Performance Indicators) to determine our success against the level of service we aim to provide for the community.

ACTIVITY	LEVEL OF SERVICE	KEY PERFORMANCE INDICATOR (KPI)	2022-2023 RESULT	TARGETS			
				YEAR 1	YEAR 2	YEAR 3	YEARS 4-10
Community partnerships	Our Council provides effective and appropriate enforcement and education to freedom campers to reduce their impact on the community and natural enviornment within the district.	Percentage of RFS about freedom camping resolved within 20 working days	N/A	>95%	>95%	>95%	>95%
Libraries	Our Council provides library facilities for the community to access a wide range of resources for information, leisure and cultural enjoyment.	Total library borrowing (including books, e-books, e-audio and magazines)	534,164 checkouts	6% increase to no. of physical and digital collection items checked out annually	6% increase to no. of physical and digital collection items checked out annually	6% increase to no. of physical and digital collection items checked out annually	Improve year on year
Sport and recreation	Our Council provides community facilities that are clean, safe and enjoyable places to visit.	Total number of sport and recreation participation visits per 1000 residents	35,058 visits	>30,000 visits	>32,000 visits	>34,000 visits	>36,000 visits
		Achieve the National Poolsafe Accreditation for each of Council's aquatic facilities annually (Alpine Aqualand, Wānaka Recreation Centre, Arrowtown Memorial Pool)	New measure	Maintain Poolsafe accreditation – yearly audit	Maintain Poolsafe accreditation – yearly audit	Maintain Poolsafe accreditation- yearly audit	Maintain Poolsafe accreditation – yearly audit

ACTIVITY	LEVEL OF SERVICE	KEY PERFORMANCE INDICATOR (KPI)	2022-2023 RESULT	TARGETS			
				YEAR 1	YEAR 2	YEAR 3	YEARS 4-10
Community facilities and venues	Our Council provides and maintains a range of facilities and venues to meet the community need.	Percentage of capital works completed annually (including renewals) against the annual budget adopted by Council for community facilities and property	223%	80% - 110%	80% - 110%	80% - 110%	80% - 110%
	Our Council provides capability building, financial support, in-kind services and general guidance to community groups and community development initiatives.	Percentage of total community grants budget allocated	New measure	100%	100%	100%	100%
Parks and reserves	Our Council provides well maintained green space, trails and cycle ways for the community to enjoy sports and leisure activities.	Percentage of requests for service (RFS) resolved within specific timeframe for parks, reserves, trails, gardens and playgrounds	94%	95%	95%	95%	95%
All	Our Council provides community facilities that are clean, safe and enjoyable places to visit.	Percentage of users who are satisfied with the range of community facilities offered across the Queenstown Lakes district	Trails, walkways, cycle ways 86%	> 65 %	> 65 %	> 65 %	> 65 %
			Parks, reserves, gardens 87%				
			Gym(s) 37%				
			Public toilets 67%				
			Playgrounds 46%				
			Indoor sports facilities 43%				
			Sports grounds 49%				
			Swimming pools 50%				
			Libraries 65%				
			Community halls 44%				
			Community arts centres 31%				
			Museums 29%				

What do our community services and facilities cost and how are they paid for?

FUNDING IMPACT STATEMENT BY ACTIVITY GROUP ($'000)

ANNUAL PLAN 2023/24	COMMUNITY SERVICES & FACILITIES	LONG TERM PLAN									
		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Sources of operating funding										
2,654	General rates, uniform annual general charge, rates penalties	3,082	3,096	3,158	3,875	4,795	4,945	5,162	4,897	4,943	6,113
27,155	Targeted rates	35,141	37,653	43,450	46,758	55,429	57,206	62,235	65,978	70,656	75,165
332	Subsidies & grants for operating expenditure	153	185	187	190	192	195	197	199	201	203
7,269	Fees & charges	8,100	8,741	9,177	9,653	10,056	10,401	10,727	11,160	11,488	11,983
-	Interest and dividends from investments	-	-	-	-	-	-	-	-	-	-
4,523	Fuel tax, fines, infringement fees & other receipts	4,829	5,128	5,668	5,987	6,216	6,604	6,826	8,984	9,204	9,428
41,932	**Total sources of operating funding**	**51,305**	**54,804**	**61,641**	**66,463**	**76,689**	**79,350**	**85,147**	**91,218**	**96,493**	**102,891**
	Applications of operating funding										
30,454	Payments to staff and suppliers	34,349	35,951	37,350	39,101	40,222	41,574	42,884	45,659	46,737	47,946
3,005	Borrowing Costs	3,098	3,049	3,427	4,224	5,461	5,961	6,229	6,162	6,466	7,026
5,609	Internal charges applied	7,478	7,638	7,787	7,849	7,818	7,987	8,276	8,412	8,892	8,962
-	Other operating funding applications	-	-	-	-	-	-	-	-	-	-
39,068	**Total applications of operating funding**	**44,926**	**46,638**	**48,564**	**51,174**	**53,501**	**55,523**	**57,388**	**60,233**	**62,095**	**63,934**
2,864	**Surplus/(deficit) of operating funding**	**6,379**	**8,166**	**13,077**	**15,289**	**23,188**	**23,828**	**27,759**	**30,985**	**34,397**	**38,957**
	Sources of capital funding										
1,032	Subsidies & grants for capital expenditure	13	39	209	1,009	1,031	-	-	-	120	1,102
3,416	Development & financial contributions	4,503	3,349	3,431	3,418	3,508	3,591	3,680	3,764	3,741	3,830
7,590	Increase/(decrease) in debt	2,580	1,546	14,634	19,882	20,480	(2,162)	(3,010)	(3,347)	11,224	5,561
-	Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
-	Lump sum contributions	-	-	-	-	-	-	-	-	-	-
-	Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
12,038	**Total sources of capital funding**	**7,096**	**4,933**	**18,274**	**24,309**	**25,020**	**1,430**	**670**	**417**	**15,085**	**10,493**
	Applications of capital funding										
	Capital expenditure										
5,984	- to meet additional demand	777	1,104	6,751	14,060	16,541	5,851	5,276	8,936	13,760	31,415
4,818	- to replace existing assets	10,359	9,743	15,918	10,819	14,529	10,108	11,955	11,202	16,351	12,055
16,563	- to improve the level of service	3,077	2,622	8,997	14,890	17,866	12,209	11,996	13,066	20,230	27,525
(12,463)	Increase/(decrease) in reserves	(738)	(371)	(315)	(170)	(728)	(2,911)	(798)	(1,803)	(859)	(21,545)
-	Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-
14,902	**Total applications of capital funding**	**13,475**	**13,099**	**31,351**	**39,598**	**48,208**	**25,257**	**28,429**	**31,402**	**49,482**	**49,450**
(2,864)	**Surplus/(deficit) of capital funding**	**(6,379)**	**(8,166)**	**(13,077)**	**(15,289)**	**(23,188)**	**(23,828)**	**(27,759)**	**(30,985)**	**(34,397)**	**(38,957)**
-	**Funding balance**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Community services and facilities capital works

SUM OF CAPITAL WORKS (000's)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Community services and facilities capital works	**14,213**	**13,470**	**31,666**	**39,768**	**48,936**	**28,169**	**29,227**	**33,205**	**50,341**	**70,995**
Arrowtown	**522**	**2,440**	**3,213**	**1,914**	**698**	**555**	**351**	**998**	**1,211**	**477**
8 Caernarvon St Arrowtown	20	-	4	6	4	-	4	5	-	5
6 Merioneth St Arrowtown	31	-	-	-	5	-	-	-	-	48
14 Nairn St Building Renewals	4	-	-	-	5	-	-	-	-	1
Romans Historic Cottage Arrowtown	12	11	-	3	5	17	-	2	51	12
Adams Historic Cottage Arrowtown	4	11	12	6	6	6	1	1	31	5
Grannies Historic Cottage Arrowtown	8	7	0	11	7	5	0	11	50	3
Historic Old Church Arrowtown	1	4	6	2	1	12	7	-	23	-
Arrowtown Tennis Club Rooms Building Renewals	8	2	10	34	1	21	17	8	45	11
Arrowtown Library Building Renewals	8	7	29	16	-	10	6	14	121	5
Arrowtown Skate Park Replacement	-	-	-	-	-	-	-	174	709	-
Coronet Forest Revegetation	-	2,254	3,030	1,674	420	205	129	132	-	-
Arrowtown Reserves Development Plan	160	-	-	-	-	-	-	-	-	-
Mahu Whenua Trails – Improvements	15	21	26	27	27	28	28	29	30	30
Arrowtown Community Building Renewals	-	-	3	43	25	104	6	64	33	78
Atown Community Cent – Fitout Renewals	-	-	-	-	-	-	24	-	-	-
Arrowtown Tennis Club Rooms – Fitout Renewals	-	1	-	-	-	-	-	-	-	-
Arrowtown Athenaeum Hall – Equip Renewals	-	11	-	-	23	23	21	-	-	7
Arrowtown Pool – Plant and Equip Renewals	40	35	42	50	36	89	43	60	42	50
Arrowtown Pool – Building Renewals	8	21	8	18	16	16	16	17	17	17
Arrowtown Pool – Energy Upgrade	-	-	-	-	-	-	-	232	-	-
Arrowtown Hall – Plant and Equip Renewals	-	21	-	-	-	-	-	-	28	-
Arrowtown Hall Building Renewals	205	35	43	23	119	18	48	250	32	204

SUM OF CAPITAL WORKS (000's)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Cardrona	**16**	**3**	**6**	**26**	**5**	**28**	**6**	**-**	**5**	**2**
Cardrona Hall and Cardrona Church	16	3	6	26	5	28	6	-	5	2
District Wide	**1,419**	**1,610**	**3,246**	**4,472**	**6,420**	**6,906**	**7,628**	**11,467**	**11,741**	**9,219**
AMP – Waterways	10	43	11	11	45	12	12	48	12	12
Waterways structures renewals	414	425	867	321	204	208	212	216	220	224
Jetty Refurbs and Replacements	-	-	-	1,384	1,414	1,731	2,060	2,100	2,446	-
Security – CCTV Cameras	31	32	33	33	34	35	35	36	37	37
AMP – Housing	10	43	11	11	45	12	12	48	12	12
AMP – Heritage Buildings	10	43	11	11	45	12	12	48	12	12
Community Facilities Carpark Renewals	57	58	60	61	62	63	65	66	67	69
Library Stock – Districtwide	419	430	439	448	458	467	476	486	495	504
Libraries World Language Collections	25	26	31	32	33	33	40	41	41	48
Libraries Collection Develp districtwide	50	51	52	53	55	56	57	58	59	60
Library shelving replacement for district	-	-	-	-	-	-	284	290	-	-
Strategic Land Acquisition	-	-	-	-	-	-	-	3,594	3,664	3,730
AMP Improvements – Parks	50	77	52	53	82	56	57	87	59	60
Parks Biodiversity Partnerships	250	257	262	267	273	279	284	290	295	301
Sports Goal Post Renewals	75	77	79	80	82	84	85	87	89	90
Responsible Camping Strategy – Implementation	6	6	52	53	55	56	57	58	59	60
Wildfire Mitigation Programme	-	-	1,067	1,426	3,270	3,570	3,641	3,635	3,925	3,744
Community Services Project Initiatives	-	-	209	214	219	223	227	232	236	241
AMP – Community Facilities	10	43	11	11	45	12	12	48	12	12
Glenorchy	**8**	**53**	**393**	**43**	**38**	**44**	**24**	**5**	**17**	**35**
Glenorchy Hall Building Renewals	6	51	16	43	20	10	1	5	1	19
Glenorchy Library Building Renewals	1	2	2	0	4	-	-	-	5	-
Glenorchy Playground	-	-	367	-	-	-	-	-	-	-
Glenorchy Community Building Renewals	-	-	9	-	13	34	23	-	12	16

SUM OF CAPITAL WORKS (000's)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Hāwea	**35**	**46**	**820**	**13**	**35**	**30**	**-**	**32**	**55**	**25**
Hāwea Flat Hall Building Renewals	31	46	5	13	35	30	-	32	55	25
Hāwea Playground	-	-	799	-	-	-	-	-	-	-
Hāwea Flat Hall Equipment Renewals	4	-	16	-	-	-	-	-	-	-
Kingston	**-**	**12**	**0**	**346**	**3,064**	**30**	**136**	**11**	**9**	**3**
Kingston Jetty and Wharf Refurbishment	-	-	-	332	3,054	-	-	-	-	-
Kingston Community Building and St John	-	9	-	5	8	27	-	9	5	2
Kingston Library Building Renewals	-	3	0	9	1	3	-	2	3	1
Kingston Lakeside Development Plan	-	-	-	-	-	-	136	-	-	-
Luggate	**83**	**11**	**11**	**11**	**11**	**422**	**12**	**12**	**12**	**12**
Luggate Tennis Court	-	-	-	-	-	410	-	-	-	-
Luggate Hall Building Renewals	83	11	11	11	11	12	12	12	12	12
Queenstown	**1,571**	**672**	**1,157**	**2,514**	**4,567**	**75**	**568**	**2,758**	**6,641**	**1,377**
Queenstown Bay Masterplan	155	-	-	-	-	-	-	-	-	-
71 Ballarat St Flats	90	-	-	-	4	2	-	3	-	0
2 Shotover St Building Renewals	52	53	54	55	34	23	24	24	24	25
Lakeview Cabins Building Renewals	-	-	638	2	44	-	-	49	-	6
Queenstown Library Building Renewals	52	36	111	143	45	28	354	154	23	199
Queenstown Gardens Development	-	-	-	-	-	-	-	1,159	4,726	-
Warren Park Development Plan Implentation	-	-	-	-	-	-	-	580	1,772	-
Lakeview Development – Plaza	-	-	-	2,292	4,007	-	-	-	-	-
Sunshine Bay erosion control	-	308	-	-	-	-	-	-	-	-
Tiki Trail MTB trail crossing	-	103	-	-	-	-	-	-	-	-
Rockfall Mitigation	600	-	-	-	-	-	-	-	-	-
Queenstown Memorial Centre Renewals	612	114	213	11	422	11	161	770	78	1,135
Queenstown Memorial Hall – Equipment Renewals	-	47	130	-	-	-	16	7	4	-
Isle St – Old St John Building Renewals	10	11	11	11	11	12	12	12	12	12

SUM OF CAPITAL WORKS (000's)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Te Kirikiri Frankton	**3,326**	**2,147**	**7,528**	**21,508**	**23,766**	**5,193**	**8,536**	**2,627**	**9,794**	**2,460**
Frankton Library Building Renewals	-	17	-	7	5	5	-	44	7	120
Frankton Libraries minor equipment	30	31	31	32	33	33	34	35	35	36
QEC Sports Fields – Minor Equipment Replacement	9	11	8	11	11	10	11	12	12	13
QEC Shared Clubrooms/Fitness Centre expansion	-	-	-	-	1,093	4,460	5,686	-	-	-
QEC – Energy Upgrade	-	-	-	-	-	-	-	1,094	4,726	-
QEC Building Renewals	414	304	1,324	565	700	86	1,713	783	144	1,116
QEC – Outdoor netball/tennis court resurface	1,022	-	-	-	-	-	-	-	-	-
QEC – Events equipment and fit out renewals	685	399	1,219	89	216	27	118	48	210	125
QEC Works Depot Renewals	6	-	24	1	2	2	14	-	69	5
QEC Artificial Turf – Surface Renewal	-	-	-	-	-	-	-	-	3,545	-
QEC Indoor Courts, Carpark, Sports Field	250	770	4,189	20,183	20,621	-	-	-	-	-
Frankton Golf – Fitout Renewals	25	26	26	27	27	28	28	29	30	30
Frankton Golf Centre Building Renewals	133	195	17	5	6	4	9	-	-	71
QEC Alpine Aqualand – Plant and Equip Renewals	253	261	404	345	569	245	317	375	738	220
QEC Alpine Aqualand Building Renewals	413	109	130	70	452	151	27	161	51	579
QEC Alpine Health and Fitness – Equip Renewals	86	25	155	173	31	141	580	45	227	145
Te Pūtahi Eastern Corridor	**195**	**6**	**5,257**	**2**	**124**	**95**	**35**	**21**	**5**	**104**
516 Ladies Mile Stage 1	-	-	5,237	-	-	-	-	-	-	-
Widgeon Place Development Plan	120	-	-	-	-	-	-	-	-	-
Lake Hayes Pavilion – Equip Renewals	-	2	-	-	9	2	-	-	-	15
Lake Hayes Pavilion Building Renewals	75	4	21	2	115	92	35	21	5	89
Te Tapuae Southern Corridor	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**17,625**
Southern Corridor Library planning	-	-	-	-	-	-	-	-	-	3,901
Southern Corridor Community Centre Planning	-	-	-	-	-	-	-	-	-	4,334
Southern Corridor Recreation Facilities/Indoor Courts x 1–2	-	-	-	-	-	-	-	-	-	3,371
Southern Corridor Pool Planning	-	-	-	-	-	-	-	-	-	6,020

SUM OF CAPITAL WORKS (000's)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Upper Clutha	**61**	**32**	**132**	**81**	**381**	**35**	**53**	**69**	**63**	**48**
Makarora Community Building Renewals	0	0	-	12	8	-	-	-	15	4
Upper Clutha Libraries minor equipment	30	31	31	32	33	33	34	35	35	36
Upper Clutha Library Building Renewals	31	1	100	37	340	2	19	34	13	8
Wānaka	**4,734**	**3,264**	**5,887**	**5,894**	**6,853**	**9,705**	**8,009**	**11,674**	**16,771**	**37,102**
Wānaka Airport Compliance	892	1,063	441	-	-	-	-	-	24	-
Wānaka Airport Renewals	856	358	349	312	240	72	238	224	100	93
Wānaka Airport Upgrades	-	-	542	2,214	2,828	362	-	-	-	-
Wānaka Eely Point Jetty/Ramp	-	-	-	-	-	-	-	-	601	5,512
46 Connor St Wānaka	11	-	-	-	-	-	-	-	-	12
48 Connor St Wānaka	9	4	-	-	5	-	-	1	-	66
198 Warren St Wānaka	6	-	-	-	-	0	-	1	-	17
New Wānaka Library Planning	-	-	-	-	-	-	-	-	-	3,901
Wānaka Airport Planning	106	-	-	-	-	-	-	-	-	-
Tree Planting Programme – Wānaka	150	154	157	160	164	167	171	174	177	181
Playground Renewals – Wānaka	400	103	419	107	437	112	455	116	473	120
Parks Roading Renewals – Wānaka	275	41	209	214	219	223	227	232	236	241
Recreational Hard Surfaces Renewals – Wānaka	36	37	38	39	39	40	41	42	43	43
Gardens Renewals – Wānaka	30	31	31	32	33	33	34	35	35	36
Parks Internal CAPEX Plant and Equipment – Wānaka	20	21	21	21	22	22	23	23	24	24
Parks Open Spaces Renewals – Wānaka	70	72	73	75	76	78	80	81	83	84
Parks Open Spaces Minor Improvements – Wānaka	320	123	126	128	131	134	136	139	142	144
Street Sweeper Renewal – Wānaka	331	-	-	354	-	-	647	-	-	685
Glutton Replacement – Wānaka	-	48	-	-	51	-	-	54	-	-
Parks Lighting Renewals – Wānaka	56	58	59	60	61	62	64	65	66	67
Turf Renewals – Wānaka	100	103	105	107	109	112	114	116	118	120
Parks Signage – Wānaka	64	41	42	43	44	45	45	46	47	48
Field Team tractors/loaders – Wānaka	-	-	-	-	-	87	-	-	-	-
Sports Field Lighting Renewals – Wānaka	-	-	-	-	-	-	-	348	-	-

SUM OF CAPITAL WORKS (000's)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Ballantyne Rd Sports Hub Stage 1	-	-	-	-	-	-	3,810	3,884	-	-
Mount Iron capex improvements	-	-	184	-	-	-	-	-	-	-
Wild Fire Reserve Sensors Wānaka	-	183	186	-	-	-	-	-	-	-
Heritage Assets Renewals – Wānaka	10	10	10	11	11	11	11	12	12	12
Parks Structures Renewals – Wānaka	95	15	16	16	16	17	17	17	18	18
Pest Animal Programme – Wānaka	80	82	84	86	87	89	91	93	95	96
Wānaka Lakefront Development Plan Stg 4	-	-	-	-	-	-	-	580	2,245	2,889
Tracks and Trails Renewals – Wānaka	180	185	189	193	197	201	205	209	213	217
Cemeteries Minor Improvements – Wānaka	50	51	68	123	38	39	57	58	41	42
Cemeteries Renewals – Wānaka	50	51	52	53	55	56	57	58	59	60
Toilet Renewals – Wānaka	50	51	52	338	55	56	359	58	59	60
New Toilets – Wānaka	-	-	357	365	373	380	388	396	269	-
Ballantyne Rd Sports Hub Stage 2	-	-	-	-	-	-	-	751	1,531	7,801
New Sports Fields in Wānaka	-	-	982	-	-	1,045	-	-	1,108	-
Lake Wānaka Centre – Equip Renewals	11	24	5	33	23	35	-	-	-	-
Wānaka Art Centre Building Renewals	33	31	10	34	2	25	6	31	159	66
Lake Wānaka Centre Building Renewals	296	38	261	70	263	20	86	579	111	331
Wānaka Pool – Plant and Equip Renewals	21	124	73	181	312	285	365	485	105	29
Wānaka Pool extension	-	-	-	-	-	-	-	1,739	7,090	9,029
Wānaka Pool LPG replacement	-	-	-	-	-	-	-	812	-	-
WRC Dry Side – Equip and Minor Capex	9	20	20	33	29	28	11	18	18	19
Wānaka Recreation Centre Masterplan	-	-	-	-	-	-	-	-	1,182	4,816
Ballantyne Rd Site Remediation Works	-	-	-	-	-	5,717	-	-	-	-
WRC Building Renewals	14	35	92	381	821	37	153	78	165	94
WRC – Replacement flooring	-	-	524	-	-	-	-	-	-	-
Paetara Aspiring Building Renewals	52	53	54	55	57	58	59	60	61	62
Aspiring Central Youth and Community Centre FandE renewals	52	53	54	55	57	58	59	60	61	62

SUM OF CAPITAL WORKS (000's)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Whakatipu	**2,245**	**3,176**	**4,016**	**2,943**	**2,974**	**5,049**	**3,869**	**3,532**	**4,017**	**2,504**
AMP – Libraries	10	43	11	11	45	12	12	48	12	12
Whakatipu Libraries minor equipment	30	31	31	32	33	33	34	35	35	36
Tree Planting Programme – Whakatipu	150	154	157	160	164	167	171	174	177	181
Playground Renewals – Whakatipu	100	411	105	428	109	446	114	464	118	482
Parks Roading Renewals – Whakatipu	137	69	209	214	219	223	227	232	236	241
Recreational Hard Surfaces Renewals – Whakatipu	54	55	57	58	59	60	61	63	64	65
Gardens Renewals – Whakatipu	50	51	52	53	55	56	57	58	59	60
Parks Internal CAPEX Plant and Equipment – Whakatipu	20	21	21	21	22	22	23	23	24	24
Parks Open Spaces Renewals – Whakatipu	105	108	110	112	115	117	119	122	124	126
Parks Open Spaces Minor Improvements – Whakatipu	180	185	189	193	197	201	205	209	213	217
Street Sweeper Renewal – Whakatipu	-	340	694	-	622	1,269	-	660	1,345	-
Glutton Replacement – Whakatipu	47	48	-	50	51	-	53	54	-	56
Turf Renewals – Whakatipu	100	103	105	107	109	112	114	116	118	120
Parks Lighting Renewals – Whakatipu	84	86	88	90	92	94	96	97	99	101
Parks Signage – Whakatipu	76	41	42	43	44	45	45	46	47	48
Sports Field Lighting Renewals – Whakatipu	350	-	314	-	-	-	-	-	354	-
Parks Structures Renewals – Whakatipu	60	616	628	21	22	22	23	23	24	24
Field Team tractors/loaders – Whakatipu	78	-	-	-	-	87	88	-	-	-
Heritage Assets Renewals – Whakatipu	10	10	10	11	11	11	11	12	12	12
Pest Animal Programme – Whakatipu	80	82	84	86	87	89	91	93	95	96
Wild Fire Reserve Sensors Whakatipu	-	183	186	-	-	-	-	-	-	-
Tracks and Trails Renewals – Whakatipu	300	308	314	321	328	335	341	348	354	361
Cemeteries Minor Improvements – Whakatipu	75	77	94	150	55	56	85	87	59	60
Cemeteries Renewals – Whakatipu	75	77	79	80	82	84	85	87	89	90
Toilet Renewals – Whakatipu	75	77	79	338	82	84	359	87	89	90
New Toilets – Whakatipu	-	-	357	365	373	380	388	396	269	-
New Sports Fields in Queenstown	-	-	-	-	-	1,045	1,066	-	-	-

Environmental management

Whakahaeretaka ā-taiao

Strategic growth – Spatial Plan

THIS ACTIVITY SUPPORTS DELIVERY OF THE FOLLOWING COMMUNITY OUTCOMES:

- Thriving people | Whakapuāwai Hapori
- Opportunities for all | He ōhaka taurikura
- Breathtaking creativity | Whakaohooho Auahataka
- Pride in sharing our places | Kia noho tahi tātou katoa

WHAT WE DO

The district's first Spatial Plan was adopted in 2021, establishing a collaborative long-term strategy to improve community wellbeing, protect the environment and maintain a positive visitor experience. The Spatial Plan sets the work programme for the Strategic Growth team and over time will shape the direction of the District Plan and Council's Infrastructure Strategy.

This was completed as part of the Grow Well Whaiora Partnership set up through the Urban Growth Agenda, which aims to improve housing affordability by removing barriers to the supply of land and infrastructure and making room for cities to grow up as well as out. The council is part of the Urban Growth Partnership alongside central government, Kāi Tahu and the Otago Regional Council.

A second version of the Spatial Plan (Gen 2.0) is in its early stages of development, building on the first Plan and incorporating the district's first Future Development Strategy (a requirement under the National Policy Statement for Urban Development). The next Spatial Plan will be a strategic document that the District Plan (and other RMA documents) must have regard to when being prepared or changed. It will be used to inform other long-term plans and infrastructure strategies and funding decisions and ensure our approach to infrastructure is integrated with that of central government. **www.qldc.govt.nz/your-council/council-documents/queenstown-lakes-spatial-plan/**

WHY WE DO IT

The purpose of the Spatial Plan is to help the district 'grow well', and to create urban spaces that both meet our needs and that we can be proud of. It also guides how the natural environment is protected and enhanced alongside urban growth.

There are five outcomes in the current Spatial Plan:
Consolidated growth and more housing choice
Public transport, walking and cycling is the preferred option for daily travel
A sustainable tourism system
Well-designed neighbourhoods that provide for everyday needs
A diverse economy where everyone can thrive.

WHAT WE HAVE PLANNED

Over the life of this plan, Strategic Growth will be working to help the district grow well, delivering the range of initiatives outlined in the Spatial Plan. This includes implementing the Joint Housing Action Plan, developing the Future Development Strategy and managing the process around the Urban Growth Partnership.

Implementation and review

> The Grow Well Whaiora partnership will continue to implement the 22 priority initiatives of the current Spatial Plan (Gen 1.0, 2021), while developing the next Spatial Plan (Gen 2.0, 2024)

> Light review Spatial Plans every three years, and conduct a detailed review every six years

> Explore development of collaborative spatial strategies across the region

> Investigate alternative funding and financing tools to accelerate infrastructure delivery

> Implement the Joint Housing Action Plan, in partnership with central government and the local community, to improve the supply and range of affordable, healthy homes

> Develop a Grow Well Design Guide to improve the quality of the built form and embrace Kāi Tahu cultural values.

Structure plans

> Undertake structure plans for future urban areas, including:

- Upper Clutha Priority Development Areas – Wānaka Town Centre to Three Parks Corridor and Southern Wānaka
- Whakatipu Priority Development Areas – Queenstown Town Centre to Frankton Corridor and Five Mile Urban Corridor
- The district settlements

> Identify the infrastructure triggers required to enable and sequence new growth areas

> Prioritise the delivery of affordable housing options.

District Plan – planning policy

THIS ACTIVITY SUPPORTS DELIVERY OF THE FOLLOWING COMMUNITY OUTCOMES:

- Thriving people | Whakapuāwai Hapori
- Living Te Ao Māori | Whakatinana i te ao Māori
- Opportunities for all | He ōhaka taurikura
- Breathtaking creativity | Whakaohooho Auahataka
- Deafening dawn chorus | Waraki
- Zero carbon communities | Parakore hapori
- Disaster-defying resilience | He Hapori Aumangea

WHAT WE DO

Our Planning Policy team is primarily responsible for ensuring Council is meeting its statutory requirements to regularly review and update the Queenstown Lakes District Plan.

The District Plan explains how the Council will achieve sustainable management of natural and physical resources. It sets out the activities that can be carried out as of right and which activities require resource consents, and how to avoid, remedy or mitigate adverse effects on the environment.

The District Plan also details the direction for the district in terms of what, where and how development can occur. It gives effect to national policy statements, national environmental standards and the Otago Regional Policy Statement, and assists with implementing the Queenstown Lakes Spatial Plan.

A review of the District Plan is being completed in stages by the Policy Planning team, and an ePlan is now online.[14]

WHY WE DO IT

The Resource Management Act 1991 (RMA) requires every district council in Aotearoa New Zealand to have a District Plan and specifies what must be contained within it.

District Plans identify key resource management issues, community perspectives and ways to achieve desired outcomes. They provide clarity on what building and activities can and cannot be undertaken and ensure sufficient development capacity for businesses and housing to meet anticipated demand. They ensure growth and development occur in appropriate locations and that natural areas and landscapes are protected.

The District Plan also gives statutory weight to the growth identified in the Spatial Plan.

A District Plan can be amended over time as required by national legislation or community needs. The RMA sets out the process that must be followed when making changes. Most changes are required to be publicly notified, and usually include a public hearing overseen by independent commissioners. There is often an Environment Court appeal process following the release of council's decisions on a plan change.

WHAT WE HAVE PLANNED

The following plan changes and variations will be progressed:

> Inclusionary Housing Variation (Decision and any appeals)

> Landscape Priority Areas (decision and any appeals)

> Rural Character Landscape Schedule variations (notification)

> Urban Intensification Variation to the PDP (hearings and any appeals)

> Work will continue in the Natural Hazard programmes for Gorge Road and Glenorchy-Head of the Lake to evaluate potential response actions for land-use planning.

Review of the Special Zones (Operative District Plan)

> Work commences in 2024 to review the first tranche of Operative District Plan Special Zones, to bring this land into the Proposed District Plan (PDP) and continue transitioning out of the Operative Plan:

- Arrowtown South
- Bendemmer Park
- Frankton Flats
- Frankton Flats B
- Kingston Village
- Meadow Park
- Mount Cardrona Station
- Northlake
- Penrith Park
- Quail Rise
- Remarkables Park
- Shotover Country
- Queenstown Town Centre Extension (Plan Change 50 area)

[14] https://www.qldc.govt.nz/your-council/district-plan/eplans/

- An updated Housing and Business Capacity Assessment, which is a requirement of the National Policy Statement on Urban Development, will be developed
- Continue to improve the ePlan, an electronic version of the District Plan
- Review the Energy Chapter of the District Plan and identify if there are barriers to small scale and community scale renewable energy solutions.

Policy development

- Involvement in the development and implementation of wider strategic Council policy, including the Spatial Plan, the Future Development Strategy, Joint Housing Action Plan and the Climate and Biodiversity Plan
- Lodging submissions on the Otago Regional Policy Statement and working collaboratively with ORC on amendments to implement the National Policy Statement on Highly Productive Land.

Resource consents

THIS ACTIVITY SUPPORTS DELIVERY OF THE FOLLOWING COMMUNITY OUTCOMES:

- Thriving people | Whakapuāwai Hapori
- Deafening dawn chorus | Waraki
- Pride in sharing our places | Kia noho tahi tātou katoa

WHAT WE DO

A resource consent is written approval from the Council to undertake an activity or development that is not permitted as of right in the District Plan.

Resource consent applications are submitted to Council from people in the community, such as land, home and business owners and developers.

We process two types of resource consent applications:

- Land use consents authorise activities and development such as constructing buildings, carrying out earthworks, running an event, clearing large areas of vegetation or operating a commercial business, including on our lakes and rivers
- Subdivision consents authorise applicants to subdivide land to create one or more additional lots or unit titles or alter a boundary between existing lots.

WHY WE DO IT

As one of the guardians of our unique environment, we play an important role by managing local activities and development in line with the District Plan to promote the sustainable management of natural and physical resources.

The District Plan specifies when a resource consent is required, and the processing of a resource consent application is governed by the Resource Management Act 1991.

Effects on the community

We strive to ensure that we operate in a way that provides the most positive outcomes for our communities, but it's important we acknowledge that complex challenges require difficult decisions and sometimes there are trade-offs. This table summarises significant potential negative effects and what we are doing in response.

ACTIVITY	SIGNIFICANT POTENTIAL NEGATIVE EFFECTS	OUR RESPONSE
Spatial Plan	Unplanned growth can have a significant negative effect on the social, cultural, economic and environmental wellbeing of the community.	Working closely with our Grow Well Whaiora partners to ensure growth planning and investment is integrated and co-ordinated.
		Jointly preparing and implementing our Spatial Plan. Delivering the Joint Housing Action Plan.
District Plan	Lack of housing supply and diversity which can affect housing access, affordability and security of tenure.	Monitoring and updating the District Plan, ensuring that sufficient development capacity is provided for business and housing to meet anticipated demand in areas that are not prone to natural hazards or likely sensitive to the impacts of climate change. Implementing the Queenstown Lakes Spatial Plan through plan changes that enable further development including housing, ensuring new areas of land use and urban development. Consider transport effects and promote investment in public transport – that will contribute towards emissions reduction and improve resilience. Implementing the National Policy Statement on Urban Development, which requires land close to commercial centres, public amenities and accessible by public and active transport to be developed more intensely. Continue to support the the Inclusionary Housing Variation, which was heard in early 2024. This would assist with providing a funding stream for retained affordable housing developed by a community housing provider, such as the Queenstown Lakes Community Housing Trust. Eligibility criteria would favour residents on low-to-moderate incomes.
	The cumulative effects of subdivision, land use and development can have significant negative environmental and social effects.	Progressing our District Plan towards being operative through RMA processes. The Plan includes appropriate objectives, policies and rules to promote sustainable management of our natural and physical resources. Monitoring growth trends and resource management issues regularly, responding to these issues as appropriate.
	Plan changes often propose significant change and can affect communities.	Where possible, signal significant change early through the Spatial Plan/Future Development Strategy and other relevant Council Strategies. Use Councillor workshops to inform Councillors of plan changes in early development, and to seek early feedback from Councillors on options being considered. For plan changes that propose significant changes, implement consultation processes that exceed the minimum requirements set out in the RMA, including by extending statutory consultation periods, implementing communications and engagement plans specifically developed for individual plan changes, and preparing guidance material that explains the changes proposed and the process for submitting and appearing at Council hearings. Always responding to public and media enquiries promptly and professionally. Ensuring hearings administration is appropriately resourced to handle high volumes of submissions.

ACTIVITY	SIGNIFICANT POTENTIAL NEGATIVE EFFECTS	OUR RESPONSE
Resource consents	The volume of resource consents to be processed is dependent on market activity and demand. This may mean some applications are not processed within statutory timeframes, having negative effects (including cost) on ratepayers and applicants.	Utilising external contractors to assist with workloads. Ensuring processing team members are appropriately qualified and trained to follow legislative requirements so timeframes are met. Improving efficiency and effectiveness through concerted effort at continuous improvement.
	Resource consent decisions can have a significant negative effect on the social, cultural, economic and environmental wellbeing of the community.	Ensuring resource consent application decision-makers are appropriately qualified and trained to make robust decisions, so these effects are kept to a minimum.

Measuring our performance

We use the following measures (Key Performance Indicators) to determine our success against the level of service we aim to provide for the community.

ACTIVITY	LEVEL OF SERVICE	KEY PERFORMANCE INDICATOR (KPI)	2022-2023 RESULT	TARGETS			
				YEAR 1	YEAR 2	YEAR 3	YEARS 4-10
Spatial Plan	Our Council takes a strategic approach to the long-term development of the district.	Percentage of QLDC actions delivered to target as per the Implementation Plan of the Spatial Plan.	New measure	≥90%	≥90%	≥90%	≥90%
District Plan	Our Council takes a strategic approach to the long term development of the district.	Compliance with the two-year timeframe of plan change notification to decision, in accordance with clause 10 of Section 1 of the RMA.	Full compliance	Full compliance	Full compliance	Full compliance	Full compliance
Resource consents	Our Council provides efficient and cost effective resource consenting services for the community.	Percentage of resource consents processed within statutory timeframes.	87.95%	100% on time	100% on time	100% on time	100% on time

What does our environmental management cost and how is it paid for?

FUNDING IMPACT STATEMENT BY ACTIVITY GROUP ($'000)

ANNUAL PLAN 2023/24	ENVIRONMENTAL MANAGEMENT	LONG TERM PLAN									
		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Sources of operating funding										
-	General rates, uniform annual general charge, rates penalties	-	-	-	-	-	-	-	-	-	-
5,645	Targeted rates	8,942	9,155	9,338	9,632	9,805	9,992	10,273	10,657	11,102	11,540
100	Subsidies & grants for operating expenditure	178	178	178	178	178	178	178	178	178	178
9,876	Fees & charges	10,633	11,345	11,761	12,037	12,301	12,557	12,805	13,058	13,316	13,565
-	Interest and dividends from investments	-	-	-	-	-	-	-	-	-	-
120	Fuel tax, fines, infringement fees & other receipts	145	151	157	165	171	177	182	188	194	200
15,740	**Total sources of operating funding**	**19,898**	**20,829**	**21,434**	**22,012**	**22,455**	**22,904**	**23,439**	**24,082**	**24,791**	**25,483**
	Applications of operating funding										
13,423	Payments to staff and suppliers	15,303	16,079	16,585	17,082	17,516	17,939	18,349	18,766	19,192	19,603
484	Borrowing Costs	427	315	225	157	118	71	50	50	50	50
3,833	Internal charges applied	4,166	4,309	4,401	4,446	4,421	4,521	4,661	4,746	4,986	5,037
-	Other operating funding applications	-	-	-	-	-	-	-	-	-	-
17,740	**Total applications of operating funding**	**19,896**	**20,703**	**21,211**	**21,685**	**22,055**	**22,531**	**23,060**	**23,562**	**24,228**	**24,690**
(2,000)	**Surplus/(deficit) of operating funding**	**2**	**126**	**222**	**327**	**400**	**373**	**379**	**521**	**563**	**793**
	Sources of capital funding										
-	Subsidies & grants for capital expenditure	-	-	-	-	-	-	-	-	-	-
-	Development & financial contributions	-	-	-	-	-	-	-	-	-	-
-	Increase/(decrease) in debt	(2,000)	(2,000)	(2,000)	(1,000)	(1,000)	(1,000)	-	-	-	-
-	Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
-	Lump sum contributions	-	-	-	-	-	-	-	-	-	-
-	Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
-	**Total sources of capital funding**	**(2,000)**	**(2,000)**	**(2,000)**	**(1,000)**	**(1,000)**	**(1,000)**	**-**	**-**	**-**	**-**
	Applications of capital funding										
	Capital expenditure										
-	- to meet additional demand	-	-	-	-	-	-	-	-	-	-
-	- to replace existing assets	-	-	-	-	-	-	-	-	-	-
-	- to improve the level of service	-	-	-	-	-	-	-	-	-	-
(2,000)	Increase/(decrease) in reserves	(1,998)	(1,874)	(1,778)	(673)	(600)	(627)	379	521	563	793
-	Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-
(2,000)	**Total applications of capital funding**	**(1,998)**	**(1,874)**	**(1,778)**	**(673)**	**(600)**	**(627)**	**379**	**521**	**563**	**793**
2,000	**Surplus/(deficit) of capital funding**	**(2)**	**(126)**	**(222)**	**(327)**	**(400)**	**(373)**	**(379)**	**(521)**	**(563)**	**(793)**
-	**Funding balance**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

/ Infrastructure /

/ Tūāhaka /

Infrastructure encompasses the following activities:

WATER SUPPLY | TE RANEA O TE WAI

WASTEWATER | WAIPARA

STORMWATER | WAI UA

TRANSPORT , INCLUDING ROADING, PARKING AND FOOTPATHS | WAKA

WASTE MINIMISATION AND MANAGEMENT | WHAKAITI ME TE WHAKAHAERE PARA

Water supply

THIS ACTIVITY SUPPORTS DELIVERY OF THE FOLLOWING COMMUNITY OUTCOMES:

Deafening dawn chorus | Waraki

Disaster-defying resilience | He Hapori Aumangea

WHAT WE DO

We are responsible for the abstraction, treatment, storage, distribution and management of most of the district's community water supplies.

Water treatment plants source raw water from surface intakes in Lake Whakatipu, Lake Wānaka, Pringles Creek and Cardrona Rivers, as well as bores in Lake Hāwea, Lake Hayes, Arrowtown, Luggate and Shotover Country.

Water is treated before being pumped to reservoirs and distributed through a network to meet the needs of residential, commercial and industrial properties.

Council oversees approximately 656km[15] of water mains, and 11 treatment plants serving approximately 28,497 demand units that collectively use approximately 34,737 cubic metres of water per day. The district also has 35 pump stations and 31 reservoirs. The average age of these assets is 26 years.

WHY WE DO IT

The efficient supply of potable water is essential to the wellbeing and prosperity of our people and communities.

WHAT WE HAVE PLANNED

In addition to delivering a balanced programme of renewals, minor improvements, system upgrades and continuous network modelling and planning activities, we plan to make significant investment in the following areas:

> Completion of the UV treatment compliance project, ensuring all QLDC water supply schemes have a protozoa barrier in place

> Additional filtration for water supply schemes supplied from Lake Whakatipu and Lake Wānaka to ensure ongoing compliance with Drinking Water Quality Assurance Rules and to reduce the incidence of lindavia intermedia (aka lake snow) from entering the reticulated network

> New water supply infrastructure to support the growing development areas of Te Pūtahi Ladies Mile, Te Tapuae Southern Corridor and Kingston

> Scheme upgrades across our Arthurs Point, Arrowtown, Hāwea, Luggate, Queenstown and Wānaka schemes to respond to growing demand and improve network resilience

> Implementation of a water demand management programme across the district – the Queenstown Lakes district has one of the highest per capita water usage rates in Aotearoa New Zealand

> Investigate connection of existing Kingston and Luggate settlements to QLDC water supply schemes.

[15] All asset data correct as of 30 June 2023

Effects on the community

We strive to ensure that we operate in a way that provides the most positive outcomes for our communities, but it is important we acknowledge that complex challenges require difficult decisions and sometimes there is a trade-off. This table summarises significant potential negative effects and what we are doing in response.

ACTIVITY	SIGNIFICANT POTENTIAL NEGATIVE EFFECTS	SUSTAINABLE SOLUTION
Water supply	Overextraction of water.	Complying with our resource consent conditions on maximum abstraction by monitoring our water take and water availability.
		Implementing demand management and other water use restrictions if required.
	Potential delivery of contaminated water through our water schemes.	Continued roll-out of UV disinfection systems that do not have a barrier to protect against protozoa contamination (all Council water schemes are chlorinated to prevent bacterial contamination). This work is underway and due for completion by December 2025, and will achieve compliance with the current standards.
		Implementing a significant programme of upgrades to further improve drinking water quality throughout the district.
	Insufficient water supplies during times of drought or emergency.	Managing demand through education, water restrictions and other methods, reducing water demands during drought or emergency, and giving effect to Te Mana o Te Wai.
	The installation, upgrade and maintenance of water supply infrastructure may cause disruption to the community and businesses. The works may cause impacts such as service interruption, noise, dust and nuisance, and affect traffic flow, business activities and community activities.	Planning works to minimise disruption to residents, businesses and visitors. Where some disruption is unavoidable, notifying affected parties in a variety of ways including letter drops, social media, radio broadcasts and direct consultation.
		Targeting a response time within one hour of notification for unplanned water outages.

Measuring our performance

We use the following measures to determine our success against the level of service we aim to provide for the community.

ACTIVITY	LEVEL OF SERVICE	KEY PERFORMANCE INDICATOR (KPI)	2022-2023 RESULT	TARGETS			
				YEAR 1	YEAR 2	YEAR 3	YEARS 4-10
Water supply	Our Council provides reliable drinking water that is safe to drink.	Average consumption of water per person per day	508L	<495L	<490L	<485L	<350L
		Compliance of each municipal water supply with the NZ Drinking Water Standards for protecting public health, specifically for bacteriological compliance	55%	100%	100%	100%	100%
		Compliance of each municipal water supply with the NZ Drinking Water Standards for protecting public health, specifically for protozoal compliance	40%	100%	100%	100%	100%
		Percentage of water lost from each municipal water reticulation network	32%	<30%	<30%	<30%	<30%
		Median response time to attend to issues resulting from municipal water reticulation network faults and unplanned interruptions between the time of notification and the time when service personnel reach the site - urgent	38 mins	Urgent <60 mins	Urgent <60 mins	Urgent <60 mins	Urgent <60 mins

		Median response time to attend to issues resulting from municipal water reticulation network faults and unplanned interruptions between the time of notification and the time when service personnel reach the site - non urgent	975 mins	Non-urgent <1,440 mins (1 day)	Non-urgent <1,440 mins (1 day)	Non-urgent <1,440 mins (1 day)	Non-urgent <1,440 mins (1 day)
		Median response time to attend to issues resulting from municipal water reticulation network faults and unplanned interruptions between the time of notification and resolution of the blockage or other fault - urgent	869 mins	Urgent <1,440 mins (1 day)	Urgent <1,440 mins (1 day)	Urgent <1,440 mins (1 day)	Urgent <1,440 mins (1 day)
		Median response time to attend to issues resulting from municipal water reticulation network faults and unplanned interruptions between the time of notification and resolution of the blockage or other fault - non urgent	4,428 mins	Non-urgent <10,080 mins (7 days)	Non-urgent <10,080 mins (7 days)	Non-urgent <10,080 mins (7 days)	Non-urgent <10,080 mins (7 days)
		Number of complaints per 1,000 connections to a public water reticulation network about the clarity of drinking water	0.48	Clarity <4	Clarity <4	Clarity <4	Clarity <4
		Number of complaints per 1,000 connections to a public water reticulation network about the taste of drinking water	0.1	Taste <4	Taste <4	Taste <4	Taste <4
		Number of complaints per 1,000 connections to a public water reticulation network about the odour of drinking water	0	Odour <4	Odour <4	Odour <4	Odour <4

		Number of complaints per 1,000 connections to a public water reticulation network about the pressure or flow of drinking water	3.56	Continuity of supply <4	Continuity of supply <4	Continuity of supply <4	Continuity of supply <4
		Number of complaints per 1,000 connections to a public water reticulation network about the way in which a local government organisation responds to issues with a water supply	0	QLDC response <1	QLDC response <1	QLDC response <1	QLDC response <1
		Percentage of external contractor and internal RFS resolved within specified timeframe - three waters	73.8%	>95%	>95%	>95%	>95%

What does our water supply cost and how is it paid for?

FUNDING IMPACT STATEMENT BY ACTIVITY GROUP ($'000)

ANNUAL PLAN 2023/24	WATER SUPPLY	LONG TERM PLAN									
		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Sources of operating funding										
-	General rates, uniform annual general charge, rates penalties	-	-	-	-	-	-	-	-	-	-
12,324	Targeted rates	14,519	15,941	18,964	23,679	30,031	34,494	37,949	44,319	50,947	55,680
-	Subsidies & grants for operating expenditure	-	-	-	-	-	-	-	-	-	-
72	Fees & charges	50	52	53	55	56	58	59	61	62	64
-	Interest and dividends from investments	-	-	-	-	-	-	-	-	-	-
-	Fuel tax, fines, infringement fees & other receipts	-	-	-	-	-	-	-	-	-	-
12,396	**Total sources of operating funding**	**14,569**	**15,992**	**19,017**	**23,734**	**30,087**	**34,552**	**38,008**	**44,380**	**51,009**	**55,744**
	Applications of operating funding										
6,577	Payments to staff and suppliers	7,786	8,072	8,638	9,372	9,796	10,190	10,614	12,033	13,538	13,117
2,810	Borrowing Costs	3,301	2,890	3,072	3,945	5,856	8,449	11,586	13,184	14,247	15,251
1,192	Internal charges applied	1,548	1,694	1,727	1,764	1,738	1,746	1,768	1,782	1,821	1,829
-	Other operating funding applications	-	-	-	-	-	-	-	-	-	-
10,579	**Total applications of operating funding**	**12,635**	**12,656**	**13,437**	**15,081**	**17,389**	**20,385**	**23,968**	**26,999**	**29,606**	**30,197**
1,817	**Surplus/(deficit) of operating funding**	**1,934**	**3,337**	**5,579**	**8,653**	**12,698**	**14,167**	**14,040**	**17,381**	**21,403**	**25,546**
	Sources of capital funding										
-	Subsidies & grants for capital expenditure	1,772	-	-	-	-	-	-	-	-	-
5,245	Development & financial contributions	10,029	9,371	9,598	9,320	10,105	10,784	9,891	9,937	9,835	9,877
28,465	Increase/(decrease) in debt	2,840	(1,252)	13,401	26,547	48,315	63,045	43,850	19,500	23,638	27,713
-	Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
-	Lump sum contributions	-	-	-	-	-	-	-	-	-	-
-	Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
33,710	**Total sources of capital funding**	**14,641**	**8,120**	**23,000**	**35,867**	**58,419**	**73,829**	**53,741**	**29,437**	**33,474**	**37,590**
	Applications of capital funding										
	Capital expenditure										
13,703	- to meet additional demand	12,673	6,546	10,858	23,720	43,717	41,542	25,724	29,826	18,526	31,754
3,858	- to replace existing assets	1,492	2,132	2,428	4,017	3,512	3,882	4,681	3,491	3,826	4,032
9,362	- to improve the level of service	3,887	3,329	17,980	18,385	26,318	46,233	42,500	19,412	39,067	34,228
8,603	Increase/(decrease) in reserves	(1,476)	(551)	(2,686)	(1,601)	(2,429)	(3,662)	(5,123)	(5,910)	(6,543)	(6,877)
-	Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-
35,527	**Total applications of capital funding**	**16,575**	**11,457**	**28,579**	**44,520**	**71,118**	**87,996**	**67,781**	**46,819**	**54,877**	**63,136**
(1,817)	**Surplus/(deficit) of capital funding**	**(1,934)**	**(3,337)**	**(5,579)**	**(8,653)**	**(12,698)**	**(14,167)**	**(14,040)**	**(17,381)**	**(21,403)**	**(25,546)**
(0)	**Funding balance**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Water supply capital works

SUM OF CAPITAL WORKS (000's)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Water supply capital works	**18,051**	**12,007**	**31,265**	**46,122**	**73,546**	**91,658**	**72,905**	**52,729**	**61,419**	**70,014**
Arrowtown	**242**	**333**	**1,014**	**1,381**	**1,604**	**6,810**	**5,872**	**1,379**	**896**	**1,112**
Renewals – Arrowtown (WS)	179	228	272	213	184	209	390	266	269	243
Demand management – Arrowtown (WS)	14	43	349	449	460	566	579	658	-	-
AMP – Arrowtown (WS)	10	5	6	11	6	6	12	6	7	13
Arrowtown Scheme Upgrades (WS)	-	-	212	436	671	5,733	4,458	-	-	-
Planning Inputs – Arrowtown (WS)	12	14	16	19	21	24	27	30	34	38
Masterplanning – Arrowtown (WS)	13	16	18	20	23	26	29	33	37	42
Telemetry – Arrowtown (WS)	-	11	104	-	-	-	-	-	-	-
Minor Improvements – Arrowtown (WS)	14	15	15	16	16	16	17	17	18	18
Arrowtown Permit (WS)	-	-	-	-	-	-	-	-	156	399
Level of service (LoS) Performance – Arrowtown (WS)	-	-	21	217	223	229	234	239	244	225
Fluoridation – Arrowtown (WS)	-	-	-	-	-	-	126	129	132	135
Arthurs Point	**55**	**69**	**219**	**461**	**1,203**	**4,996**	**4,068**	**466**	**285**	**282**
Renewals – Arthurs Point (WS)	29	30	47	48	48	34	37	47	66	63
AMP – Arthurs Point (WS)	3	2	2	3	2	2	3	2	2	3
Demand Mgt – Arthurs Point (WS)	4	13	109	140	144	177	181	206	-	-
Planning Inputs – Arthurs Point (WS)	4	4	5	6	7	7	8	9	10	11
Masterplanning – Arthurs Point (WS)	4	4	5	6	7	7	8	9	10	11
Telemetry – Arthurs Point (WS)	-	4	32	-	-	-	-	-	-	-
Arthurs Point Reservoir (WS)	-	-	-	178	914	4,684	3,642	-	-	-
Minor Improvements – Arthurs Point (WS)	11	12	12	12	13	13	13	14	14	14
LoS Performance – Arthurs Point (WS)	-	-	7	68	70	71	73	75	76	70
Fluoridation – Arthurs Point (WS)	-	-	-	-	-	-	102	104	107	109

SUM OF CAPITAL WORKS (000's)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Cardrona	**354**	**76**	**190**	**369**	**260**	**84**	**153**	**157**	**290**	**496**
Cardrona Reticulation (WS)	354	75	77	79	81	83	85	87	89	91
Minor Improvements – Cardrona (WS)	0	0	0	0	0	0	0	0	0	0
Cardrona Permit (WS)	-	-	113	289	178	-	-	-	130	332
Fluoridation – Cardrona (WS)	-	-	-	-	-	-	68	70	71	73
Glenorchy	**34**	**77**	**113**	**142**	**130**	**211**	**324**	**857**	**275**	**258**
Glenorchy Bore Upgrades (WS)	-	-	-	-	-	-	-	571	-	-
Renewals – Glenorchy (WS)	15	55	64	69	55	133	174	132	117	100
AMP – Glenorchy (WS)	3	2	2	3	2	2	3	2	2	3
Planning Inputs – Glenorchy (WS)	3	3	4	5	5	6	7	8	8	9
Masterplanning – Glenorchy (WS)	3	3	4	5	5	6	7	8	8	9
Telemetry – Glenorchy (WS)	-	3	23	-	-	-	-	-	-	-
Minor Improvements – Glenorchy (WS)	11	11	11	12	12	12	13	13	13	13
LoS Performance – Glenorchy (WS)	-	-	5	49	51	52	53	54	55	51
Fluoridation – Glenorchy (WS)	-	-	-	-	-	-	68	70	71	73
Hāwea	**5,016**	**1,939**	**2,777**	**5,150**	**10,152**	**5,422**	**1,925**	**624**	**643**	**694**
Renewals – Hāwea (WS)	47	53	55	56	49	63	167	133	136	199
Demand Mgt – Hāwea (WS)	2,531	-	-	-	-	-	-	-	-	-
Capell Ave Watermain Extension (WS)	454	706	-	-	-	-	-	-	-	-
AMP – Hāwea (WS)	7	4	4	8	4	4	9	4	5	9
Hāwea Scheme Upgrades (WS)	218	903	2,314	4,753	9,754	4,998	1,278	-	-	-
Planning Inputs – Hāwea (WS)	9	11	12	14	15	18	20	22	25	29
Masterplanning – Hāwea (WS)	10	13	14	16	18	21	23	26	29	33
Hāwea Los Improvements (WS)	1,725	199	-	-	-	-	-	-	-	-
Telemetry – Hāwea (WS)	-	9	82	-	-	-	-	-	-	-
Minor Improvements – Hāwea (WS)	14	14	15	15	15	16	16	16	17	17
LoS Performance – Hāwea (WS)	-	27	281	288	296	303	310	317	324	298
Fluoridation – Hāwea (WS)	-	-	-	-	-	-	102	104	107	109

SUM OF CAPITAL WORKS (000's)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Kingston	**9,379**	**4,078**	**-**	**326**	**3,047**	**-**	**68**	**223**	**1,254**	**10,793**
Kingston New Scheme (WS)	9,379	4,078	-	326	3,047	-	-	-	400	3,678
Kingston Reticulation Extension (WS)	-	-	-	-	-	-	-	153	783	7,043
Fluoridation – Kingston (WS)	-	-	-	-	-	-	68	70	71	73
Luggate	**31**	**236**	**917**	**6,358**	**4,382**	**5,589**	**3,554**	**1,364**	**230**	**229**
Renewals – Luggate (WS)	16	15	15	22	22	24	18	43	53	53
Luggate Scheme Upgrades (WS)	-	198	813	6,260	4,282	5,485	3,368	1,148	-	-
AMP – Luggate (WS)	1	1	1	1	1	1	1	1	1	1
Planning Inputs – Luggate (WS)	1	1	1	1	1	1	1	1	1	1
Masterplanning – Luggate (WS)	3	3	4	5	5	6	7	8	8	9
Telemetry – Luggate (WS)	-	2	16	-	-	-	-	-	-	-
Minor Improvements – Luggate (WS)	10	11	11	11	11	12	12	12	12	13
LoS Performance – Luggate (WS)	-	5	56	58	59	61	62	64	65	60
Fluoridation – Luggate (WS)	-	-	-	-	-	-	86	88	90	92
Queenstown	**969**	**1,794**	**9,093**	**6,218**	**6,308**	**7,184**	**9,564**	**11,152**	**23,349**	**22,217**
Renewals – Queenstown (WS)	533	666	811	910	875	889	2,189	1,584	1,999	2,105
Two Mile Supply Upgrades (WS)	-	-	-	-	-	-	362	1,480	4,536	17,381
AMP – Queenstown (WS)	75	39	40	82	42	43	88	45	46	94
Historic Land Encroachments (WS)	-	-	-	-	-	-	142	579	14,057	-
Demand Mgt – Queenstown (WS)	101	314	2,576	3,307	3,393	4,173	4,270	4,852	-	-
Planning Inputs – Queenstown (WS)	82	102	115	130	146	165	185	209	235	264
Masterplanning – Queenstown (WS)	90	112	126	142	161	181	204	230	258	290
Telemetry – Queenstown (WS)	-	83	763	-	-	-	-	-	-	-
Minor Improvements – Queenstown (WS)	41	42	43	44	46	47	48	49	50	51
Filtration – Queenstown (WS)	47	435	4,462	-	-	-	-	-	-	-
LoS Performance – Queenstown (WS)	-	-	156	1,603	1,645	1,685	1,724	1,764	1,801	1,657
Fluoridation – Queenstown (WS)	-	-	-	-	-	-	352	360	368	376
Te Kirikiri Frankton	**-**	**-**	**-**	**266**	**2,459**	**11,200**	**11,460**	**2,930**	**-**	**-**
Quail Rise Reservoir (WS)	-	-	-	266	2,459	11,200	11,460	2,930	-	-

SUM OF CAPITAL WORKS (000's)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Te Pūtahi Eastern Corridor	**320**	**615**	**1,405**	**2,390**	**3,287**	**10,345**	**10,636**	**10,273**	**906**	**781**
Ladies Mile New Scheme (WS)	-	-	267	1,097	1,971	8,654	8,855	8,453	-	-
Renewals – Lake Hayes (WS)	91	119	124	174	172	368	325	232	295	176
Demand Mgt – Lake Hayes (WS)	21	65	531	682	700	860	880	1,000	-	-
AMP – Lake Hayes (WS)	15	8	8	17	9	9	18	10	10	19
Planning Inputs – Lake Hayes (WS)	16	20	23	26	30	33	38	43	48	54
Masterplanning – Lake Hayes (WS)	19	24	26	30	34	38	43	48	55	61
Telemetry – Lake Hayes (WS)	-	17	157	-	-	-	-	-	-	-
Minor Improvements – Lake Hayes (WS)	30	31	32	33	34	35	35	36	37	38
Lake Hayes Water Permit (WS)	127	330	203	-	-	-	-	-	-	-
LoS Performance – Lake Hayes (WS)	-	-	32	330	339	347	356	364	371	342
Fluoridation – Lake Hayes (WS)	-	-	-	-	-	-	86	88	90	92
Te Tapuae Southern Corridor	**32**	**401**	**2,429**	**7,510**	**20,768**	**14,303**	**2,885**	**12,646**	**12,917**	**12,143**
Southern Corridor New Scheme (WS)	32	401	2,429	7,510	20,768	14,303	2,885	12,646	12,917	12,143
Wānaka	**1,620**	**2,390**	**13,108**	**15,551**	**19,945**	**25,514**	**22,395**	**10,658**	**20,373**	**21,008**
Renewals – Wānaka (WS)	443	565	551	780	673	872	709	710	891	1,093
Beacon Point New Reservoir (WS)	237	-	-	-	-	-	-	-	-	-
AMP – Wānaka (WS)	54	28	29	58	30	31	63	32	33	67
Masterplanning – Wānaka (WS)	65	80	91	102	116	131	148	166	187	210
Demand Mgt – Wānaka (WS)	73	225	1,849	2,373	2,435	2,994	3,064	3,482	-	-
Wānaka Storage Upgrades (WS)	-	-	-	327	3,016	15,451	15,810	3,593	16,516	16,875
Western Wānaka Level of Service (WS)	383	-	-	-	-	-	-	-	-	-
Planning Inputs – Wānaka (WS)	58	73	82	93	104	118	133	149	167	188
Telemetry – Wānaka (WS)	-	59	548	-	-	-	-	-	-	-
Beacon Point Supply Upgrades (WS)	206	588	2,466	9,850	11,552	3,847	-	-	-	-
Minor Improvements – Wānaka (WS)	42	44	45	46	47	49	50	51	52	53
Corbridge Permit (WS)	-	-	-	-	-	-	-	-	-	159
Filtration – Wānaka (WS)	58	544	5,577	-	-	-	-	-	-	-
LoS Performance – Wānaka (WS)	-	183	1,871	1,922	1,972	2,021	2,068	2,115	2,160	1,986
Fluoridation – Wānaka (WS)	-	-	-	-	-	-	352	360	368	376

Wastewater

THIS ACTIVITY SUPPORTS DELIVERY OF THE FOLLOWING COMMUNITY OUTCOMES:

- Deafening dawn chorus | Waraki
- Disaster-defying resilience | He Hapori Aumangea

WHAT WE DO

We are responsible for the collection, transfer, conveyance, treatment and disposal of the district's wastewater and trade waste.

Wastewater and trade waste are discharged from properties into a network of gravity and low-pressure sewer reticulation, pump stations and pressure pipelines. These convey the wastewater to treatment plants for treatment and disposal.

We oversee approximately 516km of wastewater mains, 81 pump stations and four treatment plants serving approximately 28,497 demand units that collectively discharge approximately 14,000 cubic metres of wastewater per day on average. This includes the larger plants, namely Project Pure (providing wastewater treatment and disposal to land at Wānaka, servicing Luggate and proposed to service Hāwea), Project Shotover and Cardrona. The average age of these assets is 28.5 years.

WHY WE DO IT

The removal, treatment and disposal of wastewater is critical to protect people's health and property, and to minimise adverse effects on the environment.

It is critical that:
wastewater is conveyed away from habitable areas for health and safety
wastewater is treated to an acceptable level to minimise health risks, greenhouse gas emissions and environmental/cultural impacts before discharge to the receiving environment
the wastewater service is affordable
the wastewater service is reliable
wastewater does not create odours or aesthetic impacts outside of expected zones (whether designed for or allowed)
adequate wastewater capacity is provided for normal intended use
wastewater does not negatively impact biodiversity.

WHAT WE HAVE PLANNED

In addition to delivering a balanced programme of renewals, minor improvements, system upgrades, and continuous network modelling and planning activities, we plan to make significant investment in the following areas:

- Upgrades to Project Shotover and Project Pure wastewater treatment plants (WWTPs)
- Investment in the Shotover Disposal Field arrangements in the context of current challenges, to ensure ongoing performance and compliance
- Capacity upgrades to major conveyance routes including Robins Road, Queenstown CBD to Shotover WWTP, Hāwea to Wānaka, Riverbank Road to Project Pure WWTP, Hawthorne Drive, Southern Wānaka
- A rolling programme of wastewater pump station and reticulation upgrades to maintain service levels, improve resilience, and increase network capacity
- New wastewater infrastructure to support the growing development areas of Te Pūtahi Ladies Mile, Te Tapuae Southern Corridor, and Kingston
- Connection of existing Cardrona, Kingston, and Luggate settlements to QLDC wastewater schemes
- Optimisation of the existing conveyance route between Arrowtown and Shotover WWTP
- Investigation and, if feasible, implementation of an alternative biosolids disposal solution.

Effects on the community

We strive to ensure that we operate in a way that provides the most positive outcomes for our communities, but it is important we acknowledge that complex challenges require difficult decisions and sometimes there is a trade-off. This table summarises those negative effects that we consider significant for this activity and what we are doing to minimise these effects.

ACTIVITY	SIGNIFICANT POTENTIAL NEGATIVE EFFECTS	SUSTAINABLE SOLUTION
Wastewater	Uncontrolled discharges of untreated sewage from the sewerage network due to blockages, pump station or plant malfunction, inflow/infiltration of stormwater into the sewerage network and/or insufficient capacity.	Linking QLDC's telemetry and customer contact systems with each maintenance contractor's workflow and dispatch system to ensure prompt response.
		Defining response times and job priorities in the maintenance contracts to ensure urgent tasks are given immediate attention.
		Undertaking post-event CCTV inspections to ensure causal factors are understood and addressed.
		Proactively monitoring CCTV conditions to provide information around the condition of the network, and to identify defects that may lead to blockages or overflows. This enables us to prioritise our renewals investment.
	The discharge from treatment plants do not meet consent conditions and may result in pollution to the receiving environment and public health risks.	Continually monitoring the performance of our wastewater treatment plants.
		Investing significant capital to improve the treatment capacity and quality to meet current and future resource consent conditions, including cultural requirements.
	Odour from wastewater operations at treatment plants, pipelines or pump stations may be offensive and a nuisance to the public.	Designing wastewater conveyance and treatment systems to mitigate the uncontrolled release of odour.
		Using odour treatment controls such as biofilters or carbon filters to manage odour at sensitive vent locations and/or where significant odour is generated.
	Insufficient conveyance, treatment, and disposal capacity to adequately provide for projected demand growth may result in worsening service levels, environmental degradation, and/or constraints on timely and well-sequenced development.	Integrated infrastructure and spatial planning to support optimally sequenced development activity across the district, enabling Council to invest in capacity and performance improvements in the most economical manner.
		Ongoing investment in existing wastewater assets and services, supporting the most effective use of established wastewater management arrangements.
		Early identification of, and planning for, future wastewater management arrangements, positioning Council to more readily establish additional wastewater management infrastructure within the district to sustainably meet long-term growth pressures.

Measuring our performance

We use the following measures to determine our success against the level of service we aim to provide for the community.

ACTIVITY	LEVEL OF SERVICE	KEY PERFORMANCE INDICATOR (KPI)	2022-2023 RESULT	TARGETS			
				YEAR 1	YEAR 2	YEAR 3	YEARS 4-10
Wastewater	Our Council provides wastewater collection and treatment services that protect public health and the environment.	Median response time to attend to sewerage overflows resulting from blockages or other faults of a municipal sewerage system a) between the time of notification and the time when service personnel reach the site	22.5 mins	<60 mins	<60 mins	<60 mins	<60 mins
		Median response time to attend to sewerage overflows resulting from blockages or other faults of a municipal sewerage system b) between the time of notification and resolution of the blockage or other fault	196.5 mins	<240 mins	<240 mins	<240 mins	<240 mins
		Annual number of dry weather overflows from a municipal sewerage system per 1000 sewerage connections	2.03	<3	<3	<3	<3

		Compliance with resource consents for discharge to air, land, or water from a municipal sewerage system, measured by the number of: a) abatement notices b) infringement notices c) enforcement orders d) successful prosecutions	85%	100%	100%	100%	100%
		Number of complaints per 1,000 properties connected to a municipal sewerage system about odour	1.22	Odour <5	Odour <5	Odour <5	Odour <5
		Number of complaints per 1,000 properties connected to a municipal sewerage system about faults	3.22	Faults <5	Faults <5	Faults <5	Faults <5
		Number of complaints per 1,000 properties connected to a municipal sewerage system about blockages	1.4	Blockages <5	Blockages <5	Blockages <5	Blockages <5
		Number of complaints per 1,000 properties connected to a municipal sewerage system about the territorial authority’s response to issues with its sewerage system	0	QLDC Response <2	QLDC Response <2	QLDC Response <2	QLDC Response <2

What does our wastewater cost and how is it paid for?

FUNDING IMPACT STATEMENT BY ACTIVITY GROUP ($'000)

ANNUAL PLAN 2023/24	WASTEWATER	LONG TERM PLAN									
		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Sources of operating funding										
174	General rates, uniform annual general charge, rates penalties	-	-	-	-	-	-	-	-	-	-
17,148	Targeted rates	20,157	24,703	31,143	38,350	45,292	52,719	62,289	67,496	73,345	75,974
210	Subsidies & grants for operating expenditure	-	-	-	-	-	-	-	-	-	-
374	Fees & charges	274	290	303	321	335	349	362	376	389	402
-	Interest and dividends from investments	-	-	-	-	-	-	-	-	-	-
-	Fuel tax, fines, infringement fees & other receipts	-	-	-	-	-	-	-	-	-	-
17,907	**Total sources of operating funding**	**20,431**	**24,993**	**31,446**	**38,670**	**45,627**	**53,068**	**62,651**	**67,872**	**73,734**	**76,376**
	Applications of operating funding										
9,621	Payments to staff and suppliers	11,009	11,673	12,676	13,585	14,380	15,357	16,220	16,998	17,676	18,381
4,758	Borrowing Costs	7,678	8,788	11,299	13,918	17,368	19,418	21,662	22,792	23,821	24,503
1,744	Internal charges applied	2,007	2,196	2,240	2,287	2,253	2,263	2,293	2,311	2,361	2,372
-	Other operating funding applications	-	-	-	-	-	-	-	-	-	-
16,123	**Total applications of operating funding**	**20,694**	**22,656**	**26,215**	**29,790**	**34,001**	**37,039**	**40,175**	**42,101**	**43,858**	**45,256**
1,784	**Surplus/(deficit) of operating funding**	**(263)**	**2,337**	**5,232**	**8,881**	**11,626**	**16,030**	**22,475**	**25,771**	**29,876**	**31,120**
	Sources of capital funding										
657	Subsidies & grants for capital expenditure	1,164	7,238	7,417	7,617	1,303	-	-	-	-	-
6,132	Development & financial contributions	13,859	11,138	11,456	11,475	11,497	12,939	12,539	12,603	12,701	12,919
38,874	Increase/(decrease) in debt	7,949	65,665	60,071	64,154	47,888	38,180	11,699	34,506	8,264	10,151
-	Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
-	Lump sum contributions	-	-	-	-	-	-	-	-	-	-
-	Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
45,663	**Total sources of capital funding**	**22,972**	**84,040**	**78,945**	**83,246**	**60,688**	**51,119**	**24,239**	**47,109**	**20,965**	**23,070**
	Applications of capital funding										
	Capital expenditure										
8,903	- to meet additional demand	15,431	44,668	40,024	30,227	21,733	34,054	33,266	53,103	37,229	50,680
3,828	- to replace existing assets	8,074	10,580	10,975	11,953	8,798	9,454	9,991	8,372	7,415	5,178
17,453	- to improve the level of service	20,424	35,459	38,488	55,983	48,559	31,484	12,186	20,197	15,853	8,717
17,262	Increase/(decrease) in reserves	(21,220)	(4,330)	(5,312)	(6,037)	(6,776)	(7,844)	(8,729)	(8,791)	(9,656)	(10,385)
-	Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-
47,447	**Total applications of capital funding**	**22,709**	**86,377**	**84,176**	**92,127**	**72,314**	**67,149**	**46,714**	**72,880**	**50,841**	**54,190**
(1,784)	**Surplus/(deficit) of capital funding**	**263**	**(2,337)**	**(5,232)**	**(8,881)**	**(11,626)**	**(16,030)**	**(22,475)**	**(25,771)**	**(29,876)**	**(31,120)**
-	**Funding balance**	**-**	**(0)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Wastewater capital works

SUM OF CAPITAL WORKS (000's)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Wastewater capital works	**43,929**	**90,707**	**89,488**	**98,163**	**79,090**	**74,992**	**55,443**	**81,671**	**60,497**	**64,575**
Arrowtown	**413**	**484**	**594**	**523**	**566**	**678**	**1,408**	**4,655**	**4,242**	**784**
Renewals – Arrowtown (WW)	362	373	384	406	447	383	427	239	243	256
AMP – Arrowtown (WW)	10	5	6	11	6	6	12	6	7	13
Masterplanning – Arrowtown (WW)	13	16	18	20	23	26	29	33	37	42
Planning Inputs – Arrowtown (WW)	12	14	16	19	21	24	27	30	34	38
Conveyance Upgrade – Arrowtown (WW)	-	-	-	-	-	154	786	3,861	3,286	-
Telemetry – Arrowtown (WW)	-	11	103	-	-	-	-	-	-	-
Minor Improvements – Arrowtown (WW)	17	17	18	18	19	19	20	20	21	21
LoS Performance – Arrowtown (WW)	-	47	48	50	51	52	53	55	56	57
Biosolids Disposal – Arrowtown (WW)	-	-	-	-	-	13	54	411	560	357
Arthurs Point	**60**	**114**	**169**	**130**	**119**	**131**	**158**	**315**	**376**	**333**
Renewals – Arthurs Point (WW)	32	59	71	73	62	64	66	61	51	92
AMP – Arthurs Point (WW)	5	3	3	6	3	3	6	3	3	7
Masterplanning – Arthurs Point (WW)	5	7	7	8	9	10	12	13	15	17
Planning Inputs – Arthurs Point (WW)	5	7	7	8	9	10	12	13	15	17
Telemetry – Arthurs Point (WW)	-	5	46	-	-	-	-	-	-	-
Minor Improvements – Arthurs Point (WW)	12	13	13	13	14	14	14	15	15	15
LoS Performance – Arthurs Point (WW)	-	21	21	22	23	23	24	24	25	25
Biosolids Disposal – Arthurs Point (WW)	-	-	-	-	-	6	24	185	252	161
Cardrona	**8**	**8**	**8**	**8**	**128**	**703**	**5,932**	**3,901**	**10**	**10**
Renewals – Cardrona (WW)	2	2	2	2	2	2	2	2	2	2
Cardrona Scheme Upgrades (WW)	-	-	-	-	119	694	5,922	3,892	-	-
Minor Improvements – Cardrona (WW)	6	6	6	6	7	7	7	7	7	7

SUM OF CAPITAL WORKS (000's)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Hāwea	**105**	**127**	**184**	**134**	**161**	**453**	**508**	**560**	**654**	**384**
Renewals – Hāwea (WW)	72	87	93	93	119	400	427	288	298	127
AMP – Hāwea (WW)	5	3	3	6	3	3	6	3	3	7
Masterplanning – Hāwea (WW)	6	8	8	10	11	13	14	16	18	21
Planning Inputs – Hāwea (WW)	6	8	8	10	11	13	14	16	18	21
Telemetry – Hāwea (WW)	-	6	55	-	-	-	-	-	-	-
Minor Improvements – Hāwea (WW)	15	15	16	16	17	17	17	18	18	19
Biosolids Disposal – Hāwea (WW)	-	-	-	-	-	7	29	219	299	191
Kingston	**1,112**	**12,443**	**8,884**	**-**	**-**	**489**	**2,003**	**617**	**2,702**	**20,454**
Kingston New Scheme (WW)	1,112	12,443	8,884	-	-	405	1,658	-	-	15,118
Kingston Reticulation Extension (WW)	-	-	-	-	-	84	345	617	2,702	5,337
Luggate	**27**	**117**	**159**	**156**	**92**	**176**	**663**	**3,152**	**2,481**	**92**
Renewals – Luggate (WW)	14	74	109	112	47	12	12	10	11	11
AMP – Luggate (WW)	1	1	1	1	1	1	1	1	1	1
Masterplanning – Luggate (WW)	1	1	1	1	1	1	1	1	1	1
Planning Inputs – Luggate (WW)	1	1	1	1	1	1	1	1	1	1
Telemetry – Luggate (WW)	-	1	8	-	-	-	-	-	-	-
LoS Performance – Luggate (WW)	-	28	29	29	30	31	32	32	33	34
Minor Improvements – Luggate (WW)	11	11	11	12	12	12	12	13	13	13
Luggate Reticulation Extension (WW)	-	-	-	-	-	117	598	3,059	2,374	-
Biosolids Disposal – Luggate (WW)	-	-	-	-	-	1	4	34	47	30

SUM OF CAPITAL WORKS (000's)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Queenstown	**8,270**	**20,148**	**18,410**	**12,315**	**6,664**	**3,708**	**4,532**	**7,282**	**8,831**	**7,219**
CBD to Frankton Conveyance (WW)	2,922	13,099	13,424	7,877	-	-	-	-	-	-
Renewals – Queenstown (WW)	2,522	2,656	2,963	3,166	2,330	2,628	2,989	2,645	2,839	2,829
AMP – Queenstown (WW)	86	45	46	94	49	50	101	52	53	108
Marine Parade Pump Station (WW)	-	-	-	371	3,425	-	-	-	-	-
Robins Road Conveyance (WW)	2,483	3,538	330	-	-	-	-	-	-	-
Planning Inputs – Queenstown (WW)	94	118	132	150	169	191	215	242	272	306
Masterplanning – Queenstown (WW)	106	131	148	167	189	213	240	270	303	341
Telemetry – Queenstown (WW)	-	97	890	-	-	-	-	-	-	-
LoS Performance – Queenstown (WW)	-	406	416	427	439	449	460	470	480	491
Minor Improvements – Queenstown (WW)	57	59	60	62	63	65	66	68	69	71
Biosolids Disposal – Queenstown (WW)	-	-	-	-	-	113	461	3,535	4,814	3,074
Te Kirikiri Frankton	**21,029**	**14,459**	**11,732**	**37,143**	**46,846**	**27,829**	**9,100**	**11,903**	**629**	**2,410**
Remarkables Park Pump Station (WW)	-	-	-	-	169	866	7,794	-	-	-
Frankton Beach to Shotover Conveyance (WW)	305	631	2,910	9,962	13,630	6,285	-	-	-	-
Hawthorne Drive Capacity (WW)	-	-	-	115	592	5,341	-	-	-	-
Project Shotover Stage 3 (WW)	20,374	10,556	3,606	-	-	-	-	-	-	-
Shotover Disposal Field (WW)	351	3,272	5,216	26,780	27,480	14,482	-	-	-	-
Project Shotover Future Works (WW)	-	-	-	285	4,975	855	1,305	11,903	629	2,410
Te Pūtahi Eastern Corridor	**207**	**336**	**773**	**1,632**	**2,622**	**10,803**	**11,759**	**14,728**	**4,621**	**989**
Renewals – Lake Hayes (WW)	133	188	193	195	164	362	383	303	445	327
AMP – Lake Hayes (WW)	13	7	7	14	7	7	15	8	8	16
Ladies Mile New Scheme (WW)	-	-	312	1,281	2,301	10,104	10,339	9,869	-	-
Planning Inputs – Lake Hayes (WW)	14	17	19	21	24	27	31	35	40	45
Masterplanning – Lake Hayes (WW)	15	19	22	25	28	32	35	40	45	50
Conveyance Upgrade – Lake Hayes (WW)	-	-	-	-	-	154	786	3,861	3,286	-
Telemetry – Lake Hayes (WW)	-	14	127	-	-	-	-	-	-	-
Minor Improvements – Lake Hayes (WW)	32	33	34	35	36	36	37	38	39	40
LoS Performance – Lake Hayes (WW)	-	58	59	61	63	64	66	67	69	70
Biosolids Disposal – Lake Hayes (WW)	-	-	-	-	-	16	66	507	690	441

SUM OF CAPITAL WORKS (000's)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Te Tapuae Southern Corridor	**289**	**2,697**	**162**	**166**	**851**	**3,489**	**6,247**	**27,380**	**27,967**	**26,290**
Southern Corridor New Scheme (WW)	-	-	162	166	851	3,489	6,247	27,380	27,967	26,290
Hanleys Farm Pump Station (WW)	289	2,697	-	-	-	-	-	-	-	-
Upper Clutha	4,014	24,957	25,576	26,265	4,492	-	-	-	-	-
Upper Clutha Conveyance Scheme (WW)	4,014	24,957	25,576	26,265	4,492	-	-	-	-	-
Wānaka	**7,704**	**14,817**	**22,837**	**19,690**	**16,549**	**26,533**	**13,135**	**7,179**	**7,984**	**5,609**
Renewals – Wānaka (WW)	895	1,061	1,080	1,225	1,270	3,843	3,994	2,790	2,802	1,279
Southwest Wānaka Conveyance Scheme (WW)	472	2,447	10,029	12,359	-	-	-	-	-	-
Project Pure Upgrade (WW)	584	-	-	-	-	-	-	-	-	-
AMP – Wānaka (WW)	48	25	26	53	27	28	57	29	30	60
Masterplanning – Wānaka (WW)	58	73	82	93	104	118	133	149	167	188
North Wānaka Conveyance Stage 2 (WW)	306	7,928	7,800	-	-	-	-	-	-	-
Septage Disposal (WW)	136	1,269	-	-	-	-	-	-	-	-
Planning Inputs – Wānaka (WW)	52	65	73	83	93	105	118	133	150	168
Telemetry – Wānaka (WW)	-	53	488	-	-	-	-	-	-	-
Project Pure Aeration Grid Renewal (WW)	5,093	-	-	-	-	-	-	-	-	-
LoS Performance – Wānaka (WW)	-	1,762	1,806	1,855	1,903	1,950	1,995	2,041	2,085	2,130
Minor Improvements – Wānaka (WW)	59	61	63	64	66	68	69	71	72	74
Project Pure Future Works (WW)	-	73	1,391	3,960	13,085	20,358	6,513	-	-	-
Biosolids Disposal – Wānaka (WW)	-	-	-	-	-	63	256	1,966	2,678	1,710
Whakatipu	**690**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Historic Land Encroachments (WW)	690	-	-	-	-	-	-	-	-	-

Stormwater

THIS ACTIVITY SUPPORTS DELIVERY OF THE FOLLOWING COMMUNITY OUTCOMES:

Deafening dawn chorus | Waraki

Disaster-defying resilience | He Hapori Aumangea

WHAT WE DO

We are responsible for approximately 305km of stormwater mains and several interceptors (basic stormwater separators) that serve the district and discharge to natural watercourses and wetlands. The average age of the assets is 29.5 years.

Generally, our reticulated stormwater systems cater for a 1:20 year storm event (5% average recurrence interval or ARI) with water runoff up to this event being contained within the system, secondary or overland flow paths are generally sized for up to the 1:100 year storm event (1% ARI).

WHY WE DO IT

With more frequent and intense weather events resulting from a changing climate, resilient and future-proofed stormwater systems play an important role in protecting people and properties from rainwater flooding and hazard debris flow. The network also reduces the negative impacts on the environment from stormwater discharges. The effective management of rainwater is vital to controlling erosion and maintaining land stability, as well as ensuring amenity of open spaces.

WHAT WE HAVE PLANNED

In addition to our ongoing programmes of water sampling, flow monitoring, hydraulic modelling, contaminant load modelling and catchment management planning, we plan to make significant investment in the following:

- New stormwater management arrangements for the developing areas of Te Pūtahi Ladies Mile and Kingston
- A major stormwater project every year that prepares the district for the effects of a changing climate and heavy rainfall events
- Developing stormwater quality plans, and advancing network-level discharge consenting, in response to proposed regulatory changes.

Effects on the community

We strive to ensure that we operate in a way that provides the most positive outcomes for our communities, but it is important we acknowledge that complex challenges require difficult decisions and sometimes there is a trade-off. This table summarises significant potential negative effects and what we are doing in response.

ACTIVITY	SIGNIFICANT POTENTIAL NEGATIVE EFFECTS	SUSTAINABLE SOLUTION
Stormwater	Discharge of contaminated stormwater affects public or environmental health, and/or cultural and aesthetic values.	Developing and implementing updated catchment management plans that consider current and foreseeable regulations for stormwater discharges. For example, Otago Regional Council is updating the regional plan for water and will be introducing more stringent controls.
		Ongoing monitoring to identify any changes in system performance and identify any future mitigation requirements.
		Addressing issues through iterative updates to the relevant catchment management plans.
	Inadequacy of existing stormwater assets to cope with large rainfall events causing flooding, which could result in social and economic hardship.	Ensuring new stormwater assets are built to address latest planning requirements, giving consideration to climate change.
		Using both reported issues and computer models to target improvements in areas of potential flooding or overland flow that may put people or properties at risk.

Measuring our performance

We use the following measures to determine our success against the level of service we aim to provide for the community.

ACTIVITY	LEVEL OF SERVICE	KEY PERFORMANCE INDICATOR (KPI)	2022-2023 RESULT	TARGETS			
				YEAR 1	YEAR 2	YEAR 3	YEARS 4-10
Stormwater	Our Council provides stormwater drainage services that protect public health and private properties.	Number of flooding events that occur in a territorial authority district	1	<7 flooding events	<7 flooding events	<7 flooding events	<7 flooding events
		For each flooding event, the number of habitable floors affected (expressed per 1,000 properties connected to the territorial authorities stormwater system)	0	<2 per 1,000 properties	<2 per 1,000 properties	<2 per 1,000 properties	<2 per 1,000 properties
		Compliance with the territorial authority's resource consents for discharge from its stormwater system, measured by the number of: a) abatement notices; and b) infringement notices; and c) enforcement orders; and d) successful prosecutions, received by the territorial authority in relation those resource consents	100%	100%	100%	100%	100%

		Median response time between the time of notification and the time when service personnel reach the site when habitable floors are affected by flooding resulting from faults in a municipal stormwater system	0 hours	<3 hours	<3 hours	<3 hours	<3 hours
		The number of complaints received by a territorial authority about the performance of its stormwater system, expressed per 1,000 properties connected to the territorial authority's stormwater system	9.17	<5 per 1,000 properties	<5 per 1,000 properties	<5 per 1,000 properties	<5 per 1,000 properties

What does our stormwater cost and how is it paid for?

FUNDING IMPACT STATEMENT BY ACTIVITY GROUP ($'000)

ANNUAL PLAN 2023/24	STORMWATER	LONG TERM PLAN									
		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Sources of operating funding										
-	General rates, uniform annual general charge, rates penalties	-	-	-	-	-	-	-	-	-	-
3,854	Targeted rates	5,639	7,329	9,868	12,386	14,552	15,704	17,326	19,420	20,615	22,831
-	Subsidies & grants for operating expenditure	-	-	-	-	-	-	-	-	-	-
-	Fees & charges	-	-	-	-	-	-	-	-	-	-
-	Interest and dividends from investments	-	-	-	-	-	-	-	-	-	-
-	Fuel tax, fines, infringement fees & other receipts	-	-	-	-	-	-	-	-	-	-
3,854	**Total sources of operating funding**	**5,639**	**7,329**	**9,868**	**12,386**	**14,552**	**15,704**	**17,326**	**19,420**	**20,615**	**22,831**
	Applications of operating funding										
1,520	Payments to staff and suppliers	2,138	2,319	2,469	2,631	2,778	2,891	3,000	3,112	3,259	3,371
953	Borrowing Costs	1,141	1,061	1,101	1,235	1,563	2,076	2,974	3,722	4,083	4,077
275	Internal charges applied	468	512	522	533	525	528	534	539	550	553
-	Other operating funding applications	-	-	-	-	-	-	-	-	-	-
2,749	**Total applications of operating funding**	**3,747**	**3,893**	**4,092**	**4,399**	**4,866**	**5,495**	**6,509**	**7,372**	**7,892**	**8,001**
1,105	**Surplus/(deficit) of operating funding**	**1,892**	**3,437**	**5,776**	**7,986**	**9,686**	**10,209**	**10,816**	**12,048**	**12,723**	**14,830**
	Sources of capital funding										
-	Subsidies & grants for capital expenditure	-	-	-	-	-	-	-	-	-	-
2,188	Development & financial contributions	4,165	3,875	4,012	4,142	3,988	4,419	4,552	4,693	4,732	4,880
4,662	Increase/(decrease) in debt	4,457	(141)	(635)	3,848	4,086	14,001	16,847	14,962	(3,350)	(3,888)
-	Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
-	Lump sum contributions	-	-	-	-	-	-	-	-	-	-
-	Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
6,849	**Total sources of capital funding**	**8,622**	**3,734**	**3,377**	**7,990**	**8,074**	**18,420**	**21,399**	**19,654**	**1,382**	**992**
	Applications of capital funding										
	Capital expenditure										
3,803	- to meet additional demand	6,452	5,432	4,478	13,019	8,234	20,984	22,446	22,892	5,482	6,491
366	- to replace existing assets	1,207	1,008	2,369	2,359	2,437	1,096	1,374	926	963	1,326
1,291	- to improve the level of service	4,170	1,106	3,309	1,669	8,346	7,755	10,394	9,544	9,312	8,212
2,493	Increase/(decrease) in reserves	(1,315)	(375)	(1,003)	(1,070)	(1,258)	(1,206)	(1,998)	(1,661)	(1,652)	(206)
-	Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-
7,954	**Total applications of capital funding**	**10,513**	**7,170**	**9,153**	**15,976**	**17,760**	**28,629**	**32,216**	**31,702**	**14,105**	**15,822**
(1,105)	**Surplus/(deficit) of capital funding**	**(1,892)**	**(3,437)**	**(5,776)**	**(7,986)**	**(9,686)**	**(10,209)**	**(10,816)**	**(12,048)**	**(12,723)**	**(14,830)**
-	**Funding balance**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Stormwater capital works

SUM OF CAPITAL WORKS (000's)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Stormwater capital works	**11,828**	**7,545**	**10,155**	**17,047**	**19,018**	**29,835**	**34,214**	**33,363**	**15,757**	**16,028**
Kingston	**7,761**	**44**	**-**	**-**	**-**	**76**	**3,900**	**3,909**	**-**	**-**
Kingston New Scheme (SW)	7,761	44	-	-	-	76	3,900	3,909	-	-
Queenstown	**1,061**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Lakeview Development Servicing (SW)	1,061	-	-	-	-	-	-	-	-	-
Te Kirikiri Frankton	**-**	**481**	**4,432**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Remarkables Park Outlet (SW)	-	481	4,432	-	-	-	-	-	-	-
Te Pūtahi Eastern Corridor	**-**	**-**	**458**	**1,879**	**3,375**	**14,822**	**15,166**	**14,477**	**-**	**-**
Ladies Mile New Scheme (SW)	-	-	458	1,879	3,375	14,822	15,166	14,477	-	-
Upper Clutha	**800**	**867**	**1,929**	**1,481**	**2,588**	**12,275**	**2,126**	**12,100**	**2,534**	**12,796**
Renewals – Upper Clutha (SW)	369	387	983	982	910	424	433	191	233	396
AMP – Upper Clutha (SW)	61	32	33	67	34	35	72	37	38	76
Catchment Mgt Plans – Upper Clutha (SW)	48	110	287	64	125	310	68	134	332	73
Major Improvements – Upper Clutha (SW)	-	-	-	-	1,183	10,912	1,241	11,419	1,296	11,917
Planning Inputs – Upper Clutha (SW)	133	143	327	162	166	353	174	178	377	186
Minor Improvements – Upper Clutha (SW)	84	87	89	92	94	96	99	101	103	105
Compliance Plans – Upper Clutha (SW)	105	109	210	114	75	145	39	40	155	42
Wānaka	**500**	**4,666**	**1,100**	**10,170**	**-**	**-**	**-**	**-**	**-**	**-**
Stone Street Upgrades (SW)	-	-	1,100	10,170	-	-	-	-	-	-
Rockabilly Gully Erosion Protection (SW)	500	4,666	-	-	-	-	-	-	-	-
Whakatipu	**1,706**	**1,487**	**2,237**	**3,517**	**13,055**	**2,661**	**13,021**	**2,877**	**13,223**	**3,232**
Renewals – Whakatipu (SW)	838	621	1,386	1,377	1,527	672	940	735	730	930
AMP – Whakatipu (SW)	107	56	57	117	60	61	126	64	66	134
Major Improvements – Whakatipu (SW)	-	-	-	1,153	10,648	1,212	11,165	1,269	11,663	1,324
Catchment Mgt Plans – Whakatipu (SW)	127	308	101	162	344	109	174	369	117	186
Planning Inputs – Whakatipu (SW)	324	181	192	370	202	207	398	216	221	425
Minor Improvements – Whakatipu (SW)	127	132	135	139	142	146	149	153	156	159
Compliance Plans – Whakatipu (SW)	183	190	366	200	131	253	69	70	270	73

Transport, including roading, parking and footpaths

THIS ACTIVITY SUPPORTS DELIVERY OF THE FOLLOWING COMMUNITY OUTCOMES:

- Thriving people | Whakapuāwai Hapori
- Zero carbon communities | Parakore hapori
- Disaster-defying resilience | He Hapori Aumangea

WHAT WE DO

We are responsible for over 871km of local roads, and Waka Kotahi Transport Agency manages 232km of state highways within the district.

The local road network includes maintenance and operation of the following:
public carparks
6,908 street and amenity lights
signage and road markings
350km of footpaths
84 public transport bus stop facilities
459 retaining walls
100 bridges
five sets of traffic signals
Reacting to weather events; winter activities (gritting and application of de-icing agent), flood management and land instability issues.

Over the next ten years, we will invest in and deliver meaningful progress on renewals, planning maturity and capability, network resilience and local connectivity. There are opportunities to provide improved infrastructure and encourage sustainable travel through a behaviour change programme.

Differential levels of service across our network are hierarchical and based on Waka Kotahi's One Network Framework.

WHY WE DO IT

Our vision is to provide a safe, resilient, efficient transport system that supports modal choice and addresses current and future demand for economic and social opportunities for our community.

It is critical that:
road safety is prioritised
transport choices are available
the transport network provides reliable and consistent travel time
transport does not negatively impact biodiversity
transport emissions are reduced
investment in transport is affordable
we have a resilient transport system that enables connection.

WHAT WE HAVE PLANNED

Capital investment

Continuous programme

The continuous programme incorporates all elements of maintenance and renewals across our transport/roading assets. This includes advancing small to medium capital improvements and developments such Cardrona Valley Road rehabilitation, Capell Avenue extension, Gorge Road/ Robins Road active travel and Shepherds Creek Bridge. Renewals budgets for pavement and surface have increased to ensure that cost escalations don't reduce the amount of network we are able to renew each year. This will be monitored to ensure the integrity of our existing assets do not deteriorate over time.

Improvements programme

The improvements programme incorporates the larger value and longer term interventions that are required in the district. This is deliberately integrated with the interventions from our transport planning and investment partners NZTA and Otago Regional Council. This includes a three pillared approach of major capital physical infrastructure, services and behavioural change. Central government has acknowledged and supported significant aspects of the programme with funding for major state highway works in Frankton and improvements to public transport services. Further support will be sought for other major projects, closer to their implementation date. The partnership approach has been an important facilitator, with planning and investment through Way To Go, and delivery through Kā Huanui a Tāhuna. Within the first ten years, this is proposed to include:

- pre implementation (detailed design, consents and property acquisition) for the remaining Queenstown arterial stages, Queenstown Public Transport Interchange, Arthurs Point Crossing, Wānaka Network Optimisations (key intersection and route improvements)
- implementation (construction) of the Arthurs Point Crossing, Wānaka Network Optimisations.

Travel demand management programme

Delivering a programme of tailored interventions that are focussed on changing attitude, beliefs, values and norms around alternate modes of transport. These will reflect local conditions, requirements and opportunities and be integrated with planning and policy frameworks.

Comprehensive parking management plans

Starting with a district-wide parking strategy and guidance document, localised parking plans will be developed with the community. These will start with the larger urban centres, but also later include smaller urban and development areas.

Strategic review of transport

We are at the end of a ten-year programme of planning that has provided a wide range of interventions jointly with our partners. It is now time to sense-check that direction, to ensure that our planning is agile and still addresses growth in the district.

Effects on the community

We strive to ensure that we operate in a way that provides the most positive outcomes for our communities, but it is important we acknowledge that complex challenges require difficult decisions and sometimes there is a trade-off. This table summarises those negative effects that we consider significant for this activity and what we are doing to minimise these effects.

ACTIVITY	SIGNIFICANT POTENTIAL NEGATIVE EFFECTS	SUSTAINABLE SOLUTION
Transport	Lack of implementation of the full improvement programme in the short term will mean our ability to service growth will decline, and data shows we are already unable to meet the current rates of growth / development. Levels of service will be reduced even further, resulting in increased congestion and an increase in travel times.	Either find alternative funding solutions or manage growth to align with affordable levels of infrastructure (of all types).
	Construction of roads can have a significant negative effect on the environment and community, such as congestion and delays, air pollution, safety and stormwater issues and disturbance of cultural sites during earthworks.	We address this by putting in place strong contractual and resource consent conditions to ensure that effects are kept to a minimum.
	The provision of a roading network may not provide sufficient or adequate infrastructure for the changing volume and needs of our community.	We integrate transport infrastructure planning with land uses, and behavioural change through our current transport strategies: Queenstown Town Centre Transport Strategy, Queenstown Town Centre Masterplan and future master-planning for Wānaka. Also we will optimise our existing services with increased travel mode options, including bus services and active transport.
	Funding shortfalls for road maintenance such as reseals and rehabilitations could lead to the premature deterioration of very costly assets, which will result in poor and unsafe roads that will require a significant investment to restore the level of service.	Our asset management plans are implemented and maintained to forecast the pavement reseal and rehabilitation needs of the roading network for future years based on tested and accepted scientific practices. This allows us to budget according to these future identified needs.

Measuring our performance

We use the following measures to determine our success against the level of service we aim to provide for the community.

ACTIVITY	LEVEL OF SERVICE	KEY PERFORMANCE INDICATOR (KPI)	2022-2023 RESULT	TARGETS			
				YEAR 1	YEAR 2	YEAR 3	YEARS 4-10
Transport	Our Council provides appropriate parking, road and active transport networks to meet the current and future needs of the community.	Percentage of capital works completed annually, including renewals, against the annual budget adopted by the Council for three waters, waste management and roading	88.53%	80% - 110%	80% - 110%	80% - 110%	80% - 110%
		Percentage of external contractor and internal Request For Service resolved within specified timeframe - Roading	87.40%	>95%	>95%	>95%	>95%
		The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network expressed as a number	5	To report a decrease on the previous year	To report a decrease on the previous year	To report a decrease on the previous year	To report a decrease on the previous year
		Average quality of ride on a sealed local road network, as measured by the Smooth Travel Exposure Index	94%	>90%	>90%	>90%	>90%
		Percentage of sealed network that is resurfaced annually	5.8%	<10%	<10%	<10%	<10%

		Percentage of local footpath network that is part of the local road network that falls within the Level of Service (LOS) or service standards for the condition of footpaths	97.9%	>95%	>95%	>95%	>95%
		Percentage of residents who are choosing to use their petrol or diesel vehicle less by using alternate modes of transport or active travel	New measure	Establish a baseline	A year on year increase in alternate modes.	A year on year increase in alternate modes.	A year on year increase in alternate modes.

What does our transport cost and how is it paid for?

FUNDING IMPACT STATEMENT BY ACTIVITY GROUP ($'000)

ANNUAL PLAN 2023/24	TRANSPORT, INCLUDING ROADING, PARKING & FOOTPATHS	LONG TERM PLAN 2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Sources of operating funding										
-	General rates, uniform annual general charge, rates penalties	-	-	-	0	-	0	(0)	-	0	-
16,999	Targeted rates	21,357	28,083	30,352	31,224	30,577	34,040	36,667	40,068	40,915	40,315
5,122	Subsidies & grants for operating expenditure	5,934	6,239	6,495	6,850	7,143	7,422	7,694	7,965	8,243	8,513
4,589	Fees & charges	3,887	4,053	4,206	4,415	4,575	4,732	4,884	5,039	5,197	5,349
-	Interest and dividends from investments	-	-	-	-	-	-	-	-	-	-
300	Fuel tax, fines, infringement fees & other receipts	497	523	543	573	596	620	643	666	689	712
27,009	**Total sources of operating funding**	**31,675**	**38,898**	**41,596**	**43,061**	**42,892**	**46,815**	**49,888**	**53,737**	**55,044**	**54,889**
	Applications of operating funding										
12,520	Payments to staff and suppliers	12,506	13,153	13,707	14,519	15,149	15,751	16,333	16,935	17,676	18,253
4,065	Borrowing Costs	6,572	6,300	5,878	5,473	5,569	5,534	5,732	5,381	4,994	5,064
2,216	Internal charges applied	2,458	2,690	2,744	2,802	2,760	2,773	2,809	2,831	2,893	2,906
-	Other operating funding applications	-	-	-	-	-	-	-	-	-	-
18,800	**Total applications of operating funding**	**21,536**	**22,143**	**22,329**	**22,794**	**23,478**	**24,058**	**24,874**	**25,147**	**25,563**	**26,224**
8,209	**Surplus/(deficit) of operating funding**	**10,139**	**16,755**	**19,267**	**20,268**	**19,414**	**22,757**	**25,014**	**28,590**	**29,481**	**28,666**
	Sources of capital funding										
38,567	Subsidies & grants for capital expenditure	13,438	11,243	11,520	14,071	19,163	23,469	24,109	14,923	26,034	33,855
3,665	Development & financial contributions	6,759	5,293	5,413	5,399	5,541	5,676	5,814	5,943	5,914	6,049
19,595	Increase/(decrease) in debt	9,493	(11,652)	(12,393)	(10,689)	(3,109)	(3,626)	(5,697)	(14,343)	(7,433)	3,436
-	Gross proceeds from sale of assets	-	-	-	-	388	-	-	-	-	-
-	Lump sum contributions	-	-	-	-	-	-	-	-	-	-
-	Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
61,827	**Total sources of capital funding**	**29,690**	**4,884**	**4,541**	**8,780**	**21,984**	**25,519**	**24,226**	**6,523**	**24,515**	**43,339**
	Applications of capital funding										
	Capital expenditure										
60,722	- to meet additional demand	15,147	7,370	6,881	9,098	13,469	15,909	16,495	11,549	20,166	28,498
22,370	- to replace existing assets	12,254	12,129	11,223	12,320	15,149	15,342	17,179	14,777	12,589	13,351
25,007	- to improve the level of service	12,350	3,377	5,439	6,785	11,400	15,873	14,492	7,551	19,901	30,779
(38,063)	Increase/(decrease) in reserves	78	(1,238)	265	845	1,379	1,152	1,075	1,236	1,339	(623)
-	Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-
70,037	**Total applications of capital funding**	**39,828**	**21,639**	**23,808**	**29,048**	**41,398**	**48,277**	**49,240**	**35,114**	**53,996**	**72,005**
(8,209)	**Surplus/(deficit) of capital funding**	**(10,139)**	**(16,755)**	**(19,267)**	**(20,268)**	**(19,414)**	**(22,757)**	**(25,014)**	**(28,590)**	**(29,481)**	**(28,666)**
-	**Funding balance**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Transport capital works

SUM OF CAPITAL WORKS (000's)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Transport capital works	**39,751**	**22,877**	**23,543**	**28,202**	**40,019**	**47,124**	**48,165**	**33,878**	**52,656**	**72,628**
Arrowtown	**-**	**-**	**-**	**-**	**-**	**177**	**1,626**	**-**	**-**	**-**
Butlers Green Retaining Wall (TR)	-	-	-	-	-	177	1,626	-	-	-
Arthurs Point	**309**	**954**	**1,945**	**4,639**	**16,956**	**20,794**	**21,222**	**2,165**	**-**	**-**
Arthurs Point Bridge Crossing (TR)	309	954	1,945	4,639	16,956	20,794	21,222	2,165	-	-
Cardrona	**618**	**34**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Cardrona Valley Rd 3.0–4.0 Rehab (TR)	618	34	-	-	-	-	-	-	-	-
District Wide	**156**	**160**	**164**	**167**	**171**	**175**	**178**	**182**	**186**	**189**
Parking Management Plans (TR)	156	160	164	167	171	175	178	182	186	189
Glenorchy	221	250	232	260	242	272	253	284	263	295
GY Area River Bridge Resilience (TR)	-	250	-	260	-	272	-	284	-	295
Kinloch Road Gravel Extraction (TR)	221	-	232	-	242	-	253	-	263	-
Hāwea	**1,027**	**2,467**	**-**	**-**	**-**	**-**	**331**	**225**	**689**	**5,856**
Capell Ave Road Extension (TR)	1,027	2,467	-	-	-	-	-	-	-	-
Hāwea Network Optimisation (TR)	-	-	-	-	-	-	331	225	689	5,856

SUM OF CAPITAL WORKS (000's)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Queenstown	**21,776**	**959**	**582**	**3,459**	**24**	**41**	**422**	**2,998**	**17,782**	**14,432**
Stanley St Site Works and Temp Parking	-	-	-	-	-	-	-	-	-	4,984
Arterial Early Design (TR)	-	-	-	-	-	41	422	1,506	1,757	627
PT Interchange Early Design (TR)	-	-	164	1,509	-	-	-	-	-	-
Arterial Stage One (TR)	21,743	959	418	-	-	-	-	-	-	-
Fernhill Rd Rehabilitation (TR)	-	-	-	710	24	-	-	-	-	-
Lower Shotover Rd Rehabilitation (TR)	33	-	-	-	-	-	-	-	-	-
Arterial Early Land Acquisition (TR)	-	-	-	-	-	-	-	1,116	3,417	6,967
PT Interchange – Land Acquisition (TR)	-	-	-	-	-	-	-	376	12,406	-
Fernhill Rd Active Travel (TR)	-	-	-	1,239	-	-	-	-	-	-
Gorge Rd/Robins Rd Active Travel (TR)	-	-	-	-	-	-	-	-	202	1,855
Te Kirikiri Frankton	**-**	**-**	**-**	**141**	**719**	**5,143**	**1,350**	**128**	**651**	**5,838**
Quail Rise to Hawthorne Link Road (TR)	-	-	-	141	719	5,143	1,350	-	-	-
Road 10 Formation (TR)	-	-	-	-	-	-	-	128	651	5,838
Te Pūtahi Eastern Corridor	**-**	**-**	**-**	**-**	**-**	**-**	**331**	**225**	**689**	**5,856**
Ladies Mile Network Optimisation (TR)	-	-	-	-	-	-	331	225	689	5,856
Te Tapuae Southern Corridor	**-**	**-**	**-**	**-**	**-**	**-**	**331**	**225**	**689**	**5,856**
Southern Corridor Network Optimisation (TR)	-	-	-	-	-	-	331	225	689	5,856

SUM OF CAPITAL WORKS (000's)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Upper Clutha	**2,660**	**2,870**	**3,556**	**3,342**	**3,653**	**3,568**	**3,567**	**3,887**	**3,791**	**3,786**
Minor Improvements – Upper Clutha (TR)	2,258	2,325	2,371	2,423	2,480	2,534	2,586	2,639	2,693	2,745
AMP – Upper Clutha (TR)	41	84	39	44	90	41	47	95	44	50
Active Travel LCLR – Upper Clutha (TR)	-	-	818	613	627	641	654	667	681	694
Network Planning – Upper Clutha	34	212	-	37	226	-	39	240	-	42
TDM – Upper Clutha (TR)	34	35	36	37	38	38	39	40	41	42
Resilience – Upper Clutha (TR)	208	214	185	189	193	198	202	206	210	214
Strategic Planning – Upper Clutha (TR)	86	-	108	-	-	115	-	-	123	-
Wānaka	**3,337**	**3,658**	**4,315**	**4,627**	**6,195**	**4,592**	**6,075**	**9,610**	**14,263**	**16,339**
Drainage Renewals – Wānaka (TR)	271	279	284	291	297	304	310	316	323	329
Sealed Road Rehabs – Wānaka (TR)	455	468	477	537	549	561	630	643	656	736
Sealed Road Resurfacing – Wānaka (TR)	1,576	1,623	1,655	1,691	1,731	1,769	1,805	1,841	1,879	1,916
Structures Components – Wānaka (TR)	143	148	151	154	157	161	164	168	171	174
Traffic Services Renewals – Wānaka (TR)	110	114	116	118	121	124	126	129	132	134
Unsealed Road Metalling – Wānaka (TR)	662	681	695	710	727	743	758	773	789	804
Land Stabilisation – Wānaka (TR)	-	-	-	47	48	50	51	52	53	54
Dangerous Trees – Wānaka (TR)	-	108	-	112	-	118	-	-	-	-
Environmental Renewals – Wānaka (TR)	39	41	41	42	43	44	45	46	47	48
Wānaka Primary Cycle Network (TR)	-	-	-	-	-	-	114	584	2,979	3,036
Ardmore St Rehabilitation (TR)	-	-	-	-	-	-	1,011	77	-	-
Footpath Renewals – Wānaka (TR)	81	84	86	96	98	101	103	105	107	109
PT Assets – Upper Clutha (TR)	-	114	811	828	606	619	632	322	329	335
Wānaka Network Optimisation (TR)	-	-	-	-	-	-	327	1,332	6,799	8,664
Additional Street Lighting (TR)	-	-	-	-	1,817	-	-	3,222	-	-

SUM OF CAPITAL WORKS (000's)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Whakatipu	**9,648**	**11,524**	**12,750**	**11,567**	**12,058**	**12,362**	**12,479**	**13,949**	**13,652**	**14,180**
Drainage Renewals – Whakatipu (TR)	453	466	475	486	497	508	519	529	540	550
Sealed Road Rehabs – Whakatipu (TR)	1,132	1,166	1,189	1,337	1,368	1,398	1,570	1,601	1,634	1,833
Sealed Road Resurfacing – Whakatipu (TR)	2,667	2,746	2,800	2,862	2,929	2,993	3,055	3,116	3,180	3,242
Traffic Services Renewals – Whakatipu (TR)	193	199	203	207	212	217	221	226	230	235
Unsealed Road Metalling – Whakatipu (TR)	943	971	990	1,012	1,036	1,058	1,080	1,102	1,125	1,146
Minor Improvements – Whakatipu (TR)	2,335	2,405	2,452	2,506	2,565	2,621	2,675	2,729	2,785	2,839
Structures Components – Whakatipu (TR)	243	250	255	260	266	272	278	284	289	295
Dangerous Trees – Whakatipu (TR)	-	223	-	232	-	243	-	253	-	263
Land Stabilisation – Whakatipu (TR)	-	-	-	142	145	149	152	155	158	161
Transport Model Replacement (TR)	93	1,136	109	111	114	117	119	121	124	126
Environmental Renewals – Whakatipu (TR)	54	56	57	58	59	61	62	63	64	66
Public Transport Assets – Whakatipu (TR)	551	568	579	592	606	619	632	644	658	670
AMP – Whakatipu (TR)	69	143	66	75	153	70	80	155	80	86
Footpath Renewals – Whakatipu (TR)	93	96	98	110	112	115	117	120	122	125
Active Travel LCLR – Whakatipu (TR)	-	-	600	613	627	641	654	667	681	694
Network Planning – Whakatipu (TR)	70	430	-	75	458	-	80	488	-	85
TDM – Whakatipu (TR)	70	72	73	75	76	78	80	81	83	85
Shepherds Creek Bridge (TR)	-	171	2,006	-	-	-	-	-	-	-
Resilience – Whakatipu (TR)	311	321	362	370	379	387	395	403	411	419
CCTV Crime Prevention and Safety (IN)	104	107	109	111	114	117	119	121	124	126
Strategic Planning – Whakatipu (TR)	267	-	219	-	-	234	-	-	249	-
Public Transport Network Optimisation (TR)	-	-	109	334	342	466	595	1,092	1,114	1,136

Waste minimisation and management

THIS ACTIVITY SUPPORTS DELIVERY OF THE FOLLOWING COMMUNITY OUTCOMES:

Deafening dawn chorus | Waraki

Zero carbon communities | Parakore hapori

WHAT WE DO

We promote effective and efficient waste minimisation and management through:

waste reduction – reducing waste at source
resource recovery – diverting waste from landfill
waste disposal – collecting, transporting and disposing of waste.

To achieve this, we work with government, residents, visitors, NGOs, industry and other public sector agencies to support the shift towards zero waste and a more sustainable community.

Investment over the next ten years is focussed on diverting organics from landfill, investing in critical facilities to ensure a reliable, future-proofed service and supporting community led initiatives through the Zero Waste District Programme.

This approach requires products and infrastructure to be designed for the longest use possible; be easily repaired, re-manufactured or recycled; or re-used, composted and nutrients returned to the soil.

WHY WE DO IT

We provide safe and reliable waste services to our communities that minimise adverse effects on the natural environment. Efforts to reduce and divert waste from landfill will bring significant environmental benefits.

Unfortunately, Queenstown Lakes has one of the highest waste per capita disposal rates in the country. This is, in part, attributable to high visitor numbers and levels of construction activity in the district.

The Waste Minimisation and Management Plan 2018 (WMMP) currently guides our actions to achieve the district's long-term vision towards zero waste. Recently, Council has resolved to develop a new WMMP to consider regional collaboration opportunities and increase alignment with the new national waste strategy, Te Rautaki Para. To align with Te Rautaki Para, the Ministry for the Environment also proposed:

- standardising the range of materials collected in council kerbside recycling collections - by 1 February 2024
- enforcing council food scrap kerbside collections to households in urban areas - by 1 January 2030
- performance standards for household kerbside diversion from landfill - 30% by July 2026, 40% by July 2028 and 50% by July 2030.

WHAT WE HAVE PLANNED

Proposed levels of service and activity for waste management and minimisation have been determined through the current 2018 WMMP. Key initiatives include the following:

Waste reduction
Engage stakeholders and draft a new Waste Management and Minimisation Plan for public consultation, to increase alignment with Te Rautaki Para and nationwide waste minimisation goals
Support the goals of Te Rautaki Para, the new waste strategy, to help New Zealand transition to a low-waste, low-emissions, circular economy
Invite early insights from the community to shape a new waste management and minimisation bylaw
Provide funding for the Zero Waste District programme and work alongside community groups, event organisers, residents and business to deliver initiatives that drive waste minimisation
Support a strategic approach to work with Otago councils to optimise outcomes and increase the range of possible solutions.

Waste reduction
Upgrade the layout and operation of the Wānaka waste transfer facility to facilitate more resource recovery, improve health and safety and increase capacity
Construct a new, modern resource recovery facility to replace the Frankton recycling facility
Provide a new kerbside organics service for food scraps and greenwaste in line with the government kerbside standardisation
Support community organic waste mulching and composting initiatives
Provide residential properties with kerbside recycling collections for separate glass, mixed recycling in line with the government kerbside standardisation
Upgrade plant, infrastructure and carry out maintenance and renewals at the existing district's recycling facility until the construction of a new resource recovery facility is completed.

Waste disposal
Provide upgrades and replacement to plant and infrastructure for the Whakatipu and Wānaka waste transfer stations
Reduce the weekly collection of refuse to fortnightly when the new kerbside collection of organics commences
Monitor landfill gas capture at the Victoria Flats landfill, reducing methane emissions from waste disposal and surrendering emissions units in compliance with the Emissions Trading Scheme.

Effects on the community

We strive to ensure that we operate in a way that provides the most positive outcomes for our communities, but it is important we acknowledge that complex challenges require difficult decisions and sometimes there is a trade-off. This table summarises significant potential negative effects and what we are doing in response.

ACTIVITY	SIGNIFICANT POTENTIAL NEGATIVE EFFECTS	SUSTAINABLE SOLUTION
Waste minimisation and management	During the collection of waste the following may occur: > Water and/or land pollution (loose waste blown into private properties or waterways or illegally dumped) > Odour emissions > Spread of disease and water/land contamination > Increased vermin > Obstruction of footpaths.	Continuing to educate residents on the collection days and times.
		Monitoring the performance of council contractors and services provided by the private sector.
	Environmental impacts caused by the discharge of contaminants to land and water from landfills.	Complying with resource consent conditions and regular monitoring.
		Continuing efforts to reduce the quantity and quality of waste going to landfill through proven minimisation strategies and programmes for waste streams.
	The user-pays policy on collection and disposal of waste and kerbside recycling means that private companies have significant control over the waste stream. This can impact council's ability to minimise waste.	Implementing our WMMP to mitigate these impacts.

Measuring our performance

We use the following measures to determine our success against the level of service we aim to provide for the community.

ACTIVITY	LEVEL OF SERVICE	KEY PERFORMANCE INDICATOR (KPI)	2022-2023 RESULT	TARGETS			
				YEAR 1	YEAR 2	YEAR 3	YEARS 4-10
Waste minimisation and management	Our Council promotes effective and efficient waste minimisation and management.	Percentage of Material Recovery Facility (MRF) recycling contaminated	15%	<20%	<20%	<20%	<20%
		Total waste diverted from landfill	7,688 t	> 7,500 t	> 7,870 t	> 10,280 t	> 13,580 t
		Total waste sent to landfill	45,515 t	< 49,000 t	< 51,430 t	< 50,190 t	< 54,800 t
		Percentage of external contractor and internal RFS resolved within specified timeframe - Solid Waste	97%	>95%	>95%	>95%	>95%
		Percentage of total household material placed at kerbside diverted from landfill	New measure	28%	29%	30%	50%

What does our waste minimisation and management cost and how is it paid for?

FUNDING IMPACT STATEMENT BY ACTIVITY GROUP ($'000)

ANNUAL PLAN 2023/24	WASTE MANAGEMENT	LONG TERM PLAN									
		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Sources of operating funding										
-	General rates, uniform annual general charge, rates penalties	-	1,000	0	2,000	4,000	6,000	6,000	5,000	9,000	12,000
8,824	Targeted rates	9,366	10,456	11,640	15,237	16,513	17,046	19,017	19,217	18,939	18,605
-	Subsidies & grants for operating expenditure	454	480	501	532	555	578	601	623	645	668
10,527	Fees & charges	12,068	12,752	13,324	14,118	14,734	15,347	15,934	16,533	17,105	17,704
-	Interest and dividends from investments	-	-	-	-	-	-	-	-	-	-
729	Fuel tax, fines, infringement fees & other receipts	214	224	233	246	256	266	275	284	294	303
20,080	**Total sources of operating funding**	**22,102**	**24,912**	**25,698**	**32,134**	**36,058**	**39,237**	**41,826**	**41,658**	**45,983**	**49,280**
	Applications of operating funding										
17,158	Payments to staff and suppliers	17,767	18,759	19,596	22,796	23,786	24,770	25,909	26,877	27,804	28,773
387	Borrowing Costs	447	708	1,238	2,108	3,012	3,138	2,927	2,429	1,813	919
2,455	Internal charges applied	3,251	3,558	3,629	3,705	3,650	3,667	3,715	3,744	3,826	3,843
-	Other operating funding applications	-	-	-	-	-	-	-	-	-	-
20,000	**Total applications of operating funding**	**21,466**	**23,025**	**24,462**	**28,609**	**30,447**	**31,575**	**32,552**	**33,050**	**33,443**	**33,535**
80	**Surplus/(deficit) of operating funding**	**636**	**1,887**	**1,236**	**3,525**	**5,611**	**7,662**	**9,274**	**8,607**	**12,541**	**15,745**
	Sources of capital funding										
-	Subsidies & grants for capital expenditure	-	-	-	-	-	-	-	-	-	-
-	Development & financial contributions	-	-	-	-	-	-	-	-	-	-
5,750	Increase/(decrease) in debt	4,357	8,284	15,271	23,418	9,699	(4,399)	(10,615)	(9,328)	(15,324)	(20,426)
-	Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
-	Lump sum contributions	-	-	-	-	-	-	-	-	-	-
-	Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
5,750	**Total sources of capital funding**	**4,357**	**8,284**	**15,271**	**23,418**	**9,699**	**(4,399)**	**(10,615)**	**(9,328)**	**(15,324)**	**(20,426)**
	Applications of capital funding										
	Capital expenditure										
65	- to meet additional demand	-	314	-	-	-	-	-	-	-	-
233	- to replace existing assets	3,392	6,361	10,723	14,662	8,843	2,824	520	804	1,264	748
320	- to improve the level of service	3,329	7,553	10,655	14,593	8,772	2,751	445	727	1,186	669
5,211	Increase/(decrease) in reserves	(1,727)	(4,058)	(4,871)	(2,312)	(2,305)	(2,311)	(2,305)	(2,251)	(5,234)	(6,098)
-	Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-
5,830	**Total applications of capital funding**	**4,993**	**10,171**	**16,506**	**26,943**	**15,310**	**3,264**	**(1,341)**	**(720)**	**(2,783)**	**(4,681)**
(80)	**Surplus/(deficit) of capital funding**	**(636)**	**(1,887)**	**(1,236)**	**(3,525)**	**(5,611)**	**(7,662)**	**(9,274)**	**(8,607)**	**(12,541)**	**(15,745)**
-	**Funding balance**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Waste minimisation and management capital works

SUM OF CAPITAL WORKS (000's)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Waste management capital works	**6,721**	**14,228**	**21,378**	**29,255**	**17,615**	**5,575**	**965**	**1,531**	**2,450**	**1,417**
District Wide	**1,603**	**7,836**	**19,783**	**28,491**	**16,705**	**4,772**	**144**	**485**	**805**	**399**
Product Stewardship (WM)	-	-	-	-	-	-	-	338	379	246
New Waste Facilities (WM)	1,481	6,137	19,653	28,358	16,568	4,245	-	-	-	-
Existing Waste Site Consenting (WM)	-	-	-	-	-	388	-	-	276	-
Former Landfill Site Renewals	64	66	68	69	71	73	75	76	78	80
Public Place Waste Bins (WM)	59	61	62	64	66	67	69	70	72	74
Organic Waste Management (WM)	-	1,572	-	-	-	-	-	-	-	-
Luggate	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**71**	**649**	**-**
Luggate Closed Landfill (WM)	-	-	-	-	-	-	-	71	649	-
Te Kirikiri Frankton	544	338	231	-	-	-	-	-	-	-
Existing Whakatipu Waste Facilities (WM)	544	338	231	-	-	-	-	-	-	-
Wānaka	**4,137**	**5,532**	**900**	**288**	**346**	**303**	**310**	**371**	**379**	**387**
Minor Asset Renewals – Wānaka (WM)	4	4	4	4	5	5	5	5	5	5
AMP – Wānaka (WM)	80	83	85	87	89	91	94	96	98	100
Zero Waste Programme – Wānaka (WM)	180	233	191	197	252	207	211	270	276	282
Wānaka Waste Facilities (WM)	3,873	5,211	620	-	-	-	-	-	-	-
Whakatipu	**437**	**522**	**463**	**476**	**564**	**500**	**512**	**605**	**618**	**631**
AMP – Whakatipu (WM)	162	168	172	177	181	186	190	194	198	203
Minor Asset Renewals – Whakatipu (WM)	4	4	4	4	5	5	5	5	5	5
Zero Waste Programme – Whakatipu (WM)	270	350	287	295	378	310	317	406	414	423

/ Economy /

/ Taiōhaka /

Economy

THIS ACTIVITY SUPPORTS DELIVERY OF THE FOLLOWING COMMUNITY OUTCOMES:

- Thriving people | Whakapuāwai Hapori
- Opportunities for all | He ōhaka taurikura
- Breathtaking creativity | Whakaohooho Auahataka
- Pride in sharing our places | Kia noho tahi tātou katoa

Economic futures

WHAT WE DO

The Economic Futures team plays a key role in steering the district economy's strategic direction, helping to drive change and build momentum toward a shared vision for the community. We work collaboratively with both public and private sector organisations to deliver strategies, plans, programmes, events, and future-proofing policy.

We actively encourage collaboration to improve economic wellbeing, working with local organisations such as Queenstown Chamber of Commerce, Ignite Wānaka, Destination Queenstown, Lake Wānaka Tourism, Destination Southern Lakes and KUMA amongst others. At a regional level we work with Film Otago Southland, and at a national level, NZ Trade and Enterprise and Ministry of Business, Innovation and Employment (MBIE).

We support Startup Queenstown Lakes Trust and host inhouse the Queenstown Lakes Film Office and the QLDC Events Office. The Film Office promotes the film industry and facilitates permissions needed for local productions. The Events office leads the organisation of QLDC-funded events and manages a contestable fund that promotes sustainability and facilitates permissions needed for externally organised events in the district.

While the team delivers projects directly, our work also involves connecting entrepreneurs with government agencies, organisations, and internal staff who can support their business. A key aspect of our work is in advocating for and securing funding for initiatives, programmes and businesses within the district.

Our advocacy informs government agencies about the economic opportunities and challenges the district faces, and we work to make the most of government support available to businesses and industries.

The Economic Diversification Plan and Destination Management Plan aligns closely with the Climate and Biodiversity Plan through supporting businesses that 'operate in a low-impact, low-emissions and regenerative way'.

WHY WE DO IT

We focus on the district's economic wellbeing in a way that enhances social, cultural, and environmental wellbeing. We strive to foster an economy that aligns with our community values and that offers career paths and healthy incomes that allow people to build a future in the district.

WHAT WE HAVE PLANNED

The Economic Futures team will be supporting the network of organisations working to deliver projects defined by the Destination Management Plan and the Economic Diversification Plan:

> Leading the delivery of New Pathways to a Thriving Future (Economic Diversification Plan)

> Working closely with Destination Southern Lakes, the organisation formed to deliver on Travel to a Thriving Future and delivering QLDC's actions within this

> Coordinating the organisations working to diversify the economy

> Updating our Events Strategy to ensure we are delivering and supporting a programme tailored for the district's changing population

> Streamlining Council processes related to event and film approvals to help enable productions which provide benefits to the local economy.

Commercial property

WHAT WE DO

We provide and maintain fit-for-purpose property infrastructure for a range of operational, administrative and community services.

All our property is managed with the same principles and consideration of accessibility, cleanliness and presentation, weathertightness, seismic strength and material durability.

WHY WE DO IT

Operational and administrative facilities are critical for providing the essential infrastructure and administration services that keep the district running. They also are a key resource that can be activated during civil defence emergency events to help provide shelter and support to affected communities.

WHAT WE HAVE PLANNED

Strategic projects are typically key property and development projects that QLDC is pursuing in support of good urban form and amenity. This team will be focussed on projects such as the Lakeview development.

Lakeview development ($8.1 million)

> Delivery of deferred infrastructure works (agreed with developer for practical construction reasons) including stormwater and public realm, in order to complete the subdivision requirements.

Campgrounds

> Funding in this LTP is for essential building renewals works to maintain existing levels of service at the facilities, across the four campgrounds under management by the Hampshire group.

> The smaller year on year budgets are for minor renewals works that QLDC needs to undertake as landlord.

Wānaka Airport

> Delivering priority investment to ensure Civil Aviation Authority regulatory compliance and providing fit-for-purpose services for existing tenants and airport users. Beginning the engagement process to inform a future Masterplan for the airport.

Effects on the community

We strive to ensure that we operate in a way that provides the most positive outcomes for our communities, but it is important we acknowledge that complex challenges require difficult decisions and sometimes there is a trade-off. This table summarises significant potential negative effects and what we are doing in response.

ACTIVITY	SIGNIFICANT POTENTIAL NEGATIVE EFFECTS	OUR RESPONSE
Economic Futures	Industry growth risks putting pressure on housing availability and cost.	Managing development growth through the Destination Management and Diversification Plans, which are outputs of the Spatial Plan.
	The variety of organisations that play a role in economic development compete for resources.	Encouraging collaboration so organisations are clear on their roles and can share resources wherever possible.
	Businesses that do not fit the values of the district establish or relocate here.	Promoting the values voiced by the community through the Destination Management and Diversification Plans and the projects that come from them.
	Events within the district create unacceptable risks, congestion or environmental impacts.	Council funding and policies require strong health and safety, traffic management and sustainability plans.
Commercial Property	Deferred asset renewals and scheduled maintenance, leading to assets deteriorating more quickly and being held in service past their expected life.	Aiming to renew all very poor (C5) condition components through a works programme that ensures the right money is being spent at the right time on the right priority.
	Poor technical asset condition data about mechanical and electrical components.	Completing an additional assessment of mechanical and electrical components.
		Setting up a programme of ongoing assessments, with funding allocated.

Measuring our performance

We use the following measures to determine our success against the level of service we aim to provide for the community.

ACTIVITY	LEVEL OF SERVICE	KEY PERFORMANCE INDICATOR (KPI)	2022-2023 RESULT	TARGETS			
				YEAR 1	YEAR 2	YEAR 3	YEARS 4-10
Economic futures	Our Council supports a thriving and diverse economy.	Percentage of residents who have participated in, performed at, or attended any events held in our district in the past 12 months	48%	>70%	>70%	>70%	>70%
		Percentage of QLDC actions delivered to target as per the Implementation Plan of the Economic Diversification Plan	New measure	90%	90%	90%	90%
		Percentage of QLDC actions delivered to target as per the Implementation Plan of the Destination Management Plan	New measure	90%	90%	90%	90%

What does our economy cost and how is it paid for?

FUNDING IMPACT STATEMENT BY ACTIVITY GROUP ($'000)

ANNUAL PLAN 2023/24	ECONOMY	LONG TERM PLAN									
		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Sources of operating funding										
2,788	General rates, uniform annual general charge, rates penalties	3,358	5,008	6,766	7,452	11,137	10,563	6,636	6,775	2,973	2,581
14,364	Targeted rates	16,101	18,531	20,600	21,783	25,778	25,442	21,763	22,280	18,930	19,043
1,994	Subsidies & grants for operating expenditure	450	400	50	50	50	50	50	50	50	50
2,389	Fees & charges	1,846	1,850	1,853	1,856	1,859	1,862	1,866	1,869	1,872	1,876
-	Interest and dividends from investments	-	-	-	-	-	-	-	-	-	-
813	Fuel tax, fines, infringement fees & other receipts	725	751	774	805	829	853	877	902	925	949
22,348	**Total sources of operating funding**	**22,480**	**26,540**	**30,042**	**31,946**	**39,653**	**38,771**	**31,193**	**31,876**	**24,750**	**24,499**
	Applications of operating funding										
11,185	Payments to staff and suppliers	12,365	13,038	12,985	13,430	13,744	14,057	14,362	14,673	14,981	15,288
6,364	Borrowing Costs	7,020	6,207	5,624	4,974	4,326	3,069	2,083	1,302	680	432
2,881	Internal charges applied	3,090	3,193	3,248	3,278	3,260	3,321	3,406	3,457	3,602	3,633
-	Other operating funding applications	-	-	-	-	-	-	-	-	-	-
20,430	**Total applications of operating funding**	**22,475**	**22,438**	**21,858**	**21,682**	**21,331**	**20,447**	**19,850**	**19,432**	**19,264**	**19,352**
1,918	**Surplus/(deficit) of operating funding**	**5**	**4,102**	**8,185**	**10,264**	**18,323**	**18,323**	**11,342**	**12,444**	**5,487**	**5,147**
	Sources of capital funding										
-	Subsidies & grants for capital expenditure	-	-	-	-	-	-	-	-	-	-
-	Development & financial contributions	-	-	-	-	-	-	-	-	-	-
(9,913)	Increase/(decrease) in debt	(5,789)	(13,947)	(11,949)	(16,952)	(21,955)	(30,958)	(14,962)	(16,265)	(8,603)	(1,338)
3,142	Gross proceeds from sale of assets	-	1,481	-	(1,561)	6,999	8,660	-	3,517	-	17,872
-	Lump sum contributions	-	-	-	-	-	-	-	-	-	-
-	Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
(6,771)	**Total sources of capital funding**	**(5,789)**	**(12,466)**	**(11,949)**	**(18,513)**	**(14,956)**	**(22,298)**	**(14,962)**	**(12,748)**	**(8,603)**	**16,534**
	Applications of capital funding										
	Capital expenditure										
279	- to meet additional demand	85	18	19	-	-	-	-	170	636	4,835
12	- to replace existing assets	217	64	65	66	68	69	71	672	813	1,875
620	- to improve the level of service	161	35	36	-	-	-	-	575	489	498
(5,765)	Increase/(decrease) in reserves	(6,246)	(8,480)	(3,884)	(8,316)	3,299	(4,044)	(3,690)	(1,721)	(5,055)	14,472
-	Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-
(4,853)	**Total applications of capital funding**	**(5,784)**	**(8,363)**	**(3,765)**	**(8,249)**	**3,367**	**(3,974)**	**(3,619)**	**(304)**	**(3,116)**	**21,681**
(1,918)	**Surplus/(deficit) of capital funding**	**(5)**	**(4,102)**	**(8,185)**	**(10,264)**	**(18,323)**	**(18,323)**	**(11,342)**	**(12,444)**	**(5,487)**	**(5,147)**
-	**Funding balance**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Economy capital works

SUM OF CAPITAL WORKS (000's)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Economy capital works	**462**	**117**	**119**	**66**	**68**	**69**	**71**	**1,417**	**1,938**	**7,208**
Arrowtown	**16**	**16**	**16**	**17**	**17**	**17**	**18**	**18**	**18**	**19**
Arrowtown Campground Minor Capex	16	16	16	17	17	17	18	18	18	19
District Wide	**400**	**53**	**54**	**-**	**-**	**-**	**-**	**1,345**	**1,223**	**1,246**
EV Charging Stations	245	53	54	-	-	-	-	146	-	-
Campground Building Compliance	155	-	-	-	-	-	-	-	-	-
Campground Upgrades	-	-	-	-	-	-	-	1,200	1,223	1,246
Queenstown	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**642**	**5,888**
Lynch Block Cabin Removal & Site Works	-	-	-	-	-	-	-	-	642	5,888
Wānaka	31	32	33	33	34	35	35	36	37	37
Wānaka Campground Minor Capex	16	16	16	17	17	17	18	18	18	19
Glendhu Bay Campground Minor Capex	16	16	16	17	17	17	18	18	18	19
Whakatipu	**16**	**16**	**16**	**17**	**17**	**17**	**18**	**18**	**18**	**19**
Queenstown Campground Minor Capex	16	16	16	17	17	17	18	18	18	19

Regulatory functions and services

Kā mahi me kā ratoka ā-waiture

Regulatory, enforcement and building services

THIS ACTIVITY SUPPORTS DELIVERY OF THE FOLLOWING COMMUNITY OUTCOMES:

- Thriving people | Whakapuāwai Hapori
- Deafening dawn chorus | Waraki
- Pride in sharing our places | Kia noho tahi tātou katoa

WHAT WE DO

The Council is responsible for **the building consenting and compliance process**, providing efficient and cost-effective processing of building applications and considering their environmental impact.

Council staff and external contractors process approximately 1,600 building consents annually (with a built value of approximately $1B), undertake 18,000 inspections each year, and administer the Building Warrant of Fitness scheme.

We also provide effective and appropriate **enforcement and control** in the following areas:

- Resource consent monitoring in accordance with the Monitoring Prioritisation Strategy
- Freedom camping, undertaking camping patrols seven days a week
- Parking, providing education and enforcement in accordance with the provisions of the Land Transport Act 1998 and the QLDC Traffic and Parking Bylaw 2018
- Alcohol licensing and regular monitoring of licensed premises and events to ensure compliance with the Sale and Supply of Alcohol Act 2012
- Bylaw enforcement and complaint response
- Animal control, responding to complaints of wandering or barking dogs and stock on roads, and providing lost and found services, registration information, patrolling and education programmes
- Noise control, responding to complaints of antisocial behaviour regarding noise, most of which relate to stereo noise and associated people noise
- Litter, including the issuing of infringements under the Litter Act
- Waterways, providing recreational boating facilities and a harbourmaster to enforce water safety bylaws and regulations
- Environmental health in accordance with various legislative requirements for premises such as food businesses, hairdressers, camping grounds and offensive trades.

WHY WE DO IT

The Council is responsible for ensuring buildings are constructed in a safe manner and that all public buildings are safe and sanitary for occupancy. Building work is regulated to ensure the health and safety of people and sustainability and energy efficiency in design and construction methods.

Our enforcement and control activities minimise potential harm to the public, ensuring residents are safe, improving the health of our communities and environments, and protecting the welfare of animals.

WHAT WE HAVE PLANNED

New and reviewed bylaws

> Continuing to review our Navigation Safety Bylaw

> Reviewing our Dog Control Bylaw

> Reviewing our Traffic and Parking Bylaw

> Introducing a new Waste Minimisation and Management Bylaw.

Building services

> Continuing to consistently improve the time it takes to process building consents

> Consistently completing building inspections within five days

> Consistently processing building consents within 15 days

> Increasing engagement and communication with the building industry and community to share information and guidance for best practice design principles

> Ensuring consistency in decision-making on requests for information

> Continuing to build our in-house staff resources and reduce our reliance on external contractors

> Continue to undertake training and professional development to familiarise staff with the upcoming changes to the MBIE Building for Climate Change Programme.

Effects on the community

We strive to ensure that we operate in a way that provides the most positive outcomes for our communities, but it is important we acknowledge that complex challenges require difficult decisions and sometimes there is a trade-off. This table summarises significant potential negative effects and what we are doing in response.

ACTIVITY	SIGNIFICANT POTENTIAL NEGATIVE EFFECTS	OUR RESPONSE
Regulatory functions and services	Barking and roaming dogs, and dog attacks on people and other animals.	Using owner education initiatives, proactive patrolling and implementing both the Dog Control Act and our Dog Control Bylaw 2020.
	Alcohol licence decisions, delivery of information about the Alcohol Legislation and management of licenced operators can have a significant effect on alcohol-related harm.	Ensuring relevant staff are appropriately qualified, resourced, trained and have adequate access to relevant information. Ensuing the team operates in a proactive, educational manner.
	Registration and Verification of food businesses, delivery of information about the Food Act and associated legislation can have a significant effect on public health.	Ensuring relevant staff are appropriately qualified, resourced, trained and have adequate access to relevant information. Ensuing the team operates in a proactive, educational manner.
	Building consent decisions and the delivery of information about the Building Act can have a significant effect on the social, cultural, economic and environmental wellbeing of the community.	Ensuring staff have adequate access to all relevant information and are appropriately trained and qualified to make robust decisions.
	Resourcing constraints may result in consents not being issued within statutory timeframes. This can have a negative effect on businesses and ratepayers.	Compensating for a shortfall in processing capacity by utilising external contractors to assist with high workloads. There are, however, times when lack of contractor and staff resources result in timeframes not being met.

Measuring our performance

We use the following measures to determine our success against the level of service we aim to provide for the community.

ACTIVITY	LEVEL OF SERVICE	KEY PERFORMANCE INDICATOR (KPI)	2022-2023 RESULT	TARGETS			
				YEAR 1	YEAR 2	YEAR 3	YEARS 4-10
Regulatory and enforcement	Our Council provides effective and appropriate enforcement and control of activities to minimise the potential harm to the public.	Resource consents listed as 'priority' in the Monitoring Strategy are proactively monitored	100%	100%	100%	100%	100%
		Every food business that is due an audit is audited within the statutory timeframes (according to the Food Act 2014)	82%	100%	100%	100%	100%
Building services	Our Council provides efficient and cost effective processing of building applications that are considered for environmental impact.	Percentage of building consents processed within statutory timeframes	97%	100%	100%	100%	100%

What do our regulatory functions and services cost and how are they paid for?

FUNDING IMPACT STATEMENT BY ACTIVITY GROUP ($'000)

ANNUAL PLAN 2023/24	REGULATORY FUNCTIONS & SERVICES	LONG TERM PLAN									
		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Sources of operating funding										
-	General rates, uniform annual general charge, rates penalties	-	-	-	-	-	-	-	-	-	-
4,503	Targeted rates	2,551	3,717	3,759	3,610	3,526	3,475	3,529	3,611	3,774	3,905
-	Subsidies & grants for operating expenditure	-	-	-	-	-	-	-	-	-	-
9,596	Fees & charges	11,263	10,746	11,054	11,438	11,761	12,075	12,379	12,690	13,006	13,312
-	Interest and dividends from investments	-	-	-	-	-	-	-	-	-	-
3,300	Fuel tax, fines, infringement fees & other receipts	4,098	4,344	4,719	5,097	5,304	5,503	5,699	5,898	6,099	6,296
17,399	**Total sources of operating funding**	**17,912**	**18,807**	**19,533**	**20,146**	**20,590**	**21,053**	**21,607**	**22,199**	**22,880**	**23,513**
	Applications of operating funding										
11,956	Payments to staff and suppliers	12,022	12,593	12,972	13,340	13,682	14,006	14,314	14,628	14,946	15,243
9	Borrowing Costs	12	14	16	32	49	49	52	51	48	48
5,666	Internal charges applied	6,089	6,249	6,447	6,499	6,463	6,562	6,709	6,794	7,045	7,099
-	Other operating funding applications	-	-	-	-	-	-	-	-	-	-
17,631	**Total applications of operating funding**	**18,122**	**18,856**	**19,435**	**19,871**	**20,194**	**20,617**	**21,075**	**21,473**	**22,038**	**22,391**
(232)	**Surplus/(deficit) of operating funding**	**(210)**	**(48)**	**98**	**275**	**396**	**436**	**532**	**726**	**842**	**1,122**
	Sources of capital funding										
-	Subsidies & grants for capital expenditure	-	-	-	-	-	-	-	-	-	-
-	Development & financial contributions	-	-	-	-	-	-	-	-	-	-
74	Increase/(decrease) in debt	62	73	(5)	720	(50)	18	31	(83)	(50)	47
-	Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
-	Lump sum contributions	-	-	-	-	-	-	-	-	-	-
-	Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
74	**Total sources of capital funding**	**62**	**73**	**(5)**	**720**	**(50)**	**18**	**31**	**(83)**	**(50)**	**47**
	Applications of capital funding										
	Capital expenditure										
260	- to meet additional demand	6	-	-	-	-	-	-	-	-	-
493	- to replace existing assets	17	49	25	1	3	13	-	10	4	26
557	- to improve the level of service	66	48	-	724	30	22	35	54	-	67
(1,470)	Increase/(decrease) in reserves	(237)	(73)	69	269	312	419	527	579	788	1,076
-	Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-
(159)	**Total applications of capital funding**	**(148)**	**24**	**94**	**995**	**345**	**454**	**563**	**643**	**792**	**1,169**
232	**Surplus/(deficit) of capital funding**	**210**	**48**	**(98)**	**(275)**	**(396)**	**(436)**	**(532)**	**(726)**	**(842)**	**(1,122)**
-	**Funding balance**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Regulatory functions and services capital works

SUM OF CAPITAL WORKS (000's)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Regulatory functions and services capital works	**90**	**98**	**25**	**725**	**33**	**35**	**35**	**64**	**4**	**93**
District Wide	**31**	**48**	**-**	**60**	**30**	**22**	**35**	**54**	**-**	**67**
Health and Safety Body Cameras – QLDC	-	21	-	21	-	22	-	23	-	24
Handheld Devices – Parking, Freedom Camping	31	28	-	33	30	-	35	31	-	37
Drone Monitoring and Enforcement	-	-	-	5	-	-	-	-	-	6
Queenstown	**41**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Gorge Road Car Pound Renewals	41	-	-	-	-	-	-	-	-	-
Te Kirikiri Frankton	**7**	**-**	**14**	**665**	**1**	**1**	**-**	**-**	**-**	**13**
New Queenstown dog pound	-	-	-	664	-	-	-	-	-	-
Queenstown Dog Pound Renewals	7	-	14	1	1	1	-	-	-	13
Wānaka	**10**	**49**	**11**	**-**	**2**	**12**	**-**	**10**	**4**	**13**
Wānaka Dog Pound Renewals	-	49	11	-	2	12	-	10	4	13
Wānaka Car Pound Renewals	10	-	-	-	-	-	-	-	-	-

Local democracy

Manapori ā-rohe

Local democracy

THIS ACTIVITY SUPPORTS DELIVERY OF THE FOLLOWING COMMUNITY OUTCOMES:

Thriving people | Whakapuāwai Hapori

Disaster-defying resilience | He Hapori Aumangea

WHAT WE DO

The local democracy set of activities covers governance and local representation, decision-making and emergency management. Community engagement to support decision-making is covered in the communication and customer services activity on page 115.

With support from committees and Council officers, the Mayor and Councillors set our strategic priorities and direction, make informed decisions and monitor the delivery of our services and commitments. Local democracy also includes the election of, and support for, the Wānaka-Upper Clutha Community Board which has delegated authority under the Local Government Act (LGA) and other legislation.

Meetings follow legal requirements and approved procedures (standing orders), and agendas and minutes are publicly available through the council's website. All meetings and workshops are open to the public and formal meetings provide for a period of public forum or deputation where Councillors can be addressed.

Our staff are responsible for ensuring Council meets its obligations and responsibilities under more than 60 different Acts and many regulations – including pending and actual changes to legislation.

Council shares timely and accurate information with the public and creates meaningful opportunities for community input and involvement in our decision-making processes. We also provide access to the public information held by council, in compliance with the Privacy Act 2020 and the Local Government Official Information and Meetings Act 1987.

Elections and elected representatives

Council used the First Past the Post (FPTP) electoral system for the 2021 triennial election.

Following a Representation Review completed in 2021, the Queenstown Lakes District Council is made up of one Mayor and 11 Councillors. The district is divided into three wards: Arrowtown-Kawarau, Queenstown-Whakatipu and Wānaka-Upper Clutha. There is also one community board which is the Wānaka-Upper Clutha Community Board which is made up of four elected members and three appointed Councillors.

Committees

Council reviews its committee and decision-making structure after each triennial election. In November 2022, the Council resolved to retain standing committees at four and meet on a six-weekly basis (noting the Audit, Finance and Risk Committee and Infrastructure Committee meet quarterly).

The Council has established the following committees to oversee specific activities:

- Audit, Finance and Risk
- Planning and Strategy
- Infrastructure
- Community and Services
- Governance
- Chief Executive Performance Review
- District Licensing.

Whilst not part of the formal committee structure, Council holds a strong and valued partnership with iwi, particularly through the Grow Well Whaiora Partnership and strong working relationships with Otago and Southern Rūnaka via Aukaha and Te Ao Marama who support a number of working groups.

Emergency management

We lead civil defence emergency management for the district and work with our partners to undertake resilience planning across a wide range of agencies, sectors, local organisations and community response groups. We respond proactively to hazards and keep the community aware of risks and the importance of being prepared. We work at a regional level with Emergency Management Otago and when required, stand up our local Emergency Operations Centre which is run by trained council employees.

WHY WE DO IT

Council's role is to lead and represent the Queenstown Lakes' communities and to be accountable for making transparent and informed decisions.

It is both a commitment and a requirement that we engage with our diverse communities and encourage public input in decision-making, with specific requirements for Māori involvement. This enables democratic local decision-making.

Council strives to continuously improve the district, respond to community needs and aspirations, and comply with government legislation, while maintaining affordable services and delivering infrastructure and facilities that reflect our growing population.

WHAT WE HAVE PLANNED

Elections

> Facilitating the local body elections in 2025, including delivering the pre-election report and increasing participation for voters and candidates

> Completing a Representation Review under the Local Electoral Act 2001 for both Council and Community Board representation within 2025-2026, to be applicable from the 2028 local body election.

Emergency Management

> Supporting the development of Community Response Groups and emergency preparedness to improve the resilience of local communities

> Collaboratively developing response plans with Civil Defence Emergency Management partners and sector groups to help ensure readiness for emergencies

> Developing Emergency Operations Centre (EOC) capacity and capability through a commitment to staff training, resourcing and development

> Continuing our investment in communications, infrastructure and information management systems to support an optimised emergency response

> Continuing to engage with the Local, Regional and National Lifelines Utilities Group to support integrated planning and interoperability between agencies

> Embedding a strategic, resilience approach to recovery planning that takes account of risks, recognises long-term priorities and opportunities to build back better, and ensures the needs of the affected are at the centre of the recovery processes.

Effects on the community

We strive to ensure that we operate in a way that provides the most positive outcomes for our communities, but it is important we acknowledge that complex challenges require difficult decisions and sometimes there is a trade-off. This table summarises significant potential negative effects and what we are doing in response.

ACTIVITY	SIGNIFICANT POTENTIAL NEGATIVE EFFECTS	OUR RESPONSE
Local democracy	Low-level community participation in local democratic and governance processes has negative effects, because democracy is a core principle of local government.	Tailoring, communicating and sizing engagement and consultation in ways that are appropriate for the matter under consideration and its significance. Ensuring we have the right conversations with the right people about the right issues (in alignment with our Significance and Engagement Policy), and do not take a 'blanket' approach that disengages the community.
	Some decisions made for the benefit of the wider community may not align with the wishes of – and/or may potentially negatively affect the wellbeing of – some individuals and groups within the community.	Seeking to ensure council adequately weighs up the demands of the different interest groups and makes decisions that will be in the best interests of the community as a whole. Continuing to follow the guidance provided by the Local Government Act 2002 on conducting transparent consultation. Engaging and consulting with affected groups and individuals where possible, in accordance with the Significance and Engagement Policy.
	Being poorly prepared for an effective emergency response.	Continuing to invest in training and development for staff, as an active member of the Otago Civil Defence Emergency Management Group. Maintaining an effective and coordinated response capability within our district.
	Low community resilience.	Promoting community empowerment and engagement through the provision of information, resources, plans and training so our communities can clearly understand what they need to do before, during and after emergencies. Elevating levels of engagement around the principles of self-reliance and looking after one another in times of need and increasing the level of community resilience to respond to and recover from a disruptive event.

Measuring our performance

We use the following measures (Key Performance Indicators) to determine our success against the level of service we aim to provide for the community.

ACTIVITY	LEVEL OF SERVICE	KEY PERFORMANCE INDICATOR (KPI)	2022-2023 RESULT	TARGETS			
				YEAR 1	YEAR 2	YEAR 3	YEARS 4-10
Local democracy	Our Council engages with the community appropriately and effectively.	Percentage of residents who are satisfied with the information they receive from Council	40%	60%	65%	70%	70%
		Percentage of residents who are satisfied with the opportunities to have to their say	32%	60%	65%	70%	70%
	Our processes ensure Council makes good decisions.	Percentage of residents who interact with customer services were satisfied with their overall experience	New measure	80%	80%	80%	80%
		Percentage of Local Government Official Information and Meetings Act 1987 (LGOIMA) requests responded to within 20 days	97%	100%	100%	100%	100%
	Our Council proactively partners with iwi.	Mana Whenua feel engaged with QLDC as per the agreed work programme (Aukaha and Te Ao Marama representatives)	N/A	Achieved	Achieved	Achieved	Achieved
	Our Council works to build resilience and responds effectively to shocks and stresses in the district.	Percentage of QLDC staff (that are part of the emergency response structure) who have participated in a response or training throughout the year	100%	100%	100%	100%	100%
		Percentage of residents who consider themselves resilient and prepared in the event of an emergency	44%	60%	60%	60%	60%

What does our local democracy cost and how is it paid for?

FUNDING IMPACT STATEMENT BY ACTIVITY GROUP ($'000)

ANNUAL PLAN 2023/24	LOCAL DEMOCRACY	LONG TERM PLAN									
		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Sources of operating funding										
1,454	General rates, uniform annual general charge, rates penalties	1,530	1,696	1,847	1,787	1,824	1,974	1,904	1,955	2,130	2,069
8,429	Targeted rates	9,664	10,498	10,451	10,455	10,114	10,497	10,461	10,783	11,249	11,333
-	Subsidies & grants for operating expenditure	-	-	-	-	-	-	-	-	-	-
34	Fees & charges	35	37	38	40	42	44	45	47	48	50
7,423	Interest and dividends from investments	10,737	12,509	12,752	9,207	9,400	9,588	9,771	9,956	10,145	10,328
4	Fuel tax, fines, infringement fees & other receipts	5	5	5	5	5	5	5	5	5	5
17,344	**Total sources of operating funding**	**21,971**	**24,745**	**25,093**	**21,494**	**21,385**	**22,108**	**22,186**	**22,745**	**23,578**	**23,785**
	Applications of operating funding										
7,715	Payments to staff and suppliers	6,851	7,589	7,493	7,252	6,871	7,352	7,100	7,244	7,621	7,356
-	Borrowing Costs	-	-	-	-	-	-	-	-	-	-
4,303	Internal charges applied	4,557	4,689	4,769	4,808	4,786	4,880	5,009	5,087	5,309	5,355
-	Other operating funding applications	-	-	-	-	-	-	-	-	-	-
12,018	**Total applications of operating funding**	**11,407**	**12,278**	**12,262**	**12,061**	**11,657**	**12,231**	**12,109**	**12,331**	**12,930**	**12,712**
5,326	**Surplus/(deficit) of operating funding**	**10,564**	**12,467**	**12,831**	**9,433**	**9,728**	**9,877**	**10,077**	**10,414**	**10,648**	**11,073**
	Sources of capital funding										
-	Subsidies & grants for capital expenditure	-	-	-	-	-	-	-	-	-	-
-	Development & financial contributions	-	-	-	-	-	-	-	-	-	-
-	Increase/(decrease) in debt	-	-	-	-	-	-	-	-	-	-
-	Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
-	Lump sum contributions	-	-	-	-	-	-	-	-	-	-
-	Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
-	**Total sources of capital funding**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Applications of capital funding										
	Capital expenditure										
-	- to meet additional demand	-	-	-	-	-	-	-	-	-	-
-	- to replace existing assets	-	-	-	-	-	-	-	-	-	-
-	- to improve the level of service	-	-	-	-	-	-	-	-	-	-
5,326	Increase/(decrease) in reserves	10,564	12,467	12,831	9,433	9,728	9,877	10,077	10,414	10,648	11,073
-	Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-
5,326	**Total applications of capital funding**	**10,564**	**12,467**	**12,831**	**9,433**	**9,728**	**9,877**	**10,077**	**10,414**	**10,648**	**11,073**
(5,326)	**Surplus/(deficit) of capital funding**	**(10,564)**	**(12,467)**	**(12,831)**	**(9,433)**	**(9,728)**	**(9,877)**	**(10,077)**	**(10,414)**	**(10,648)**	**(11,073)**
-	**Funding balance**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Finance and support services

Rātoka ahumoni

Finance and support services

THIS ACTIVITY SUPPORTS DELIVERY OF THE FOLLOWING COMMUNITY OUTCOMES:

- Thriving people | Whakapuāwai Hapori
- Living Te Ao Māori | Whakatinana i te ao Māori
- Opportunities for all | He ōhaka taurikura
- Deafening dawn chorus | Waraki
- Disaster-defying resilience | He Hapori Aumangea

WHAT WE DO

Strategic policy

This activity delivers proactive, evidence-led strategy and policy advice that is grounded in Te Tiriti and seeks to achieve alignment and efficiency with key partners. This function focuses on advancing the four aspects of wellbeing (environmental, cultural, social, and economic), as well as sustainability, resilience, and the role of Te Ao Māori.

Communications and customer services

The communications and engagement activity provides timely and accurate information and creates meaningful opportunities for community input and involvement in Council's decision-making processes.

We use a wide range of ways to communicate with our communities including traditional channels like Let's Talk Kōrero Mai, radio, letter drops and news media, or using our online channels such as the website, Let's Talk engagement platform and social media accounts. We promote community events and services such as sport and recreation programmes and facilities, parks, playgrounds, venues and libraries, and provide information to the public about projects and changes that affect them.

Our community and stakeholder engagement programmes and statutory consultation processes inform Council decision-making and support the development of key initiatives such as the Queenstown Lakes Spatial Plan, strategy development and master planning. This involves developing targeted and tailored plans and materials to engage with the community, monitoring media and technology trends like online services and social media, and making it easier for our residents and customers to do business with us or participate in our processes. Council's commitment is to deliver best practice community and stakeholder engagement, delivering to high industry standard sectors as a minimum.

Our Customer Services team is the first point of contact for most community interaction with Council, providing support 24 hours a day, seven days a week. We provide face-to-face contact during office hours at our Gorge Road, Shotover Street and Ardmore Street premises.

Knowledge management

The Knowledge Management team manages our Information and Communication Technology (ICT) infrastructure and delivers IT and business application support. It also provides spatial services, data and business analysis, and information and records management.

We think and plan strategically about current requirements and the future development of our digital systems by:

- gaining efficiencies through automation and process improvement
- improving service and customer experience
- looking for opportunities to reduce costs and maximise value for money
- supporting data-driven decision-making through better access and understanding of business intelligence systems
- exception reporting, error checking and data cleansing to avoid potential future issues
- delivering targeted technology advice, partnering and training.

Organisation performance

It is important to ensure Council meets its statutory planning obligations using robust business planning, processes and reporting.

We do this by developing statutory plans and reports, including Long Term Plans and Annual Plans, and keep the community and other stakeholders informed about Council performance through our Quarterly and Monthly Performance Reports and Annual Reports.

We implement process improvement initiatives across Council and provide our teams with guidance and direction on process management to enhance and improve business effectiveness and efficiency.

People and capability

To deliver our organisational objectives and responsibilities, Council needs the right people with the right skills and attitudes, in the right places at the right times.

The people and capability function focuses on:

- attraction, recruitment and selection of staff
- our organisational culture and employee engagement
- learning, skills and capability development and organisational performance
- leadership development
- employment relations
- systems, policies and processes
- health, safety and wellbeing.

Procurement and risk

We procure a broad variety of goods, services and works from external parties to deliver a range of outcomes on behalf of our communities.

Our procurement activity is decentralised but operates under a pan-organisational Procurement Policy, following clear procurement guidelines and utilising a growing set of tools and templates.

In 2022, we created a specific Risk and Compliance team to support increased risk and compliance management maturity. This team is also responsible for ‘third line’ assurance by way of internal audit.

Finance

Our Finance team works right across the organisation providing financial services, expertise and tools to support informed decisions. It ensures the finance function is structured in a way that provides flexibility to meet future demands and pressures, ensuring the organisation maintains a consistent culture of financial literacy and fiscal responsibility.

The team oversees the management QLDC financial risk, ensuring regulatory and statutory obligations are met.

Resilience and climate action

Council demonstrates ambitious resilience, climate and biodiversity leadership on behalf of the Queenstown Lakes community, by:

- advocating for the district on resilience, climate and biodiversity issues
- providing resilience, climate and biodiversity advice to our staff and elected members
- delivering a broad range of actions from the Climate and Biodiversity Plan 2022-2025
- working with external agencies to build capacity and emergency preparedness in our communities
- supporting communities to develop resilience and adapt to climate change.

On 27 June 2019, Council declared a climate and ecological emergency and approved the release of our first Climate Action Plan 2019-2022 for public feedback. This plan provided a starting point and robust foundation for our district-wide response to climate change.

The current Climate and Biodiversity Plan 2022-2025 (CBP) recognises the need to address both the climate and ecological emergencies together, and to enable change across Council, our transport network, built environment, communities, business sector and natural environment. It is one of Council's core strategies, influencing across multiple work streams, programmes and plans.

The CBP was co-designed with the Climate Reference Group, an independent advisory group including representatives of Kāi Tahu, community leaders, and climate and biodiversity experts. The CBP contains over 70 actions, ranging from embedding climate action in Council decision-making to building food resilience and many areas in between.

In the context of a changing climate, it's also important that our organisation, our infrastructure and our communities are highly resilient. Council's resilience programme focusses on areas of high natural hazard risk — such as flooding and wildfire— and is delivered through a multi-agency, community centric approach to ensure that our partner organisations and our communities are ready and prepared for any future shocks and stresses.

WHY WE DO IT

Strategic policy

Strategic policy helps the Council and community to work together to realise Vision Beyond 2050. It seeks to ensure that QLDC takes a strategic approach to delivering great outcomes for the community. It helps to provide clear direction for the organisation, useful frameworks for assessing activities and balanced advice for decision-makers.

Communications and customer services

Timely, accurate and targeted information keeps locals and visitors informed about the vast range of activities, services and works the Council provides, and supports our communities to engage with us.

It also ensures the public is aware of upcoming Council plans, decisions and initiatives so our communities can have a say in shaping the district's future.

Dedicated and professional customer services quickly connect people with the service or support they need from us and help meet a diverse range of needs – anything from a leaking pipe in the road or a barking dog, to when recycling will be collected or the opening hours for the local library.

Knowledge management

The council's ability to deliver can be directly linked to the maturity and effectiveness of our digital platforms. Our goal is to keep pace with the evolving needs of our community and to be a benchmark of best practice for other territorial authorities nationwide.

We support residents, visitors, businesses, partners, central government and council staff by:

- protecting critical systems and data used to deliver QLDC business outcomes
- managing technology risk
- developing robust, future-proof systems
- delivering transformational technology projects.

Organisation performance

Our planning and reporting obligations under the Local Government Act (LGA) require we meet statutory deadlines and complete external audit activities in accordance with the legislation.

Regular reporting provides community assurance that we are delivering on our plans in line with the LGA and with the commitments made in our planning documents.

We are committed to building our capability for continuous improvement across Council. Sound business processes help us deliver consistent services to the community and drive effective and efficient process management across all our functions.

People and capability

We ensure sufficient resourcing capacity and capability to deliver our workforce strategy, maintain expected levels of service and deliver agreed capital projects included in Long Term and Annual Plans.

Our continued investment in Council's learning and professional development programme grows capacity and capability across the organisation.

Procurement and risk

One of our purposes is to promote the social, economic, environmental and cultural wellbeing of communities in the present and for the future.

Our procurement policy and associated framework support this by optimising value for ratepayers through efficient and effective procurement and commercial thinking, and the development of procurement capability and capacity.

Effective risk management informs business decisions, enabling a more effective use of resources. AS/NZS31000:2009 Risk Management – Principles and Guidelines recommends integrating risk management into an organisation's overall governance, strategy and planning. Recommendations made by the Office of the Auditor-General support having functions with specific responsibility for risk management practices.

Compliance management frameworks support us to meet our legal obligations and external commitments. This particularly important in the ever-changing landscape of local government legislation.

Resilience and climate action

Council's declaration of a climate and ecological emergency recognised the need for urgent integrated action in the Queenstown Lakes district to reduce greenhouse gas emissions, prepare communities to adapt to a changing climate, and protect and restore indigenous ecosystems.

We have a responsibility to advocate for our communities and our local environment, to support the development of thriving and resilient communities, and to work closely with local organisations and communities to deliver climate and biodiversity actions.

Our work is guided by the CBP, which is informed by national and regional strategies, policies and plans. It also integrates with other council plans such as the Spatial Plan, Waste Minimisation and Management Plan, Destination Management Plan and Economic Diversification Plan.

Council works closely with Emergency Management Otago and local Community Response Groups to build capacity, provide education and training, increase connectivity, and empower communities to prepare and respond to extreme weather and other emergency events such as earthquakes.

WHAT WE HAVE PLANNED

Strategic policy

The work of this team is defined by key plans that have been developed collaboratively and will be implemented by cross-organisational teams. All these activities are supported by the sound disciplines of strategy development, policy analysis and partnership management.

Civic Administration Building - Project Connect ($51 million)

> Delivery of a new Civic Administration Building (CAB), which will be subject to a new assessment of options, including sites outside the Queenstown CBD, for the location and ownership of the proposed building.

Communications and customer services

- Incorporating IAP2 principles and a range of appropriately targeted creative tools that align with how communities tell us they want to engage or be informed
- Increasing engagement and diverse, representative community input on shaping the district's future – including on key areas such as the Future Development Strategy, Climate and Biodiversity action, Wānaka Airport infrastructure master planning, and our Annual and future Long Term Plans
- Focusing on under-represented and low engagement communities and demographic groups, to understand and enable effective participation in transparent and accountable local decision-making.

Knowledge management enterprise system

- Advancing a multi-year programme of work to transition all TechnologyOne modules to the latest CiAnywhere version
- Supporting our goals of delivering efficiency gains via automated workflows
- Pulling together all customer interactions across council to deliver services via a single customer portal, placing the customer at the centre of our digital service delivery.

Increasing service levels

- Replacing Links with a state-of-the art recreation support system
- Expanding the Project Management Office software platform
- Providing improved support for digital public submissions
- Electronic planning (ePlan) for managing our District Plan
- Implementing an eLearning platform to support staff onboarding and professional development
- Increasing data storage requirements with time, prioritising the consolidation and digitisation of hardcopy files
- Enabling staff to work productively anywhere.

Intelligence

- Developing our remote sensors (IoT) data warehouse
- Developing a data analytics strategy and platform.

Security and resilience

- Developing QLDC's information security maturity by:
    - implementing a framework for cybersecurity-related controls
    - enabling Cloud authentication to support business continuity in the advent of a local disruption of our data centres
    - delivering cybercrime awareness training
- Continuing to invest in resilient systems to protect valuable data and ensure the council can continue to function during and after any business continuity disruption
- Ensuring valuable physical records are adequately protected and preserved.

Organisation performance

- Continuing to prepare and issue monthly, quarterly and annual reports based on our KPIs, as outlined in this Long Term Plan
- Providing resourcing and support to continue improving business processes.

Procurement

- Implementing a procurement technology roadmap as a high priority deliverable of our Procurement Strategy Implementation project.

Risk management and compliance

- Implementing enhanced system functionality and associated updates to the Risk Management Policy to reflect risk hierarchy and interconnectedness, the 'three lines model' and a review of QLDC's risk appetite
- Implementing an appropriate Compliance Framework and associated Compliance Management Policy
- Implementing an appropriate Assurance Framework and associated Internal Audit/ Assurance Policy and Audit Plan.

Finance

- Increasing efficiency and consistency of services through standardised and simplified processes
- Maintaining and ensuring financial literacy and understanding across QLDC
- Reviewing the Development Contributions Policy
- Considering and implementing opportunities for alternative funding sources (for example the Infrastructure Funding and Financing Act (IFFA)).

Resilience and climate action

The Resilience and Climate Action team will continue to implement the Climate and Biodiversity Plan, working closely with QLDC's Climate Reference Group and a system of key partners.

Research and planning

- Developing successive CBPs with the Climate Reference Group with a focus on accelerating transformation (CBP 2025-2028), embedding change (CBP 2028-2031) and tackling new frontiers (CBP 2031-2034)
- Continuing research into the food resilience challenges and opportunities within the district. This will include the launch of a Food Resilience Network and the development of a roadmap of initiatives and funding opportunities to accelerate and scale up community food system projects

- Planning and building relationships with iwi, civil defence, social services and the health sector, to ensure the welfare of our communities can be effectively supported during emergency events or periods of prolonged stress.

Energy, waste and emissions

- Working with key actors in the energy sector to help tackle the energy challenge in terms of capacity, affordability and decarbonisation objectives
- Implementing key emissions reduction projects outlined in our Emissions Reduction Plan 2023
- Converting the water heating at Alpine Aqualand, Wānaka Recreation Centre and Arrowtown Pools from LPG to cleaner energy sources
- Diverting organic material from landfill by implementing district-wide organics collection for processing.

Climate and biodiversity action

- Working with trusted community partners to accelerate and scale up climate and biodiversity action within the district
- Supporting and enhancing the work of local community organisations through partnered projects, service agreements and grant-funding.

Climate hazards and resilience

- Developing an integrated resilience programme for the district
- Implementing an adaptation framework with regional partners that specifically addresses climate hazards and vulnerabilities
- Continuing investment in the district's Community Response Group network through the provision of training, resources and promotion support
- Delivery of resilience and climate adaptation projects in Glenorchy (flooding), Wānaka (wildfire) and Queenstown Central (wildfire, debris flow) to reduce the risk to our communities from the impacts of climate change
- Assessing the vulnerability of our roading and three waters network to climate change impacts and use this evidence base to guide our infrastructure resilience programme.

Effects on the community

We strive to ensure that we operate in a way that provides the most positive outcomes for our communities, but it is important we acknowledge that complex challenges require difficult decisions and sometimes there is a trade-off. This table summarises significant potential negative effects and what we are doing in response.

ACTIVITY	SIGNIFICANT POTENTIAL NEGATIVE EFFECTS	OUR RESPONSE
Finance and support services	Low community use of council facilities and/ or a lack of awareness of important activities, changes to service or opportunities to participate in decision-making.	Consistently taking a multi-channel approach to our informational, engagement and consultation activities.
		Using a range of communication styles and formats to ensure maximum reach across different sectors of the community.
		Recognising the increasingly diverse spectrum of ways people consume information, and continuing to explore potential new channels as they emerge.
Resilience and Climate Action	Significant disruption to communities that need to adapt to the effects of climate change.	Partnering with Otago Regional Council and other agencies to work with affected communities using the Dynamic Adaptive Policy Pathways (DAPP) approach. This approach empowers communities to develop a series of actions over time as conditions change, before severe disruption or damage occurs. By exploring different pathways early and testing the consequences, the community can design an adaptive plan that includes a mix of short-term actions and long-term options.
	Significant disruption and inequities associated with transition to a low carbon future.	Support proactive just transition planning which looks at opportunities for affordable, inclusive and equitable resilience, climate mitigation and adaptation responses for our district.

Measuring our performance

We use the following measures to determine our success against the level of service we aim to provide for the community.

ACTIVITY	LEVEL OF SERVICE	KEY PERFORMANCE INDICATOR (KPI)	2022-2023 RESULT	TARGETS			
				YEAR 1	YEAR 2	YEAR 3	YEARS 4-10
Customer services	Our organisation is responsive and provides a positive customer experience.	Percentage of complaints that are resolved within 10 working days	97%	>95%	>95%	>95%	>95%
		Percentage of customer calls that meet the service level (answered within 20 seconds)	76%	85%	85%	85%	85%
		Percentage of Councillor enquiries responded to within 5 working days	79%	100%	100%	100%	100%
		Customer satisfaction with a) speed of response and final resolution	73%	75%	80%	80%	80%
		Customer satisfaction with b) clarity of process and timeframes	85%	75%	80%	80%	80%
		Customer satisfaction with c) staff knowledge and professionalism	97%	75%	80%	80%	80%
		Customer satisfaction with d) fairness and consistency	94%	75%	80%	80%	80%

ACTIVITY	LEVEL OF SERVICE	KEY PERFORMANCE INDICATOR (KPI)	2022-2023 RESULT	TARGETS			
				YEAR 1	YEAR 2	YEAR 3	YEARS 4-10
People and capability	Our Council provides a safe working environment.	Reduction in the Total Recordable Injury Frequency Rate	3.95	<8	<8	<8	<8
Finance	Our Council follows a prudent financial strategy that balances the need for affordability, growth and debt servicing.	Weighted average interest rate	4.9%	<6%	<6%	<6%	<6%
		Debt servicing to rates revenue	17.5%	<30%	<30%	<30%	<30%
		Percentage of debt owing 90 days and over (not including rates)	12.3%	<30%	<30%	<30%	<30%
		Renewals CAPEX to depreciation ratio	0.883	>1	>1	>1	>1
		Rates per rating unit	$3,454	$4,500 (excl GST)	$5,100 (excl GST)	$5,600 (excl GST)	$8,300 (excl GST)
		Net debt per rating unit	$17,383	$18,700 (excl GST)	$19,300 (excl GST)	$20,100 (excl GST)	$27,900 (excl GST)

ACTIVITY	LEVEL OF SERVICE	KEY PERFORMANCE INDICATOR (KPI)	2022-2023 RESULT	TARGETS			
				YEAR 1	YEAR 2	YEAR 3	YEARS 4-10
Resilience and climate action	Our Council supports the reduction of emissions across the district.	Percentage of residents who are satisfied with the steps Council is taking to prepare for and adapt to the effects of climate change	22%	Year-on-year improvement	Year-on-year improvement	Year-on-year improvement	Year-on-year improvement
		Percentage of residents who are satisfied with the steps Council is taking to reduce the district's greenhouse gas emissions	13%	Year-on-year improvement	Year-on-year improvement	Year-on-year improvement	Year-on-year improvement
		Percentage of residents who are satisfied with the steps council is taking to help protect and restore the district's biodiversity	New Measure	Year-on-year improvement	Year-on-year improvement	Year-on-year improvement	Year-on-year improvement
		Achieve annual carbon reduction certification through independent third-party audit	New Measure	Achieve	Achieve	Achieve	Achieve
		Percentage of QLDC actions delivered to target as per the Implementation Plan of the Climate and Biodiversity Plan.	New Measure	90%	90%	90%	90%

What do our finance and support services cost and how are they paid for?

FUNDING IMPACT STATEMENT BY ACTIVITY GROUP ($'000)

ANNUAL PLAN 2023/24	FINANCE AND SUPPORT SERVICES	LONG TERM PLAN									
		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Sources of Operating Funding										
623	General rates, uniform annual general charge, rates penalties	736	847	850	794	757	762	790	815	824	812
(1,141)	Targeted rates	(1,733)	(1,971)	(1,639)	(2,815)	(2,358)	1,628	2,523	2,568	4,058	3,509
-	Subsidies & grants for operating expenditure	-	-	-	-	-	-	-	-	-	-
267	Fees & charges	349	357	363	370	376	382	389	395	401	407
700	Interest and dividends from investments	700	700	700	700	700	700	700	700	700	700
51,608	Internal Charges Recovered	58,970	61,300	62,689	63,432	62,990	64,221	66,060	67,128	70,271	70,905
65	Fuel tax, fines, infringement fees & other receipts	67	69	71	72	74	75	76	78	79	81
52,122	**Total Sources of Operating Funding**	**59,090**	**61,302**	**63,033**	**62,553**	**62,539**	**67,768**	**70,538**	**71,684**	**76,333**	**76,414**
	Applications of Operating Funding										
29,473	Payments to staff and suppliers	33,375	35,876	37,187	37,935	38,685	39,389	40,122	40,793	41,554	42,211
291	Borrowing Costs	305	320	343	373	269	122	337	1,222	1,902	1,715
21,435	Internal Charges Applied	23,858	24,574	25,175	25,461	25,317	25,973	26,880	27,427	28,986	29,315
-	Other operating funding applications	-	-	-	-	-	-	-	-	-	-
51,199	**Total Applications of Operating Funding**	**57,538**	**60,770**	**62,704**	**63,768**	**64,270**	**65,484**	**67,340**	**69,442**	**72,441**	**73,241**
923	**Surplus/(Deficit) of Operating Funding**	**1,551**	**532**	**329**	**(1,216)**	**(1,731)**	**2,285**	**3,198**	**2,242**	**3,892**	**3,173**
	Sources of Capital Funding										
-	Subsidies & grants for capital expenditure	-	-	-	-	-	-	-	-	-	-
-	Development & financial contributions	-	-	-	-	-	-	-	-	-	-
17,541	Increase/(decrease) in debt	18,913	(7,225)	(12,104)	(12,566)	(23,602)	(18,129)	(12,864)	7,147	(20,069)	(30,625)
-	Gross proceeds from sale of assets	-	-	-	-	-	-	4,047	-	-	3,182
-	Lump sum contributions	-	-	-	-	-	-	-	-	-	-
-	Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
17,541	**Total Sources of Capital Funding**	**18,913**	**(7,225)**	**(12,104)**	**(12,566)**	**(23,602)**	**(18,129)**	**(8,817)**	**7,147**	**(20,069)**	**(27,443)**
	Applications of Capital Funding										
	Capital Expenditure										
214	- to meet additional demand	562	110	73	29	21	52	9	1,815	70	18
674	- to replace existing assets	1,953	1,779	2,305	1,405	1,577	1,607	1,511	5,072	1,342	1,643
975	- to improve the level of service	9,174	804	817	256	3,641	5,107	18,180	30,304	7,684	366
16,600	Increase/(decrease) in reserves	8,775	(9,386)	(14,970)	(15,473)	(30,573)	(22,611)	(25,319)	(27,802)	(25,274)	(26,296)
-	Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-
18,464	**Total Applications of Capital Funding**	**20,465**	**(6,693)**	**(11,775)**	**(13,782)**	**(25,333)**	**(15,845)**	**(5,619)**	**9,389**	**(16,177)**	**(24,270)**
(923)	**Surplus/(Deficit) of Capital Funding**	**(1,551)**	**(532)**	**(329)**	**1,216**	**1,731**	**(2,285)**	**(3,198)**	**(2,242)**	**(3,892)**	**(3,173)**
-	**Funding Balance**	**-**	**(0)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Finance and support services capital works

SUM OF CAPITAL WORKS (000's)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Finance and support services capital works	**11,690**	**2,693**	**3,194**	**1,691**	**5,239**	**6,767**	**19,700**	**37,191**	**9,097**	**2,026**
District Wide	**10,516**	**2,276**	**2,290**	**1,358**	**2,416**	**1,743**	**1,111**	**7,740**	**1,122**	**1,405**
QLDC Office FF&E Renewals	155	159	163	166	170	173	177	180	183	187
Seismic Strengthening & Minor Improvements	-	-	434	-	-	-	-	-	-	-
Emergency Operations Centre	-	-	-	-	1,018	-	-	-	-	-
Solar Energy Conversion	-	-	-	-	-	-	-	6,000	-	-
ICT Projects	475	267	267	450	186	491	170	521	177	180
ICT Hardware & Software	110	113	115	118	120	123	125	127	130	132
Network	50	36	215	91	93	134	216	98	100	102
Mobile Computing	45	123	47	48	131	50	51	139	40	41
Library PC's, Scanners, faxes - Library systems	204	440	280	132	261	429	144	183	158	492
Business Continuity	62	64	65	54	-	-	-	-	-	-
GIS software and projects	100	128	105	112	55	84	57	87	59	90
Website Development	-	205	-	-	219	-	-	232	-	-
Enterprise System	975	528	492	187	164	167	170	174	177	180
Infrastructure Resilience Strategy (IN)	52	212	108	-	-	92	-	-	98	-
Compliance Response - UV Treatment (WS)	8,288	-	-	-	-	-	-	-	-	-
Glenorchy	**52**	**159**	**325**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Head of the Lake Adaptation (IN)	52	159	325	-	-	-	-	-	-	-

SUM OF CAPITAL WORKS (000's)	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Queenstown	**87**	**230**	**554**	**323**	**2,792**	**4,953**	**18,588**	**29,328**	**7,859**	**521**
Civic Building	52	118	289	24	338	62	515	431	93	183
Queenstown Gardens Depot	2	3	12	2	44	9	1	1	49	5
Malaghan Historic Building/CAB	21	21	22	22	23	23	24	24	24	25
Church Street Office Renewals	6	60	181	130	17	50	29	20	131	136
Stanley Street Office Renewals	4	13	22	21	9	11	-	37	31	13
Shotover Street Office Renewals	2	13	29	111	32	49	0	610	56	81
QLDC Bradley Office Renewals	-	2	-	12	23	41	11	5	39	78
Manawa Stage 1 (CAB)	-	-	-	-	2,307	4,708	18,008	28,200	7,436	-
Wānaka	**-**	**27**	**25**	**11**	**31**	**71**	**1**	**123**	**116**	**100**
Wānaka Works Depot	-	14	17	11	2	15	0	3	50	9
Wānaka Serv Cent Ardmore St Office	-	13	9	-	29	56	1	119	66	91
Whakatipu	**1,035**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Whakatipu Priority Growth Areas (IN)	1,035	-	-	-	-	-	-	-	-	-

Council-controlled trading organisations

Kā rōpū i whakahaeretia e te kaunihera

Queenstown Airport Corporation (QAC) is a Council-Controlled Trading Organisation (CCTO) for the purposes of the Local Government Act 2002. The company is owned by one majority and one minority shareholder:

> 75.01% by the Queenstown Lakes District Council (QLDC)

> 24.99% by Auckland International Airport Limited (AIAL).

QLDC's polices and objectives for the airport are addressed through the Annual Statement of Intent (SOI), and where prepared, a Statement of Expectations (SOE), which Council has agreed to prepare three yearly in advance of the LTP.

The SOE is not mandatory but does enable an opportunity for the Council to outline its objectives and expectations in relation to the organisation's objectives and key performance targets for the CCTO. These can be found in the company's SOI[16].

Policies and objectives

As outlined, the Queenstown Airport must comply with the LGA 2002 and the QAC must also contribute to the Council's objectives and policies:

> Under the QLDC Significance and Engagement Policy[17], Queenstown and Wānaka airports are identified as strategic Council assets (in the case of Queenstown Airport the asset is the shareholding). Any sale or transfer of assets would therefore invoke a Special Consultation Process under the Local Government Act 2002.

> The Spatial Plan 2021[18] brings together a 30-year strategy for growth and development for the Queenstown Lakes District and identifies the Queenstown Airport as a significant infrastructural asset and a key entry point to the region and to New Zealand

> The LTP is the Council's 10-year budget which includes this disclosure in relation to the QAC in accordance with the Local Government Act 2002 and assumes QAC dividend payments which are directed to debt repayment

> QLDC Climate Change and Biodiversity Plan (see QAC Decarbonisation Roadmap)[19]

> Queenstown Airport is specified as a Lifeline Utility under the Civil Defence Emergency Management 2002 Act Schedule 1, part A[20].

QLDC objectives (SOE December 2023)

a. The QAC SOI will include clear objectives, clear pathways for delivery and clear reporting against measurable performance targets for all objectives.

b. QAC will commit to a staged, gateway approach to the investment signalled in the QAC Masterplan and engage its major shareholder in advance of each gateway. This will include QAC's assessment of the financial risk associated with each gateway from the perspective of its major shareholder.

c. QAC will specifically assess the risk associated with QAC growth assumptions and any other input that would impact on the delivery of the proposed Masterplan.

[16] link to be provided
[17] https://www.qldc.govt.nz/media/vjce04tv/d-qldc_significance-and-engagement-policy.pdf
[18] https://www.qldc.govt.nz/your-council/council-documents/queenstown-lakes-spatial-plan
[19] https://www.qldc.govt.nz/media/ie3jk5bb/qldc_climate-and-biodiversity-plan_jun22-web.pdf
[20] https://www.legislation.govt.nz/act/public/2002/0033/51.0/DLM149789.html

d. QLDC expects QAC to reflect the following SOI capital programme disclosures, namely:

   I. A capital reporting framework to be approved by QLDC based on the gateway investment approach signalled by QAC for the masterplan, including but not limited to programme/ project delivery framework, status of investment projects against budget forecasts (%forecast v %complete) and programme (schedule), contingency, issues and risk, scope changes, assurance findings (including high-level reporting for bi-annual QAC Board and full Council);

   II. Project milestone reporting and exception reporting (including dividends), to be considered by this committee (AFR), noting that the major shareholder will expect to be informed of such matters;

   III. Expectations regarding dividends;

   IV. Details on borrowing arrangements;

   V. Shadow credit rating reporting;

   VI. Details of programme assurance framework (incorporating three lines model).

e. QAC will ensure a safe (Health and Safety at Work Act 2015) working environment and maintain the wellbeing of staff and tenants as employer and landlord.

f. The QAC SOI should continue to reflect how the QAC will address the social, environmental, economic and cultural well beings of the communities of the Queenstown Lakes district within the context of continuing to deliver a profitable and sustainable business enterprise.

g. QAC should continue to commit to shape its strategic direction to align with the QLDC 2050 Vision, QLDC Spatial Plan and associated plans, such as the Destination Management Plan.

   As a key priority for QLDC, sustainability and the reduction of the QAC's carbon footprint (in line with QLDC's targets) will be strong drivers for the strategic direction of Queenstown Airport (including a commitment to work with and influence strategic airline stakeholders in the pursuit of carbon reduction objectives and technologies). This includes a requirement to understand climate change risk, including financial and legal. The QLDC is seeking transparency and clarity in relation to QAC's commitment towards net zero emissions. This work must align with QLDC's Climate and Biodiversity Plan (see QAC Decarbonisation Roadmap).

h. The QAC must continue to offer certainty that airport operations will remain within the Queenstown Airport air noise boundaries for the next ten years (as of 2022 objective).

i. Ultimately QLDC is seeking to see innovation from the QAC to deliver the concept of a circular economy (with a short-, medium- and long-term vision) with an express ambition of ensuring the community is both proud of Queenstown Airport and its unique ZQN identifier but also understands its significance as one of the most important infrastructure offerings in the region.

j. As outlined in the SOI, the Council anticipates dividend payments in line with the Dividend Policy with an annual forecast ratio of 60% of Net Profit After Tax (NPAT) of the SOI period.

QAC disclosure

NATURE AND SCOPE OF ACTIVITIES

Queenstown Airport

At Queenstown Airport, QAC provides for scheduled domestic and international air services, commercial and private general aviation operations and the Lakes district base for the Otago Rescue Helicopter service.

Wānaka Airport

QAC manages the day-to-day operations at Wānaka Airport under a management services agreement (MSA).

Glenorchy Airfield

QAC provides grounds maintenance services and airstrip management at Glenorchy, on QLDC's behalf under a management service agreement (MSA).

COMPANY VALUE

As at 30 June 2023, QAC's land, land improvements and buildings were valued at $435 million and included 153ha at Queenstown Airport and 149ha around Wānaka Airport (SOI 2023).

QAC'S PURPOSE AND OBJECTIVES

QAC's purpose is to create long-term value and benefits for its shareholders, business partners and the communities of the Queenstown Lakes district, measured against social, environmental, economic and cultural wellbeing.

QAC's primary activity is the safe and efficient operation of Queenstown Airport, facilitating air connectivity through the provision of infrastructure in the region, to meet the needs of its customers, the residents of, and visitors to the lower South Island. This includes the provision of appropriate and sound aeronautical and associated infrastructure and facilities for the operations at the airport.

As noted QAC also manages Wānaka Airport and the Glenorchy Airfield on QLDC's behalf.

As part of its function, QAC:

> ensures effective stewardship of the airports, including meeting all relevant statutory obligations

> provides airfield, airside, terminal and landside facilities and infrastructure that deliver the required outcomes for all operators and users

> ensures the operational resilience of Queenstown Airport as a lifeline utility, as required under the Civil Defence Emergency Management Act 2002.

QAC SUSTAINABILITY FOCUS (SOI 2024 P.11)

QAC had set ambitious targets to eliminate all non-emergency Category 1 and 2 emissions by 2030 and to reduce its total operational emissions across all categories by 60% (as compared to its 2019 baseline) in line with a 1.5˚C climate warming pathway (65% has been achieved). The QAC has revised its target to 85% by 2028.

In addition, it is working with its stakeholders, including major airline partners, in the pursuit of broader emissions reduction objectives to support the international aviation sector goal of net zero emissions by 2050.

AVIATION CAPACITY

QAC's long-term forecasts indicate that there is neither demand nor community appetite for the Southern Lakes region to cater for long-haul capable, wide-body jet services. As a result, QAC will not plan for the introduction of wide-body jets at Queenstown. QLDC has given the same undertaking in relation to Wānaka Airport.

AIR NOISE BOUNDARIES

The QAC has continued to underline (SOI 2024) the commitment made in 2022 in the ten-year Strategic Plan not to seek an expansion to the air noise boundaries at Queenstown Airport for the 10 year period to 2032. *Note: Any expansion of the Queenstown Airport air noise boundaries would require an application process and formal stakeholder consultation under the Resource Management Act.*

Major projects

- Queenstown Airport master planning (endorsed by QLDC 2023)
- Queenstown terminal upgrade
- Noise mitigation orogramme
- Northern land development
- Decarbonisation roadmap.

QAC performance measures

For this LTP, QAC's key performance targets and other measures by which performance is to be judged by QLDC are explained below. The key performance measures (KPIs) are:

- Reduce absolute carbon emissions
- Customer experience
- Community sentiment
- Public transport
- Non-aeronautical revenue
- Noise boundaries
- Statement of Service Performance.

QAC produces an annual Statement of Service Performance (SSP) as part of its end-of-year reporting. QAC will report its progress during financial year 24 to shareholders in the company's SSP. Given that the Council has and will continue to influence the nature of these key performance measures through the SOE and SOI process, the LTP recognises that Council is identifying the SOI KPIs as the measures it will utilise to judge the performance of the QAC. Below are the listed KPI measures with the detailed targets for 2024-26 listed in the SOI.[21]

[21] link to be provided

QAC key performance indicators 2024

1. Master plan delivery and development planning
2. Strategic planning and reporting
3. Achieve an absolute carbon emissions reduction, from QAC operational activities by 85% (from the 2019 baseline year) by 2028
4. Improve our customer experience score annually
5. Increase our community sentiment score annually
6. Increase the percentage of people travelling via public transport to and from the airport annually
7. Increase non-aeronautical revenue to 25% of overall revenue by 2032
8. Manage aircraft movements to remain within existing noise boundaries
9. Manage the health and safety and security wellbeing of employees and contractors
10. Financial return to shareholders
11. Ensure the management of the aerodrome meets all health and safety regulatory and operational compliance standards.

Passenger and aircraft movements and financial performance summary (SOI 2024 P. 27)

PASSENGER AND AIRCRAFT MOVEMENTS

Passengers (000's)	FY24	FY25	FY26	FY27
Domestic	1,608	1,636	1,664	1,708
International	861	898	937	978
Total passengers	2,469	2,534	2,601	2,686
Aircraft movements	18.1	18.6	19.1	19.7

FINANCIAL PERFORMANCE SUMMARY

$(000's)	FY24	FY25	FY26	FY27
Income statement				
Total revenue	64,260	75,507	86,319	89,024
EBITDA	45,535	54,033	65,122	67,719
Net profit after tax	23,052	28,135	34,323	35,298
EBITDA as % of revenue	71%	72%	75%	76%
Dividends paid	14,875	14,145	15,305	17,356

Section 3 – Our strategies

Wāhaka 3 – Ā mātou rautaki

Financial Strategy

Te Rautaki Ahumoni

Introduction

QLDC's Financial Strategy is aimed at responding to the needs of our district today and into the future in a responsible and affordable way.

It is important Council continues to invest in its core infrastructure to ensure statutory compliance of three waters services and improve transportation outcomes for residents and visitors alike. As the proposed programme has been developed, Council has tried to balance the need to borrow with the aim of minimising rates increases, while continuing to invest in infrastructure and services on behalf of our communities.

If realised, the following outcomes should be achieved:

- Prioritised capital programme
  - delivering the 'right' projects in order to achieve compliance with water supply and wastewater services within statutory deadlines
  - delivering the 'right' projects ahead of growth so that development is supported in areas identified in the Spatial Plan
- Alternative funding methods – potential use of the Infrastructure Funding and Financing Act (IFFA) for new growth infrastructure is fully investigated over the next two years and is implemented if found appropriate
- Alternative funding methods – the use of Developer Agreements which require higher up-front payments from developers for new growth infrastructure, or for developers to provide trunk infrastructure in exchange for development contribution credits is fully investigated over the next two years and implemented if found to be appropriate
- Rates increases are minimised for the period whilst recognising the need to increase rates and other operating revenue to "balance the budget" and to maintain compliance with borrowing limits
- Debt levels are maintained within borrowing limits
- Debt levels at the end of the 10 year period have stabilised
- Excellent service continues to be provided within financial constraints.

Purpose

The Financial Strategy is a requirement of the Long Term Plan as per Section 101A of the Local Government Act 2002.

The purpose of the strategy is to:

1) facilitate prudent financial management by providing a guide for the local authority against which to consider proposals for funding and expenditure; and

2) provide a context for consultation on the local authority's proposals for funding and expenditure by making transparent the overall effects of those proposals on the local authority's services, rates, debt and investments.

The strategy also provides additional information to allow ratepayers to understand Council's overall financial position, and the main issues or factors that have a significant impact in this area.

Many of the elements of Council's financial strategy are included in the various funding and financial policies required under Section 102 of the Local Government Act 2002. As such this financial strategy will not attempt to replicate the detail contained within these policies, but rather will summarise the important principles.

Significant factors

There are several factors that are expected to have a significant impact on the district for the 2024-2034 period. Each of the factors is discussed in more detail in the following sections:

- Financial constraints – the impact of high inflation and significant cost escalation has increased both operational and capital expenditure budgets. This means the proposed budgets have been developed with an emphasis on getting the basics right, to ensure that:
    - the impact on rates is kept to a minimum
    - borrowing limits are not exceeded
    - and user fees for services are set appropriately
- Growth and changes in land use – we're growing faster than expected. Demand projections indicate this will continue at levels well above any other urban centre in Aotearoa New Zealand[22]. This puts pressure on existing services and infrastructure as well as traditional funding models which aren't well suited to enable growth infrastructure
- Capital expenditure to maintain levels of service – a proportion of the capital programme is required for renewals of core infrastructure: roading; water supply; wastewater and stormwater
- Capital expenditure to improve current levels of service – central Government reforms in recent years have resulted (or will result) in obligations to deliver new services and infrastructure at a higher standard than in the past, and to upgrade existing services and infrastructure to meet these higher standards.

[22] https://www.qldc.govt.nz/community/population-and-demand/

(A) FINANCIAL CONSTRAINTS

The impact of high inflation and significant cost escalation has increased both operational and capital expenditure budgets. This is a significant issue for the whole local government sector, with the cost escalation for capital work increasing by 30-50% over the past four years. Operating costs are also under significant upward pressure with continued high interest rates and inflation across the board impacting insurances; energy; labour and maintenance contract costs. The budgets within the proposed Long Term Plan have been developed with an emphasis on getting the basics right to ensure that the impact on rates is kept to a minimum and that borrowing limits are not exceeded and that user fees for services are set appropriately.

Finding an acceptable balance for the draft Long Term Plan 2024-2034 has proved extremely difficult as Council has had to work within the limits set on borrowing by the Local Government Funding Agency (LGFA) Te Pūtea Kāwanatanga ā-Rohe. The most challenging debt parameter to maintain is the debt to revenue ratio; which effectively limits Council's borrowing to 2.8 times its annual income. All councils experiencing high growth in Aotearoa New Zealand are facing difficulties in this regard, as revenue needs to increase to keep pace with the increased borrowing required to provide expensive growth infrastructure. This puts significant upward pressure on rates and other council revenue. In this LTP, Council has attempted to balance increasing debt with increasing revenue including rates.

The table below and graph on the following page summarise some of the key financial metrics over the next 10 years.

10 year key financial metrics

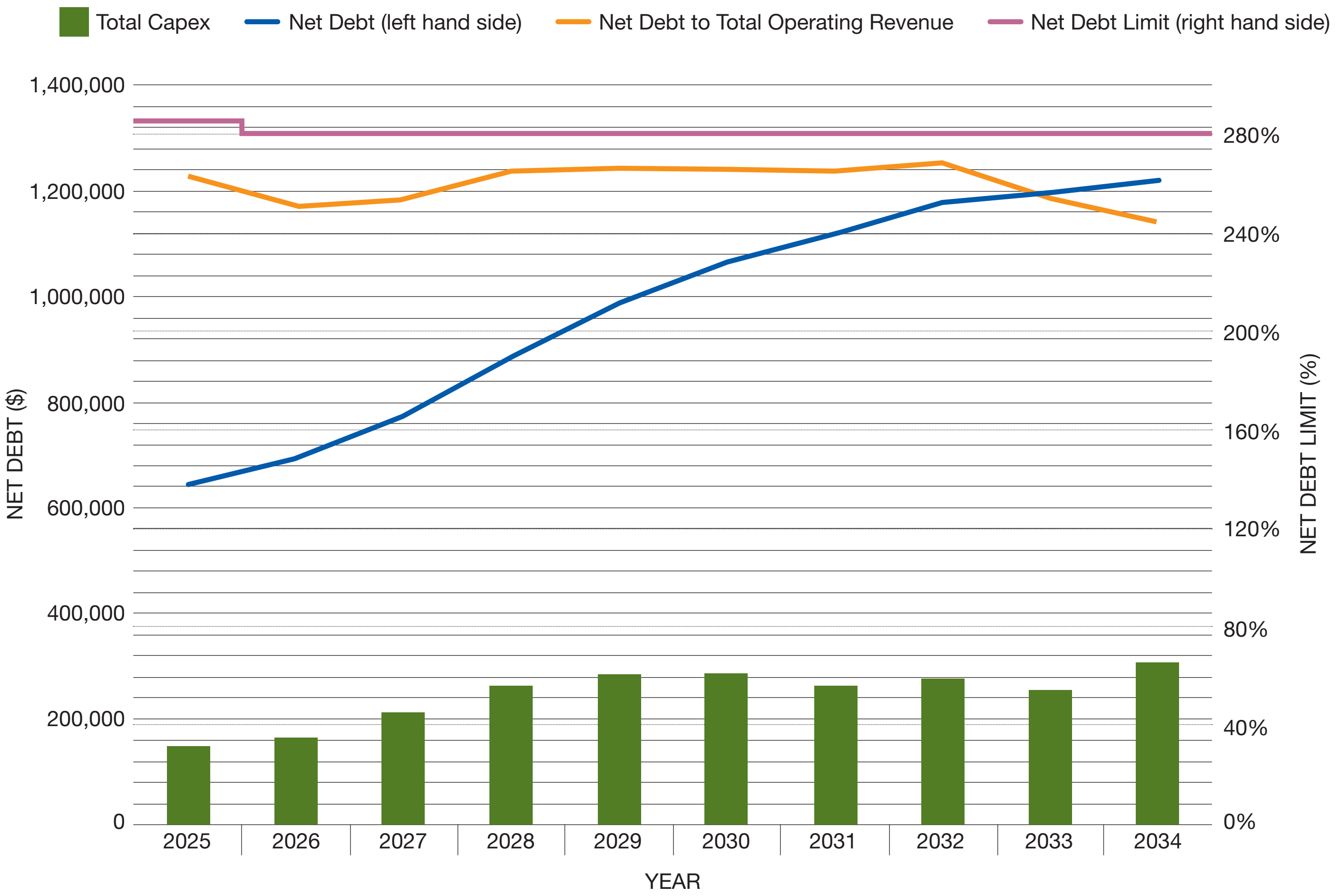
10 Year Key Financial Metrics	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Net Debt	642.9M	692.8M	772.4M	884.9M	986.7M	1,064.2M	1,117.6M	1,177.1M	1,195.3M	1,219.0M
Net Debt to Total Operating Revenue	263.0%	250.7%	253.4%	265.0%	265.9%	265.7%	264.9%	268.3%	253.7%	243.9%
Headroom by Year	54M	81M	81M	50M	52M	57M	64M	51M	124M	180M
Total Capex	146.7M	163.7M	210.8M	261.0M	283.6M	284.2M	260.7M	275.0M	254.2M	305.0M
Rates Increase (after growth)	15.6%	12.9%	10.3%	9.1%	11.9%	5.8%	2.7%	3.4%	2.1%	1.4%

Capital expenditure over the next ten years is higher than previously forecast. It amounts to $2.44B (2021: $1.67B) which represents an increase of $772M or 46% more than the 2021-2031 Long Term Plan. So, to deliver a draft plan with acceptable average rates increases whilst remaining within borrowing limits, this has meant a number of projects within the capital programme have been reprioritised to later or beyond this draft Long Term Plan.

The capital programme has been fully re-prioritised. Council has used its strategic framework and investment priorities to build a proposed capital investment programme for the district. The first two years of the capital programme focus on getting the basics right, with other strategic investments only being included in addition to these from year three. The first two years programme is made up of 'must do' projects; these are primarily core infrastructure projects to which council is committed or projects that must be done for compliance or risk mitigation reasons. This approach limits borrowing in the first two years to a minimum where pressure on rates is at its highest.

Debt increases steadily over the 10 year period from $642.9M in 2024-2025 to $1.22B in 2033-2034. During this time, there are no debt limit breaches with the debt to revenue ratio staying in the range of 243.9% to 268.3%. The average over the 10 years is 259.5%. It is also important to provide an adequate amount of debt headroom to allow for unforeseen events. The debt headroom over the 10 years ranges from $50M to $180M and averages $79M.

Forecast debt to capital expenditure 2024-2034



Unfortunately, it is necessary for rates to increase significantly over the first five years of the plan. The average increase after growth for this period is 12.0%. These increases are required to cover increased operating expenditure described above, but also to increase the level of depreciation funding and increased rate funded debt servicing. It's important to note that the combined impact of increased interest costs and increased depreciation funding account for over half of the proposed rates increase for 2024-2025 (15.6%). Council is very aware of the pressure on household incomes and has mitigated the impact of higher rates increases by spreading them over successive years. Council has also strived to achieve savings in its budgets and has successfully reduced the proposed rates increase in the first year from over 19.5% down to 15.6% The proposed increases for years 6-10 are much lower and average 3.1% per annum after growth.

With the aim of taking the pressure off local rates, Council has advocated to central Government for a visitor levy over the past 5 years. Unfortunately, after making significant progress with the previous Government, it appears that the new coalition Government is less supportive of introducing a visitor levy at present. This means that rates will continue to cover visitor related costs.

Council will, however, continue to investigate different financing tools for growth related infrastructure. This will include consideration of the Infrastructure Funding and Financing Act (IFFA), which allows new growth infrastructure to be delivered and financed without the debt showing on Council's balance sheet. Under the IFFA, the beneficiaries of the infrastructure are charged by way of an annual levy. Council will also look to make Developer Agreements which require higher up-front payments from developers towards growth servicing costs or for developers to provide trunk infrastructure in exchange for credits on future development contributions.

This means we have not been able to invest as extensively in our strategic priorities as we would like. Capital expenditure over the next ten years is much higher than previously forecast. It amounts to $2.44B (2021: $1.67B) which represents an increase of $772M or 46% more than the Long Term Plan 2021-2031.

Our ability to do more is constrained by:

Increased costs to deliver our services – councils across the motu are facing increasing interest rates, high inflation, compliance costs and high demand. These costs are outside of Council control and are further affected by continuing high resident and visitor growth, which is funded by a small ratepayer base.

Workforce shortages – in recent years it has been challenging to secure the market capacity to deliver infrastructure projects on time due to workforce shortages. QLDC is a small organisation, with limited personnel available to plan and oversee the completion of projects.

Limited capital – capital availability has been significantly affected by the settlement of large building defect and weather tightness claims (often referred to as 'leaky buildings'), and the visitor levy sought in 2019 not being currently available. This means a higher-than-expected level of debt has been carried forward into this LTP and limits our ability to borrow.

Limited, unproven alternative funding tools – our ability to support growth in resident and visitor numbers through rates alone is not sustainable. There are alternative funding tools available through the IFFA, but these are largely untested. The Government is planning on introducing more alternative funding tools, and a new National Infrastructure Agency to direct how these should be used. We will pursue these as they become available, so we can mitigate rates increases for residents as much as possible. We will continue to pursue a visitor levy for the district.

Capital Expenditure 2024-34 Significant Projects > $5M (Inflated to Funding year $'s)											
DESCRIPTION	**2024/25**	**2025/26**	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**2031/32**	**2032/33**	**2033/34**	**TOTAL 24-34**
COMMUNITY SERVICES AND FACILITIES											
516 Ladies Mile Stage 1	-	-	5,236,500	-	-	-	-	-	-	-	5,236,500
Ballantyne Rd Site Remediation Works	-	-	-	-	-	5,717,241	-	-	-	-	5,717,241
Ballantyne Rd Sports Hub Stage 1	-	-	-	-	-	-	3,809,620	3,883,990	-	-	7,693,610
Ballantyne Rd Sports Hub Stage 2	-	-	-	-	-	-	-	751,291	1,531,354	7,801,272	10,083,917
Coronet Forest Revegetation	-	2,254,269	3,029,874	1,674,214	419,704	205,416	129,176	131,698	-	-	7,844,350
Jetty Refurbs & Replacements	-	-	-	1,383,795	1,413,810	1,731,038	2,059,754	2,099,963	2,445,912	-	11,134,271
Lakeview Development - Plaza	-	-	-	2,291,565	4,006,738	-	-	-	-	-	6,298,302
QEC - Energy Upgrade	-	-	-	-	-	-	-	1,094,401	4,726,400	-	5,820,801
QEC Building Renewals	414,000	303,903	1,323,666	564,559	700,248	86,226	1,712,857	783,096	144,060	1,116,130	7,148,745
QEC Indoor Courts, Carpark, Sports Field	250,000	770,325	4,189,200	20,183,352	20,621,136	-	-	-	-	-	46,014,013
QEC Shared Clubrooms/Fitness Centre expansion	-	-	-	-	1,092,800	4,460,000	5,686,000	-	-	-	11,238,800
Queenstown Gardens Development	-	-	-	-	-	-	-	1,159,400	4,726,400	-	5,885,800
Southern Corridor Pool Planning	-	-	-	-	-	-	-	-	-	6,019,500	6,019,500
Strategic Land Acquisition	-	-	-	-	-	-	-	3,594,348	3,663,590	3,729,726	10,987,664
Wānaka Airport Upgrades	-	-	541,978	2,214,072	2,827,620	362,364	-	-	-	-	5,946,034
Wānaka Eely Point Jetty/Ramp	-	-	-	-	-	-	-	-	601,105	5,512,044	6,113,149
Wānaka Lakefront Development Plan Stg 4	-	-	-	-	-	-	-	579,700	2,245,040	2,889,360	5,714,100
Wānaka Pool extension	-	-	-	-	-	-	-	1,739,100	7,089,600	9,029,250	17,857,950
Wānaka Recreation Centre Masterplan	-	-	-	-	-	-	-	-	1,181,600	4,815,600	5,997,200
Wildfire Mitigation Programme	-	-	1,066,528	1,426,162	3,270,051	3,569,951	3,641,030	3,634,719	3,924,882	3,744,129	24,277,452
Balance of Projects less than $5M	13,549,393	10,141,252	16,278,050	10,030,309	14,583,586	12,036,270	12,188,481	13,753,193	18,060,960	31,321,853	151,943,347
ECONOMY											
Lynch Block Cabin Removal & Site Works	-	-	-	-	-	-	-	-	642,052	5,887,522	6,529,574
Balance of Projects less than $5M	462,434	116,935	119,235	66,422	67,863	69,242	70,620	1,417,498	1,296,333	1,320,799	5,007,381
FINANCE & SUPPORT SERVICES											
Manawa Stage 1 (CAB)	-	-	-	-	2,307,338	4,708,422	18,008,131	28,199,507	7,435,572	-	60,658,970
Solar Energy Conversion	-	-	-	-	-	-	-	5,999,895	-	-	5,999,895
Balance of Projects less than $5M	3,401,808	2,693,148	3,194,445	1,691,067	2,932,070	2,058,286	1,691,729	2,991,305	1,661,548	2,026,378	24,341,784
REGULATORY FUNCTIONS & SERVICES											
Balance of Projects less than $5M	89,653	97,597	25,142	725,393	32,973	35,093	35,228	64,432	4,116	93,150	1,202,778

Capital Expenditure 2024-34 Significant Projects > $5M (Inflated to Funding year $'s)											
DESCRIPTION	**2024/25**	**2025/26**	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**2031/32**	**2032/33**	**2033/34**	**TOTAL 24-34**
STORMWATER											
Kingston New Scheme (SW)	7,761,286	43,976	-	-	-	76,228	3,899,791	3,908,765	-	-	15,690,046
Ladies Mile New Scheme (SW)	-	-	457,543	1,879,465	3,375,022	14,822,437	15,166,273	14,477,308	-	-	50,178,048
Major Improvements - Upper Clutha (SW)	-	-	-	-	1,183,104	10,911,514	1,240,514	11,418,694	1,295,916	11,917,311	37,967,052
Major Improvements - Whakatipu (SW)	-	-	-	1,152,971	10,647,932	1,212,390	11,164,628	1,268,744	11,663,245	1,324,146	38,434,056
Renewals - Upper Clutha (SW)	369,456	386,662	982,788	982,362	910,087	423,655	433,483	190,853	233,473	396,061	5,308,881
Renewals - Whakatipu (SW)	837,723	620,847	1,385,772	1,376,710	1,527,201	672,205	940,226	735,305	729,894	929,540	9,755,422
Rockabilly Gully Erosion Protection (SW)	500,325	4,665,928	-	-	-	-	-	-	-	-	5,166,253
Stone Street Upgrades (SW)	-	-	1,100,342	10,169,800	-	-	-	-	-	-	11,270,143
Balance of Projects less than $5M	2,359,678	1,827,314	6,229,048	1,485,629	1,374,268	1,716,152	1,368,806	1,363,033	1,834,383	1,461,087	21,019,398
TRANSPORT INCLUDING ROADING, PARKING & FOOTPATHS											
Active Travel LCLR - Upper Clutha (TR)	-	-	817,503	612,690	627,019	640,778	653,966	667,154	680,912	694,100	5,394,123
Active Travel LCLR - Whakatipu (TR)	-	-	599,502	612,690	627,019	640,778	653,966	667,154	680,912	694,100	5,176,122
Additional Street Lighting (TR)	-	-	-	-	1,816,726	-	-	3,221,686	-	-	5,038,412
Arterial Early Land Acquisition (TR)	-	-	-	-	-	-	-	1,116,026	3,417,124	6,966,612	11,499,761
Arterial Stage One (TR)	21,742,717	958,622	418,126	-	-	-	-	-	-	-	23,119,464
Arthurs Point Bridge Crossing (TR)	308,770	954,006	1,945,434	4,639,202	16,956,085	20,793,783	21,221,738	2,164,969	-	-	68,983,988
Drainage Renewals - Whakatipu (TR)	452,679	466,214	475,358	485,815	497,177	508,087	518,544	529,001	539,910	550,367	5,023,153
Hāwea Network Optimisation (TR)	-	-	-	-	-	-	331,036	225,141	689,351	5,855,856	7,101,383
Ladies Mile Network Optimisation (TR)	-	-	-	-	-	-	331,036	225,141	689,351	5,855,856	7,101,383
Minor Improvements - Upper Clutha (TR)	2,257,882	2,325,392	2,371,001	2,423,159	2,479,831	2,534,246	2,586,403	2,638,560	2,692,975	2,745,132	25,054,583
Minor Improvements - Whakatipu (TR)	2,335,074	2,404,893	2,452,061	2,506,002	2,564,612	2,620,887	2,674,827	2,728,768	2,785,043	2,838,983	25,911,150
PT Interchange - Land Acquisition (TR)	-	-	-	-	-	-	-	375,942	12,406,150	-	12,782,093
Public Transport Assets - Whakatipu (TR)	551,375	567,861	578,999	591,736	605,575	618,864	631,600	644,337	657,625	670,362	6,118,335
Public Transport Network Optimisation (TR)	-	-	109,000	334,194	342,011	466,020	594,515	1,091,706	1,114,220	1,135,800	5,187,467
Quail Rise to Hawthorne Link Road (TR)	-	-	-	140,514	719,002	5,143,456	1,349,823	-	-	-	7,352,796
Road 10 Formation (TR)	-	-	-	-	-	-	-	127,529	650,797	5,837,936	6,616,263
Sealed Road Rehabs - Wānaka (TR)	454,644	468,238	477,422	536,716	549,269	561,322	630,162	642,869	656,127	735,718	5,712,487
Sealed Road Rehabs - Whakatipu (TR)	1,132,458	1,166,318	1,189,194	1,336,889	1,368,156	1,398,178	1,569,649	1,601,302	1,634,326	1,832,577	14,229,049
Sealed Road Resurfacing - Wānaka (TR)	1,575,684	1,622,797	1,654,626	1,691,024	1,730,574	1,768,548	1,804,946	1,841,344	1,879,318	1,915,717	17,484,578
Sealed Road Resurfacing - Whakatipu (TR)	2,666,622	2,746,354	2,800,220	2,861,819	2,928,751	2,993,017	3,054,616	3,116,214	3,180,480	3,242,079	29,590,171
Southern Corridor Network Optimisation (TR)	-	-	-	-	-	-	331,036	225,141	689,351	5,855,856	7,101,383
Unsealed Road Metalling - Wānaka (TR)	661,650	681,434	694,799	710,083	726,691	742,636	757,920	773,205	789,150	804,434	7,342,002
Unsealed Road Metalling - Whakatipu (TR)	942,852	971,043	990,089	1,011,868	1,035,534	1,058,257	1,080,037	1,101,816	1,124,539	1,146,319	10,462,353
Wānaka Network Optimisation (TR)	-	-	-	-	-	-	326,505	1,332,356	6,799,165	8,663,562	17,121,588
Wānaka Primary Cycle Network (TR)	-	-	-	-	-	-	114,436	583,720	2,978,790	3,036,482	6,713,428
Balance of Projects less than $5M	4,668,379	7,543,583	5,970,050	7,707,776	4,445,011	4,635,436	6,948,503	6,236,426	5,920,752	6,565,997	60,641,915

Capital Expenditure 2024-34 Significant Projects > $5M (Inflated to Funding year $'s)											
DESCRIPTION	**2024/25**	**2025/26**	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**2031/32**	**2032/33**	**2033/34**	**TOTAL 24-34**
WASTE MANAGEMENT											
New Waste Facilities (WM)	1,480,598	6,136,782	19,653,085	28,357,969	16,567,889	4,244,504	-	-	-	-	76,440,827
Wānaka Waste Facilities (WM)	3,872,650	5,211,195	619,672	-	-	-	-	-	-	-	9,703,517
Balance of Projects less than $5M	1,367,626	2,880,148	1,104,995	897,177	1,046,809	1,330,871	964,920	1,530,874	2,450,456	1,416,965	14,990,842
WASTEWATER											
Biosolids Disposal - Queenstown (WW)	-	-	-	-	-	112,596	460,830	3,534,873	4,814,104	3,074,358	11,996,760
Biosolids Disposal - Wānaka (WW)	-	-	-	-	-	62,626	256,314	1,966,102	2,677,612	1,709,962	6,672,616
Cardrona Scheme Upgrades (WW)	-	-	-	-	119,001	694,247	5,922,484	3,891,537	-	-	10,627,269
CBD to Frankton Conveyance (WW)	2,922,181	13,099,028	13,423,912	7,877,404	-	-	-	-	-	-	37,322,525
Conveyance Upgrade - Arrowtown (WW)	-	-	-	-	-	153,717	786,414	3,860,686	3,286,140	-	8,086,956
Conveyance Upgrade - Lake Hayes (WW)	-	-	-	-	-	153,717	786,414	3,860,686	3,286,140	-	8,086,956
Frankton Beach to Shotover Conveyance (WW)	304,509	631,065	2,910,227	9,962,027	13,629,843	6,285,258	-	-	-	-	33,722,930
Hawthorne Drive Capacity (WW)	-	-	-	115,435	592,261	5,340,913	-	-	-	-	6,048,609
Kingston New Scheme (WW)	1,111,928	12,443,236	8,884,306	-	-	405,060	1,657,824	-	-	15,117,560	39,619,914
Kingston Reticulation Extension (WW)	-	-	-	-	-	84,247	344,807	617,144	2,701,546	5,336,764	9,084,509
Ladies Mile New Scheme (WW)	-	-	311,898	1,281,191	2,300,681	10,104,142	10,338,528	9,868,875	-	-	34,205,315
LoS Performance - Wānaka (WW)	-	1,762,244	1,805,951	1,854,591	1,903,060	1,950,169	1,995,407	2,040,815	2,084,523	2,129,931	17,526,692
Luggate Reticulation Extension (WW)	-	-	-	-	-	116,913	598,126	3,058,685	2,374,386	-	6,148,111
North Wānaka Conveyance Stage 2 (WW)	306,040	7,927,965	7,799,611	-	-	-	-	-	-	-	16,033,616
Project Pure Aeration Grid Renewal (WW)	5,092,800	-	-	-	-	-	-	-	-	-	5,092,800
Project Pure Future Works (WW)	-	72,535	1,391,201	3,959,687	13,084,938	20,358,447	6,513,317	-	-	-	45,380,124
Project Shotover Future Works (WW)	-	-	-	285,184	4,974,830	854,933	1,305,453	11,903,367	629,026	2,410,230	22,363,022
Project Shotover Stage 3 (WW)	20,374,093	10,555,818	3,605,875	-	-	-	-	-	-	-	34,535,786
Remarkables Park Pump Station (WW)	-	-	-	-	168,941	865,616	7,794,120	-	-	-	8,828,677
Renewals - Queenstown (WW)	2,521,917	2,656,011	2,963,434	3,166,268	2,330,192	2,627,505	2,989,347	2,644,583	2,839,493	2,828,775	27,567,524
Renewals - Wānaka (WW)	895,367	1,061,281	1,080,403	1,225,129	1,269,560	3,842,955	3,993,578	2,789,575	2,802,469	1,278,508	20,238,825
Robins Road Conveyance (WW)	2,483,321	3,538,174	329,630	-	-	-	-	-	-	-	6,351,125
Shotover Disposal Field (WW)	350,821	3,271,689	5,215,520	26,779,943	27,479,832	14,482,324	-	-	-	-	77,580,130
Southern Corridor New Scheme (WW)	-	-	161,529	165,879	851,071	3,488,554	6,246,587	27,380,299	27,966,694	26,289,833	92,550,446
Southwest Wānaka Conveyance Scheme (WW)	472,208	2,446,507	10,028,744	12,358,616	-	-	-	-	-	-	25,306,075
Upper Clutha Conveyance Scheme (WW)	4,014,187	24,957,006	25,575,993	26,264,828	4,491,876	-	-	-	-	-	85,303,890
Balance of Projects less than $5M	3,079,662	6,284,796	3,999,616	2,867,180	5,893,548	3,008,555	3,453,350	4,254,151	5,034,700	4,398,711	42,274,269

Capital Expenditure 2024-34 Significant Projects > $5M (Inflated to Funding year $'s)											
DESCRIPTION	**2024/25**	**2025/26**	**2026/27**	**2027/28**	**2028/29**	**2029/30**	**2030/31**	**2031/32**	**2032/33**	**2033/34**	**TOTAL 24-34**
WATER SUPPLY											
Arrowtown Scheme Upgrades (WS)	-	-	212,378	436,196	671,393	5,733,443	4,458,496	-	-	-	11,511,906
Arthurs Pt Reservoir (WS)	-	-	-	178,159	914,076	4,683,518	3,642,043	-	-	-	9,417,796
Beacon Point Supply Upgrades (WS)	206,462	588,325	2,466,478	9,850,196	11,551,577	3,847,197	-	-	-	-	28,510,236
Compliance Response - UV Treatment (WS)	8,287,789	-	-	-	-	-	-	-	-	-	8,287,789
Demand Mgt - Queenstown (WS)	101,085	314,231	2,576,200	3,306,980	3,393,408	4,172,891	4,269,689	4,852,057	-	-	22,986,541
Demand Mgt - Wānaka (WS)	72,537	225,489	1,848,656	2,373,056	2,435,076	2,994,425	3,063,887	3,481,788	-	-	16,494,914
Filtration - Wānaka (WS)	58,355	544,207	5,577,046	-	-	-	-	-	-	-	6,179,608
Hāwea Scheme Upgrades (WS)	217,914	903,210	2,314,028	4,752,702	9,753,826	4,997,638	1,278,392	-	-	-	24,217,709
Historic Land Encroachments (WS)	-	-	-	-	-	-	141,639	579,449	14,056,638	-	14,777,726
Kingston New Scheme (WS)	9,379,078	4,077,670	-	325,720	3,046,678	-	-	-	399,962	3,678,067	20,907,173
Kingston Reticulation Extension (WS)	-	-	-	-	-	-	-	153,361	783,228	7,042,552	7,979,142
Ladies Mile New Scheme (WS)	-	-	267,139	1,097,335	1,970,524	8,654,158	8,854,908	8,452,652	-	-	29,296,716
LoS Performance - Queenstown (WS)	-	-	156,066	1,602,691	1,644,578	1,685,288	1,724,381	1,763,622	1,801,393	1,656,571	12,034,590
Los Performance - Wānaka (WS)	-	182,594	1,871,231	1,921,628	1,971,850	2,020,661	2,067,535	2,114,584	2,159,872	1,986,229	16,296,184
Luggate Scheme Upgrades (WS)	-	198,274	812,768	6,259,930	4,282,355	5,485,452	3,367,619	1,148,084	-	-	21,554,481
Quail Rise Reservoir (WS)	-	-	-	266,274	2,459,096	11,199,863	11,459,666	2,930,111	-	-	28,315,009
Renewals - Queenstown (WS)	533,248	666,252	811,077	909,557	875,384	889,279	2,188,677	1,583,791	1,998,526	2,104,594	12,560,385
Renewals - Wānaka (WS)	443,355	565,437	550,663	779,936	673,396	872,441	708,967	710,153	890,833	1,093,214	7,288,393
Southern Corridor New Scheme (WS)	31,830	401,315	2,429,320	7,509,653	20,768,438	14,303,216	2,885,158	12,646,345	12,917,187	12,142,683	86,035,146
Two Mile Supply Upgrades (WS)	-	-	-	-	-	-	361,847	1,480,324	4,536,083	17,380,856	23,759,111
Wānaka Storage Upgrades (WS)	-	-	-	326,531	3,015,579	15,451,139	15,809,559	3,593,184	16,515,619	16,875,387	71,586,997
Balance of Projects less than $5M	7,007,620	3,340,339	9,372,225	4,225,027	4,119,247	4,667,362	6,622,242	7,239,320	5,360,033	6,053,680	58,007,095
Grand Total	**146,735,724**	**163,741,733**	**210,834,373**	**261,040,105**	**283,563,408**	**284,224,260**	**260,724,130**	**275,048,821**	**254,160,472**	**304,984,135**	**2,445,057,162**

(B) GROWTH AND CHANGES IN LAND USE

The Council has completed detailed population projections for the district as part of the long term planning process. This information is updated annually and considers growth in ratepayers (usually resident), as well as visitors which contribute to peak day figures.

The growth in the usually resident population is assumed to occur in areas which can provide additional capacity based on proposed district plan zoning rules. The Council's dwelling capacity model and historic growth rates have been used to apportion the expected growth into each census area unit.[23]

The cost impacts of growth in population have been assessed for the next ten years. Just over 40% or $979M (2021: 36%) of the total capital expenditure is required to provide infrastructure to meet the demands of future growth.

The 2024-2034 capital programme is very large but is fundable and deliverable with the continued assistance of our investment partners, particularly the Crown and NZTA. Over the ten years we have assumed $222M of capital subsidies to be available primarily through the Crown or NZTA for improvements to transport infrastructure.

There is significant growth related capital investment planned for the following growth areas Ladies Mile ($113.7M) and Southern Corridor ($178.6M). Most of this investment is related to three waters and is planned from year 4 onwards which allows time for investigation of different financing tools for this growth-related infrastructure. This will include consideration of the IFFA, which allows new growth infrastructure to be delivered and financed without the debt showing on Council's balance sheet. Under the IFFA, the beneficiaries of the infrastructure are charged by way of an annual levy. Council will also look to make Developer Agreements which require higher up-front payments from developers towards growth servicing costs or for developers to provide trunk infrastructure in exchange for credits on future development contributions.

Other significant growth-related investment is going ahead at Kingston ($77.6M) and in the Upper Clutha ($275M) which includes water supply scheme upgrades at Hāwea and Luggate, and Beacon Point, wastewater Cardrona scheme upgrade, Stone Street stormwater supply upgrades, Upper Clutha and Southwest Wānaka conveyance schemes, and Project Pure future works. This also comprises mainly three waters infrastructure and is supported by central Government through the Housing Infrastructure Fund (HIF) for Kingston and the Infrastructure Acceleration Fund (IAF) in the Upper Clutha.

The largest portion of capital expenditure due to increased growth is core infrastructure which totals $865M (89%) and relates to the following activities in the Long Term Plan:

> Roading $145M

> Stormwater $116M

> Water supply $245M

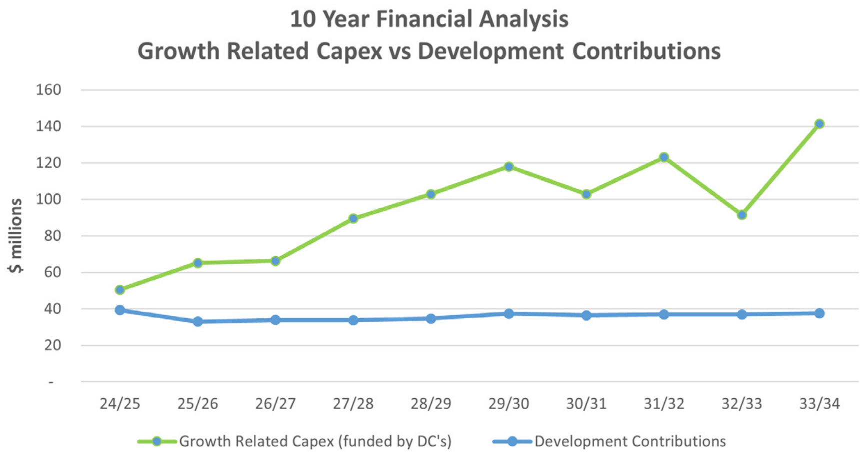
> Wastewater $360M.

Growth related CAPEX (excluding vested assets) vs development contributions

The Council is subject to debt constraints based on a proportion of revenue. This results in funding issues particularly when the timing of growth is uncertain. In time, most of this expenditure will be recovered from developers through the charging of development contributions, however in the interim a large proportion of this cost must be borrowed. In cases, where Council is unable to fund the construction of new infrastructure to support growth within optimal timeframes, Council will look to accelerate the delivery through the use of third party financing as provided for under new legislation IFFA or any other alternative financing tool.

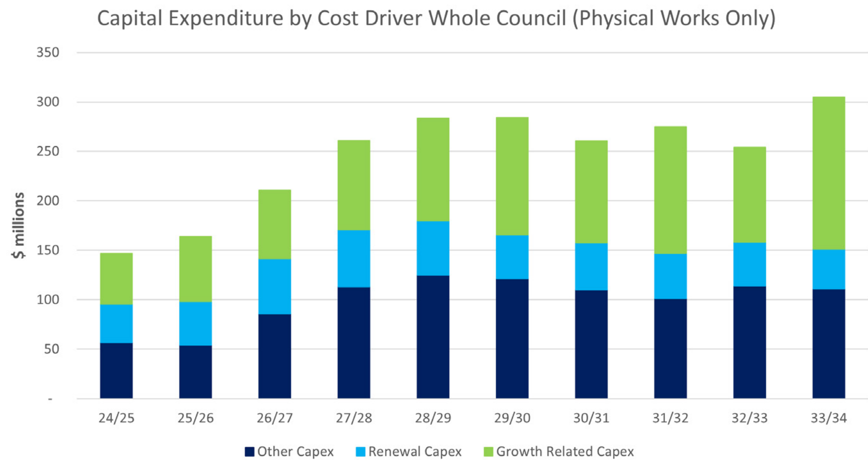
[23] The district-wide results used to inform the Long Term Plan are available here: https://www.qldc.govt.nz/community/population-and-demand/

The graph below shows growth related capital expenditure and forecast development contribution income:



Of the total capital cost of $2.44B for the period, $979M (40%) is required due to expected growth. Not included in this figure is $336.2M of vested assets (infrastructure assets transferred to the Council through the subdivision approval process). Around 19% of the total capital expenditure is required to renew or replace existing assets and around 41% is required to provide increased levels of service.

In terms of operating expenditure, growth does have a direct impact on many expenses. As the population grows and more land is developed to accommodate the new arrivals, costs increase as there are more roads and footpaths to maintain or reserves to mow. It is estimated that growth accounts for approximately 24.5% of the increase in direct operating costs over the period. The total increase in direct operating costs is $64.1M or 39% over the ten years.

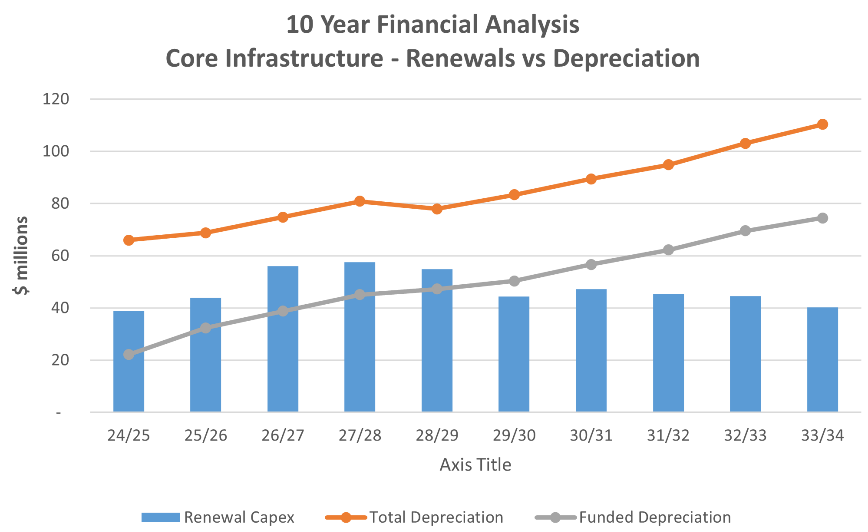


In periods of slow growth or where growth is less than forecast, it is recognised that development contribution income will not be sufficient to fund the full cost of servicing 'growth' loans. In these circumstances, Council will fund the shortfall by a combination of:

- additional internal loans (repayments funded by general rates);
- utilising the Housing Infrastructure Fund available via the central government; and
- utilising 'excess' depreciation funds (especially roading).

(C) CAPITAL EXPENDITURE TO MAINTAIN EXISTING LEVELS OF SERVICE

The cost impacts of renewing or replacing existing assets have been assessed for the next ten years. Of the total capital cost of $2.44B for the period, $473M (19%) is required due to renewals.



Most of the renewal expenditure is funded from rates or debt. The graph demonstrates that there is sufficient funded depreciation to meet the forecast renewal spend for core infrastructure (i.e. three waters and roading) with a significant increase in the proposed level of depreciation expense being provided for in the rates levied on properties in the district. The funding of depreciation is discussed further in Balancing the Budget on page 150.

The largest portion of renewal expenditure is providing for certain core infrastructure totalling $276M. This is spread across the relevant core activities as follows:

> Roading $136M

> Water supply $33M

> Wastewater $91M

> Stormwater $15M.

This amounts to 58% of the total renewal expenditure over the ten year period ($473M).

(D) CAPITAL EXPENDITURE TO IMPROVE EXISTING LEVELS OF SERVICE

The cost impacts of capital expenditure to improve existing levels of service have been assessed for the next ten years. Of the total capital cost of $2.44B for the period, $993M (41%) is required for this purpose. It is not uncommon for a capital project to have a mixture of reasons for construction (known as cost drivers).

The largest portion of capital expenditure due to increased levels of service totals $799M and relates to the following activities in the Long Term Plan:

> Roading $128M

> Community $132M

> Water supply $251M

> Wastewater $287M.

This amounts to 80% of the total of $993M for this category over the ten year period. The main projects in Community Facilities and Services which are providing levels of service are the Council Offices ($60.7M), Wildfire Mitigation Project ($24.3M) and Queenstown Events Centre indoor courts, carpark & sports field ($23M).

The water supply projects include proposals to Wānaka storage upgrades ($71.6M), upgrades to Two Mile supply ($15.3M) and Beacon Point supply ($16.1M) and new reservoir at Quail Rise ($18.3M).The wastewater projects includes Project Shotover Stage 3, future works and disposal field works ($105.3M), Upper Clutha conveyance field ($42.3M) and Project Pure future works ($24.5M) The roading projects total includes the Arthurs Point Bridge Crossing ($30.4M), network optimisation for Wānaka's roading network ($12.3M) and completion of Queenstown Arterial Stage 1 ($10.6M) This also represents the portion of overall capital expenditure not attributable to growth or renewal. Often this reflects an improvement made to enhance the road or footpath, for example widening or improved surface.

BALANCING THE BUDGET

The Local Government Act 2002 (the Act) contains a requirement to balance the budget. Section 100 states:

1) A local authority must ensure that each year's projected operating revenues are set at a level sufficient to meet that year's projected operating expenses.

2) Despite subsection (1), a local authority may set projected operating revenues at a different level from that required by that subsection if the local authority resolves that it is financially prudent to do so, having regard to:

   a) The estimated expenses of achieving and maintaining the predicted levels of service provision set out in the long term Council community plan, including the estimated expenses associated with maintaining the service capacity and integrity of assets throughout their useful life.

   b) The projected revenue available to fund the estimated expenses associated with maintaining the service capacity and integrity to assets throughout their useful life.

   c) The equitable allocation of responsibility for funding the provision and maintenance of assets and facilities throughout their useful life.

   d) The funding and financial policies adopted under section 102.

Council meets these requirements over the timeframe of the plan based on key assumptions around external funding sources. The forecast Statement of Financial Performance over the next ten years shows consistent operating surpluses, which demonstrates the Council is balancing its budget requirements though there is a minor breach of this requirement in 2024-2025.

Funding of depreciation

The funding of depreciation is an implied requirement of the "balanced budget" provision. It requires that Council fully fund all operating costs, including reductions in the useful life or quality of assets. The requirement arises from Government concern that some local authorities were not adequately maintaining infrastructure assets. In instances where this occurred, current ratepayers were paying too little and leaving a major financial burden for future generations.

Council has provided adequately for asset renewal in recent years. A major effort has been made over the past decade or so to address deferred maintenance and the budgets have provided appropriately for the renewal of infrastructure. Council now has far more reliable asset information and a much better understanding of the life cycle of its assets. The Act provides a more flexible approach in the requirement to fully fund depreciation. This has allowed some flexibility which Council has taken advantage of in four key areas in preparing the Long Term Plan:

i. Council needs to fund depreciation only on its share of roading expenditure. The component attributable to NZTA should not be funded as the NZTA subsidy funds this. Allowing for all subsidisable costs, 33% of roading depreciation will be funded in 2024-2025 (2021-2022 - 32%). This increases to around 49% by year 10. There is no impact on current levels of service from this approach, as the cash collected over the 10 years will fully fund the local share of renewal programmes.

ii. Depreciation on community facilities may not need to be funded as they are often funded by non-Council sources and are not expected to be replaced in the same form at the end of their useful life. Depreciation on buildings such as halls, libraries, and other facilities (including the Queenstown Events Centre and Wānaka Recreation Centre) will therefore not be funded.

iii. Council accepts that it is unreasonable to fund depreciation where a community has funded a water or sewerage scheme by lump sum contributions or loan charges as that community ends up paying twice – for loan charges and depreciation.

iv. As we have generally maintained the value of our infrastructure, Council will use funded depreciation to finance renewal projects and repay loans. It will not be used to fund new assets or asset improvements. The impact of the above approach has led to the following depreciation amounts not being funded:

	Total Depreciation 2024-2025	Depreciation not funded 2024-2025	Funded %	Total Depreciation 2033-2034	Depreciation not funded 2033-2034	Funded %
Roading	24,500	16,388	33%	29,694	15,009	49%
Wastewater	13,570	10,300	24%	25,308	4,196	83%
Water Supply	9,463	5,812	39%	17,576	3,885	78%
Stormwater	8,944	6,334	29%	12,141	1,821	85%
Community/Other	9,534	5,015	47%	25,626	10,980	57%
Total	**66,012**	**43,849**	**34%**	**110,344**	**35,892**	**67%**

In order to remain within its borrowing limits, it is necessary to progressively increase the funding of depreciation expense through the draft Long Term Plan 2024-2034. In the first year (2025) there is a significant 19% increase in depreciation expense which is primarily due to increased revaluations of roading and water asset values. Although the gross increase is $10.5M, the rates impact is limited to the amount of depreciation funded. This represents a $5.2M increase to $22.2M, which represents a 3.8% rates impact. The overall funded depreciation increases to 34% in 2024-2025, which represents a minimum acceptable amount to fund currently planned renewals programmes.

QLDC has historically funded up to 50% of depreciation expense in order to provide adequate budgets for asset renewals. The large increase in infrastructure asset values over the past five years as well as the large capital programme has seen the funded percentage drop to 30.6% in 2023-2024. We have determined that we need to increase the funded percentage to 47% by 2025-2026 and to 67% by 2033-2034 to fund the various renewal programmes required over the next ten years. This strategy allows us to progressively increase the funded amount which avoids a large spike in rates required in a single year.

Revenue & Financing Policy

Section 103 of the Act outlines that the revenue and financing policy must state Council's policies in respect of the funding of both operating expenses and capital expenditure.

FUNDING SOURCES – OPERATIONAL EXPENDITURE

The 'revenue' part of the title 'revenue and financing policy' relates to funding of operating expenditure. The following sources of income are recognised by the Council:

1. Rates

   A number of the Council activities are funded by a combination of revenue types. Council practice is to initially account for income from fees and charges, grants and subsidies or other income sources. If the activity still requires additional funding, the remaining balance is usually funded by way of a rate which is applied to relevant properties within the district.

   The Council uses a capital value rating system across the district. Capital value is preferred to land value as Council believes that it generally provides a better method for the fair allocation of cost for the Council services. Rates are generally used where it is economically impractical to use fees and charges.

   There are two classification types for rates:

   - General rates – include uniform annual general charge (UAGC) and capital valued based rate
   - Targeted rates - include capital valued based roading rate, tourism promotion rate, governance rate, recreation and events rate, regulatory rate, water supply rate and stormwater rate; fixed annual charges for sewerage, water supply, waste management, recreation and events, governance and regulatory, Queenstown Aquatic Centre, Wānaka Aquatic Centre and sports, halls and libraries; and proposed capital value based transport improvements rate.

   Generally, the policy indicates that where a private benefit exists, the cost of this should be recovered by user fees or a targeted rate. The cost of public benefits is usually general rate funded, with the capital value rate used to fund 'property' related activities and the UAGC used to fund 'people' related activities.

2. Fees and charges

   There is a wide range of revenue in this category. Generally, the Council will look to user fees and charges to recover the 'private benefit' costs of a particular activity if it is economically viable to do so.

3. Grants and subsidies

   Some of the Council activities qualify for a grant or subsidy from the Crown. In particular, the Council receives a subsidy from NZTA for qualifying roading expenditure. Other smaller grants are also received from the Crown, e.g. Creative NZ.

4. Interest and dividends from investments

   Interest income is recognised from all investment sources but is very minor. The majority of investment income is used to offset rates. Council receives a regular dividend from Queenstown Airport Corporation (QAC) via its 75.01% ownership stake. It is proposed to continue to utilise forecast dividends from QAC to repay generally funded debt.

5. Other sources of income

   Other sources of income include parking infringement fines, petrol tax, rates penalties and concession income. Council is open to considering all alternative funding options/tools that may become available. This is a catch-all classification and the income is treated in the same way as fees and charges.

FUNDING SOURCES – CAPITAL EXPENDITURE

Funding to pay for new assets will come from a mix of borrowing, development contributions, grants and subsidies, capital revenue, reserves and asset sales. Generally the costs of new assets will not be met from rates; however a portion of the costs of servicing loans will be funded by rates.

Funding for new capital works will depend on the nature of the work, in particular the reasons (cost drivers) which have made the work necessary. There are three main cost drivers recognised by the Council:

> Growth

> Renewal

> Level of service shift.

Capital expenditure due to growth

The Queenstown Lakes district has experienced significant growth in its resident population, visitors, housing and commercial development and the local economy. This growth generates high levels of subdivision and development activity which places increasing pressure on the assets and services provided by the Council. Significant investment in additional assets and services is therefore required to meet the demands of growth. Council intends to fund the portion of capital expenditure that is attributable to growth from development contributions wherever it is reasonable to do so. In cases, where Council is unable to fund the construction of new infrastructure to support growth within optimal timeframes, Council will look to accelerate the delivery through the use of third party financing as provided for under new IFFA legislation.

Council considers that development contributions are the best mechanism available to ensure the cost of growth (net of any external funding) is funded by those who have created the need for that cost. Council considers it inappropriate to burden the community as a whole, by way of rating or other payment means, to meet the cost of growth. Council has adopted a policy on Development Contributions (DC Policy) as part of the Long Term Plan since 2004. This is updated on a three yearly basis.

Types of assets included in the DC Policy are:

> network infrastructure for water supplies, wastewater, stormwater and roading; and

> community infrastructure including the development and acquisition of reserve land to use as reserve, and facilities needed on that reserve, along with other public amenities such as halls, libraries, public toilets and parking facilities.

Funding sources for growth capital expenditure in order of priority:

i. Vested assets

ii. Development contributions or where appropriate IFFA

iii. Capital grants and subsidies attributable to growth portion

iv. Borrowing.

Capital expenditure due to renewals

Renewal works are those capital expenditure costs that are incurred in restoring an asset to previous service levels, usually reflected in the amount that an asset has depreciated. Therefore, by using depreciation funds, the council will be maintaining infrastructural networks to at least their existing service level. The funding of depreciation is an implied requirement of the 'balanced budget' provision of the Act (see above). It requires that the Council fully fund all operating costs.

Funding sources for renewal capital expenditure in order of priority:

i. Depreciation reserves or where appropriate IFFA

ii. Borrowing

iii. Rates.

Capital expenditure due to shifts in levels of service, statutory requirements or other reasons, but not including growth or renewals

The cost driver for some of the capital works within the Queenstown Lakes District relates to increasing levels of service for the community. Sometimes these improvements to levels of service are required because of changes to legislation or resource consent conditions, which means that there is often little discretion with regard to the decision. An example of this would be the requirement to provide additional water treatment facilities as a result of the introduction of new Water Treatment Standards.

In other cases, the increase in level of service is a community-driven decision. An example of this would be the construction of aquatic centres. The Council's approach to funding for this type of capital expenditure is to apply for grants from national and local funding organisations initially and to apply the proceeds of land sales from the Commonage in Queenstown or Scurr Heights in Wānaka.

Funding from the Commonage in Queenstown is restricted by statute to be applied for the benefit of the Old Queenstown Borough for the purposes of water and sewerage upgrades. Proceeds from Scurr Heights land in Wānaka is restricted for use to the Wānaka-Upper Clutha ward and can be applied to a variety of infrastructure purposes including water, wastewater, roading or community (recreational) purposes.

Funding sources for other capital expenditure in order of priority:

i. Capital grants and subsidies or where appropriate IFFA

ii. Capital revenues and asset sale proceeds

iii. Capital reserves

iv. Borrowing

v. Rates.

Quantified limits on borrowing

In order to deliver the substantial capital programme included in this plan, the Council will need to rely on borrowing. The amount of borrowing required is significantly above the amount anticipated in the 2021 plan. Council has maintained a credit rating of AA- which will facilitate a higher borrowing limit and has spent a considerable amount of time and effort working through the capital programme to ensure that it is affordable, necessary and deliverable.

This has meant that a number of projects have been deferred or omitted because of funding and financing constraints. It is expected that by the end of year five, net debt will have risen to $1.0B and by the end of the ten year period it will peak at $1.22B (2021: $732M).

The growth portion of the capital programme (some $979M) will be largely funded by development contributions (DCs) in the long run, but must be funded primarily by debt in the first instance. This allows for the Council to spread the cost of large infrastructure projects over the expected life of the asset. Using debt in this way means that future residents and ratepayers contribute a fair share to the use they make of a facility. The downside of this approach is that Council has no certainty as to when the development will take place and may have to carry large portions of growth-related debt for considerable periods. This means that it is difficult for Council to stay within its debt parameters set by its major lender the Local Government Funding Agency (LGFA).

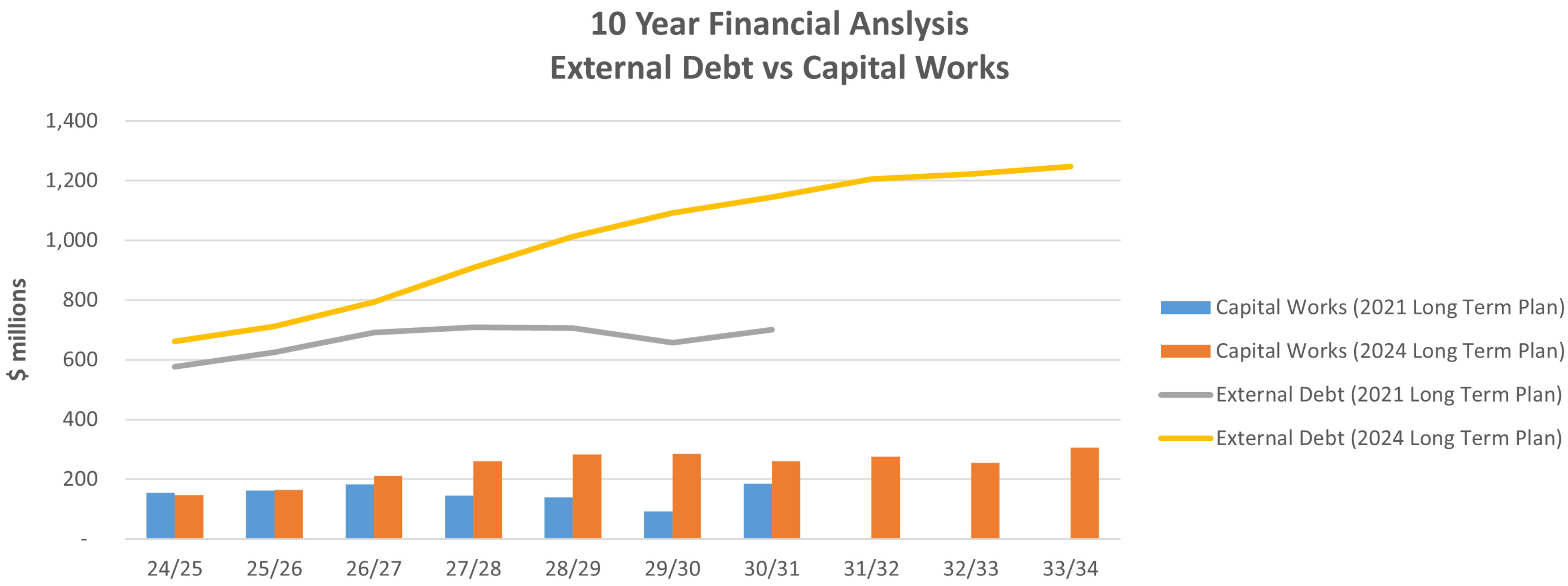
The most challenging debt parameter to maintain is the debt to revenue ratio; which effectively limits the Council's borrowing to 2.8 times its annual income. All councils experiencing high growth in NZ are facing difficulties in this regard, as revenue needs to increase to keep pace with the increased borrowing required to provide expensive growth infrastructure. This puts significant upward pressure on rates and other Council revenue. In this LTP, Council has attempted to balance increasing debt with increasing revenue including rates.

The proposed level of borrowing is within the debt parameters in the Council's Liability Management Policy. The borrowing limits were increased as a result of a change to debt covenants for borrowers with the LGFA. This was introduced to recognise the changed economic environment as a result of COVID-19.

LGFA Borrowing Limits (%)	Actual 2022/23	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Forecast 2033/34
Interest Expense/ Rates < 30%	17.50%	20.08%	16.98%	16.16%	16.40%
Interest Expense/ Total Revenue < 20%	8.80%	12.27%	10.73%	10.57%	11.82%
Net Debt/Total Revenue < 280%*	253.4%	263.0%	250.7%	253.4%	243.9%
*Limit was increased to 300% for 2021/22; 295% for 2022/23; 290% for 2023/24; 285% for 2024/25; and 280% thereafter					

The Council is within all of the debt parameters, which means that the affordability of the Long Term Plan can be demonstrated. Council is within all of the debt limits provided by the LGFA for the full ten years; this is important because compliance with these limits is an important requirement for continued financing. The debt ratios show that debt headroom increases from an average of $72M over the first 3 years to $180M in year 10.

The following graph shows a comparison of the Long Term Plan 2024-2034 to the Long Term Plan 2021-2031 for capital works and external debt over the ten years. The increase in the debt position at the end of 2030-2031 is $444M.


10 Year Financial Anslysis
External Debt vs Capital Works
$ millions
1,400
1,200
1,000
800
600
400
200
-
24/25
25/26
26/27
27/28
28/29
29/30
30/31
31/32
32/33
33/34
Capital Works (2021 Long Term Plan)
Capital Works (2024 Long Term Plan)
External Debt (2021 Long Term Plan)
External Debt (2024 Long Term Plan)

Security for borrowing

Council generally does not offer assets other than a charge over rates or rate revenue as security for general borrowing. This is achieved through a debenture trust deed which is a legal mechanism that provides assurance to lenders and is administered by an independent trustee.

Quantified limits on rates

Operating expenditure (excluding interest and depreciation) is shown to increase over the ten year period by an average of 3.9% (2021: 4.7%) per annum. The forecasts do include a provision for inflation after the first year as well as increases as a result of projected growth within the district. Operating revenue for the same period increases by an average of 8.9% (2021: 5.2%) per annum. With the significant increase in capital expenditure and debt, forecast rates increases are also higher. The average net annual increase over the ten years (after allowing for growth) is now 7.5% up from 4.3% (2021).

The graph below shows that rates are increasing at a higher rate than operating costs over the ten year period. As discussed earlier, rates are influenced by a number of factors including core recurring operating costs; growth in the district; inflation and the capital programme. The capital expenditure in previous years will affect rates through the impact of depreciation and interest costs. For the 2024-2025 year the combined impact of increases in depreciation and interest account for over 50% of the proposed rates increase of 15.6%.

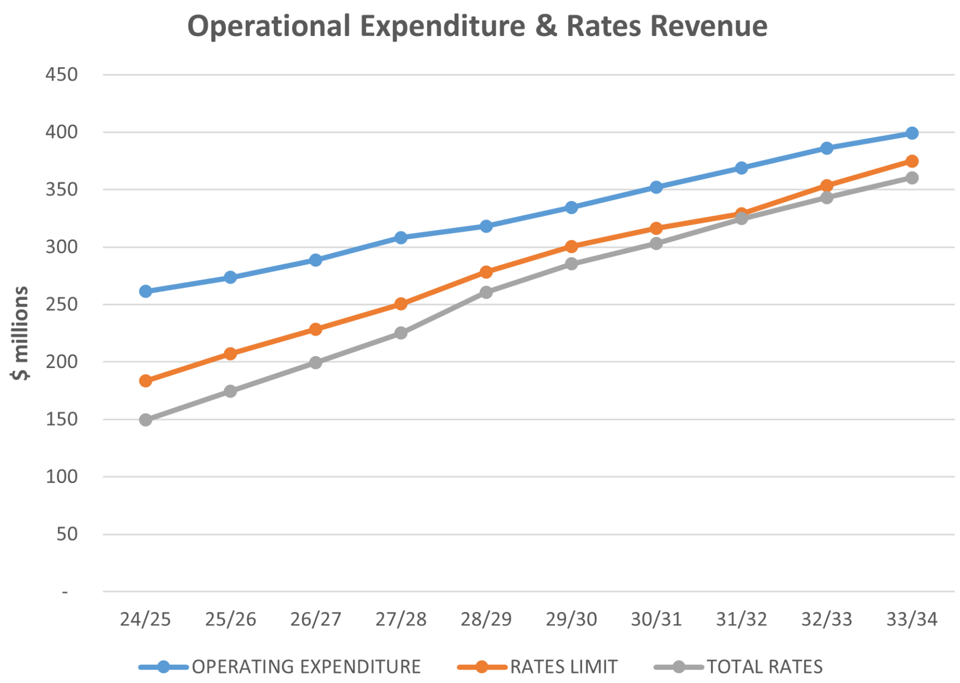
Rates can also be affected if the community demands or central government requires an improvement in levels of service for a particular activity. Where there is a significant rates impact for a proposal of this nature (i.e. CBD Queenstown transportation improvements), Council will disclose the rating impact as part of the consultation process.

In order to determine a sensible quantified limit on rates, it is necessary to take account of the various influences on rating levels. The limit should also be easily understood. The table below shows that rates are increasing by an average of 8.2% (after growth) over the ten years. Council has attempted to smooth the impact of rates increases as the increased costs associated with new infrastructure and borrowing is recognised. The forecasted average rates increases for the first five years are higher at 12% (after growth) as they reflect higher operating costs and the impact of increased depreciation and interest.

It is proposed therefore to set a rates increase limit of 20% gross (15.6% net) per annum for the first 2 years; 16% gross (11.9% net) per annum for the next 3 years and 10% gross (7.4% net) per annum for the last 5 years (subject to changes in growth forecasts). It is also proposed that rates income will not exceed 75% of total revenue. The average growth rate in the district is 3.5% per annum and this will reduce the impact of any rates increase for existing properties.

10 Year Rates Increase										
Financial YE 30 June	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2033**	**2034**
Net Rates Increase (after growth)	15.6%	12.9%	10.3%	9.1%	11.9%	5.8%	2.7%	3.4%	2.1%	1.4%
Gross Rates Increase (before growth)	19.6%	16.9%	14.2%	12.9%	15.8%	9.5%	6.3%	7.0%	5.7%	5.0%
	limit	limit	limit	limit	limit	limit	limit	limit	limit	limit
	20%	20%	16%	16%	16%	10%	10%	10%	10%	10%

Operating expenditure and rates revenue



FINANCIAL INVESTMENTS AND EQUITY SECURITIES

The Council holds very few financial investments as we are a net borrower. Surplus cash will be invested for short periods from time to time in line with the Council's Investment Policy.

The Council does hold equity securities (shares) in several controlled entities. These Council Controlled Organisations (CCOs) exist or have been established to perform specific important functions within our community. Shares are held in the following entities:

Name	Ownership Interest
Queenstown Airport Corporation	75.01%

The shareholding in Queenstown Airport Corporation is both commercially and community oriented. Council continues to hold a controlling interest in QAC as the airport is seen as a critical piece of local tourism infrastructure. The airport is the fastest growing in Australasia and it is seen as essential that it remain under community control to ensure that it continues to make decisions in the best interests of the district. Until 2010, Council was the sole shareholder but with the equity investment from Auckland International Airport Ltd, regular dividends have been paid until the impact of COVID-19 has temporarily halted dividend payments for 2020-2021 and 2021-2022.

Over the next ten years, $104.4M of dividend income is forecast to be received. Council intends to use this income to repay existing debt.

30 Year Infrastructure Strategy

Water, Transport, Waste and Social

2024 - 2054

Section 1

About this strategy

This Infrastructure Strategy sets the strategic direction for the provision of infrastructure in the Queenstown Lakes District.

This strategy identifies significant infrastructure issues for the district over the next 30 years, the principal options for managing those issues, and the implications of those options. This strategy draws together information from Queenstown Lakes Spatial Plan 2021, national guidance, Council's strategic framework, Asset Management Plans, Master Plans, Long Term Plan and other key strategic documents. The strategy fulfils the requirements of section 101B of the Local Government Act 2002 (LGA 2002) and sits alongside Council's Financial Strategy.

INFRASTRUCTURE INCLUDED IN THIS STRATEGY

This strategy outlines the key considerations for management of, and investment in, the following infrastructure types:

Social

Social infrastructure plays an important role in developing strong and inclusive communities. It provides opportunities to bring different groups of people together, contributing to social integration and the desirability of a place. Social infrastructure enables locals and visitors to connect, socialise, play, learn and participate in a wide range of social, cultural, art, sport and recreational activities. This has a direct impact on the lives of the community and on its wellbeing.

In the context of this strategy social infrastructure includes the community spaces/libraries, reserves, parks and playgrounds, sports fields, and sports and recreation facilities provided by Council. Council takes a network approach, and as such the social infrastructure provided by others (e.g. schools and health providers) informs what Council needs to provide. Council also provides a wide range of programmes and services using this infrastructure that enable strong and inclusive communities, which are not the subject of this strategy.

DID YOU KNOW THIS IS THE FIRST TIME SOCIAL INFRASTRUCTURE HAS BEEN INCLUDED IN THE INFRASTRUCTURE STRATEGY?

Transport

The transport system is an integrated network that enables the movement of people and goods. The types of transport assets Council manages include local roads, intersections, bus stops, footpaths and cycleways, parking, signs and road markings, traffic signals, lighting, bridges, retaining walls and waterways infrastructure like wharves and jetties.

Note that: NZ Transport Agency Waka Kotahi manages the state highways within the district, and Otago Regional Council operates the district's public transport service.

Waste minimisation and management

Waste minimisation and management encompasses waste reduction (reducing the production of waste materials at source), resource recovery (diverting waste from landfill) and waste disposal (collecting, transporting and disposing of waste products).

Key waste management assets include rubbish bins and transfer and recycling facilities. Waste services are supported by other assets that contractors own and maintain, including collection vehicles, the landfill and its associated assets.

Three Waters

'Three Waters' is the collective term for the three main types of water infrastructure Council provides: water supply, wastewater and stormwater.

WATER SUPPLY

Water supply provides people with safe drinking water and firefighting flows. The service involves the abstraction, treatment, storage, distribution and ongoing management of most of the district's water supplies. Water supply assets include water mains, bores, treatment plants, pump stations and reservoirs.

WASTEWATER

Wastewater (or sewage) is used water that has been affected by domestic, industrial and commercial use. Council is responsible for the collection, transfer, conveyance, treatment and disposal of the district's wastewater and trade waste. Wastewater assets include wastewater mains, pump stations, treatment plants and disposal fields.

STORMWATER

Stormwater is the water that runs off surfaces when it rains. Stormwater assets include stormwater mains, interceptors, detention basins and outlets.

FUTURE WATER SERVICE DELIVERY MODEL

By mid-2025, Council must submit a Water Service Delivery Plan (WSDP) to Government.[24] It is expected that the WSDP will be required to detail the current state of three waters assets and services, the type and level of investment required to ensure services are compliant and respond to projected growth, and how services will be organised and funded to ensure ongoing financial sustainability.

Key considerations of the WSDP will include:

- what organisation is best placed to provide water services to the community (Council, local or multi-authority CCO, other)
- the type and standard of water services to be provided
- the approach to maintaining and operating existing and new three waters infrastructure
- the extent to which proposed investment will respond to the challenges described in this strategy
- mechanisms for funding three waters service provision, including what user and other charges will be amended or introduced to ensure the ongoing financial viability of service provision
- the level of public consultation required in the development and adoption of the WSDP and
- the environmental and economic regulatory standards set for local government by new and planned independent regulators.

Council plans to update this strategy to reflect the outcome of the WSDP process.

[24] This statement is based on indications from Government and assumes that the necessary legislation will be passed to establish this requirement.

Other infrastructure

Te Waihanga estimates local government collectively owns and operates about 26% of New Zealand's infrastructure.[25] While Council has an important role to play in building and operating the infrastructure types outlined above, there are a range of other enabling infrastructure networks and services that are not addressed within this strategy but are equally as important to supporting community outcomes. Some of the key infrastructure networks and services owned and operated by other providers include energy, telecommunications, state highways, public transport, healthcare, education, justice, emergency management, private three waters schemes, and flood, drainage and river control.

AIRPORTS AND AIRFIELDS

The district has two airports (Queenstown and Wānaka) and one aerodrome (Glenorchy).

QUEENSTOWN AIRPORT

Queenstown Airport is one of the busiest airports in New Zealand. Queenstown Airport Corporation (QAC) is a council-controlled trading organisation of which Council is the majority shareholder. QAC's investment activities are guided by its ten year strategic plan.

WĀNAKA AIRPORT

Wānaka Airport is owned by Council, and currently operated by QAC under a Management Services Agreement. With more than 50,000 movements per year, the Wānaka Airport is one of the busiest non-certified airports in New Zealand. In the short- to medium-term, Council plans to invest in the airport's infrastructure, ensuring compliant and safe operations, fit-for-purpose facilities and general good stewardship of the existing asset base (culminating in the airport becoming Qualified under Civil Aviation Rule Part 139). Concurrently, a master planning exercise will consider the strategic purpose and future role of the airport in providing air transportation services to the Upper Clutha community.

GLENORCHY AERODROME

The Glenorchy Aerodrome provides for small private and commercial fixed wing and helicopter operations. Its use is governed by the Glenorchy Airstrip Reserve Management Plan. There are no Council maintained facilities onsite.

[25] *Build or maintain? New Zealand's infrastructure asset value, investment, and depreciation, 1990-2022.* Te Waihanga, February 2024.

Section 2

Strategic context

IN THIS SECTION

Council's Strategic Framework

Council's Strategic Framework outlines how the community's aspirations and wellbeing drive everything we do, as well as those areas that need to be prioritised to address district specific issues and make meaningful progress toward outcomes.

COMMUNITY OUTCOMES

Community outcomes were defined with the community, in Vision Beyond 2050, and reflect the community's aspirations for itself. These extend beyond the things that Council delivers and have been incorporated in many community-driven initiatives and strategies.

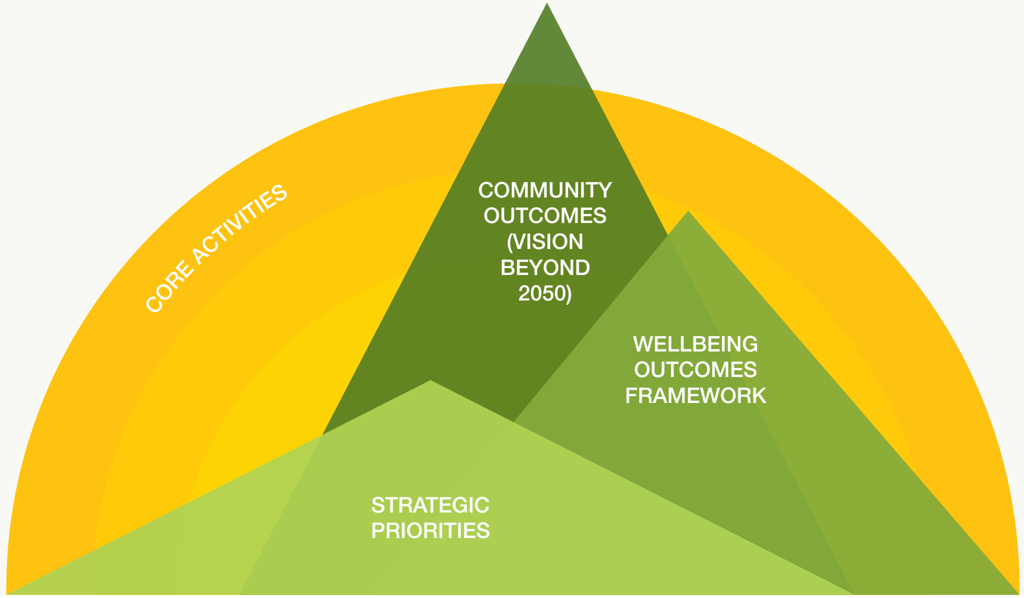
WELLBEING OUTCOMES FRAMEWORK

Community outcomes are supported by the wellbeing outcomes framework, which guides how Council contributes to the wellbeing of the district's people and environment. These are based on the Wellbeing Framework for Otago developed by Otago Regional Council in conjunction with Otago's district and city councils.

STRATEGIC PRIORITIES

Strategic priorities are those areas that require specific investment or partnerships over the next ten years to make meaningful progress towards achieving outcomes. These do not cover everything Council does, rather they are those areas where additional focus and attention is required.

Figure 1: *Council's Strategic Framework*



OUR COMMUNITY OUTCOMES...

- Thriving people | Whakapuāwai Hapori
- Living Te Ao Māori | Whakatinana i te ao Māori
- Opportunities for all | He ōhaka taurikura
- Breathtaking creativity | Whakaohooho Auahataka
- Deafening dawn chorus | Waraki
- Zero carbon communities | Parakore hapori
- Disaster-defying resilience | He Hapori Aumangea
- Pride in sharing our places | Kia noho tahi tātou katoa

...ARE SUPPORTED BY OUR WELLBEING OUTCOMES FRAMEWORK...

CROSS CUTTING
Equity
Mātauraka Kāi Tahu
Resilience
Sustainability

PEOPLE
Healthy and fulfilled people
A good standard of living

PLACE
A healthy natural environment
An enabling built environment

COMMUNITY
Connected communities
Belonging and identity
Participation and governance

...AND DELIVERED EVERYDAY THROUGH OUR CORE ACTIVITIES...

| Community Partnerships | Libraries | Sport & Recreation | Community Facilities and Venues | Parks and Reserves | Property | District Plan | Planning Policy
| Resource Consents | Water Supply | Wastewater | Stormwater | Transport | Waste Minimisation and Management | Strategic Growth - Spatial Plan | Economy
| Climate Action and Resilience | Regulatory Functions and Services | Local Democracy | Emergency Management | Finance and Support Services

...AND THROUGH ADDITIONAL FOCUS ON OUR STRATEGIC INVESTMENT PRIORITIES.

GET THE BASICS RIGHT FIRST
| Protect human and environmental health
| Maintain levels of service
| Undertake essential renewals
| Ensuring we're ready for the future

DIRECTLY INVEST IN INFRASTRUCTURE & SERVICES
| Create well designed communities
| Provide for growth
| Build resilience and ability to adapt to the future
| Enhance performance of the transport network
| Create thriving town centres
| Reduce carbon emissions

INVEST THROUGH PARTNERSHIP WITH OTHERS
| Diversify the economy
| Build a sustainable tourism system
| Improve housing affordability

Infrastructure vision and objectives

Council's infrastructure assets and services should enable everyone in the district to maximise their wellbeing. Infrastructure services are essential for healthy and connected neighbourhoods and communities. Services must be resilient and safe, and protect the natural environment for generations to come. Council will work in partnership with iwi, communities, central government, funders and other infrastructure providers to plan and build for this future.

The cross-cutting wellbeing principles – Equity, Matauraka Kai Tahu, Resilience, and Sustainability – are embedded within the objectives that guide Council's investment in infrastructure and its approach to planning, delivering and operating assets and services.

THREE WATERS, TRANSPORT, AND WASTE INFRASTRUCTURE

Rautaki Hanganga o Aotearoa is New Zealand's infrastructure strategy; its vision is "infrastructure lays a foundation for the people, places and businesses of Aotearoa New Zealand to thrive for generations". Council's three waters, transport and waste infrastructure plays a critical role in realising this vision by enabling people to live healthy lives, supporting a stable and prosperous local economy, growing resilience to sudden natural events, and respecting and protecting the natural environment's mauri.

The following objectives guide how investment in, and management of, Council's three waters, transport and waste infrastructure give effect to the wellbeing outcomes and Spatial Plan:

OUTCOME	OBJECTIVE	ABBREVIATED TO...
Healthy and fulfilled people	Provide infrastructure services that reliably protect people from harm.	Protect people from harm
	Leverage investment in infrastructure to create opportunities for people to increase activity, recreation and social connection.	Leverage investment
A good standard of living	Sustain timely infrastructure investment to support and strengthen the district's growing complex economy and associated employment opportunities.	Sustain timely investment
	Pursue efficiency, effectiveness, and funding opportunities that support the sustainability of infrastructure services.	Sustainable infrastructure
A healthy natural environment	Prevent contaminants associated with infrastructure services from entering the natural environment.	Prevent contaminants from entering environment
	Reduce the impact of infrastructure on global emissions and resource extraction.	Reduce emissions and resource extraction
	Identify and prioritise opportunities for environmental regeneration.	Environmental regeneration
An enabling built environment	Optimally sequence infrastructure interventions to maximise servicing capability for the district's growing population.	Optimise infrastructure servicing
	Enable access to essential services following a natural hazard event, and optimise the recovery of all services thereafter.	Natural hazard response and recovery

Social Infrastructure

The Queenstown Lakes district is geographically dispersed and is made up of multiple smaller settlements that have been developed over time, and often from historically informal holiday localities. This means that some areas of the district are better supported than others with social infrastructure. There are some elements of social infrastructure that can be retrofitted into already developed areas, but this will be area specific and won't always be possible. Council wants to ensure that future development in key development areas is done with social infrastructure needs in mind so that these communities can benefit from more connected communities. The district's social infrastructure also forms part of the regional and sub-regional infrastructure, and so in some cases wider needs of the broader area must be taken into account when planning.

The *Queenstown Lakes Spatial Plan* sets out that future key development areas will be within and around the existing urban areas of Queenstown and Wānaka. This approach builds on locations that are already fully or partially urbanised. Concentrating growth in the existing urban areas will mean more people live in areas where public transport, cycling and walking is an easy and attractive transport option. However, due to regional topography and a small, dispersed population base, it is not affordable, or efficient, to have all types of social infrastructure replicated across individual neighbourhoods. Accordingly, Council needs to balance neighbourhood needs with the need to invest in certain social infrastructure that is centrally, strategically placed, multipurpose and integrates different community needs.

As the district continues to grow and intensify ensuring access to a variety of quality public open spaces is increasingly important, as is delivering this in a way that benefits both people and nature. Ensuring residents have easy access to open space enhances quality of life, provides recreational opportunities, preserves natural resources, promotes community identity and fosters social equity within a community. The blue-green network[26] also needs to be designed with future climate change and hazard adaptation in mind.

The following objectives guide how investment in, and management of, Council's social infrastructure give effect to the wellbeing outcomes and Spatial Plan:

OUTCOME	OBJECTIVE	ABBREVIATED TO…
Healthy and fulfilled people	Create opportunities for people to increase physical activity, play and recreation and social connection.	Opportunities for increased activity and connection
	Deliver social infrastructure that is diverse, fit-for-purpose and provides for community, mana whenua and visitor need.	Diverse, fit-for-purpose facilities
	Provide social infrastructure that meets many everyday (non-work) needs within a short walk, cycle or bus ride of home.	Meet everyday needs within a short walk, cycle or bus ride
A healthy natural environment	Ensure natural and heritage features of open spaces are protected and treasured.	Protect natural and heritage features
	Improve social infrastructure impact on biodiversity, water quality, embodied carbon and carbon emissions.	Improve environmental impacts
An enabling built environment	Plan for sufficient social infrastructure to accommodate the district's growing population.	Plan for growth
	Develop a network of strategically placed, multipurpose facilities that ensures accessibility, maximises efficiencies and are fit-for-purpose.	Strategically placed, multipurpose facilities

[26] Blue-green network is the grouping of all the parks, open spaces, connections and accessible waterway that deliver a variety of educational, recreational, ecological, cultural, landscape and health benefits.

Queenstown Lakes Spatial Plan

The Queenstown Lakes Spatial Plan 2021 ('Spatial Plan') sets out the strategic growth plan for the district, with key priorities aimed at ensuring future growth happens in the right places and is supported by the right infrastructure and services – those within the control of the Council and wider utility and service providers. This covers a broad range of services and requirements, including pipes in the ground, ways of getting around, access to schools, housing, energy, healthcare, telecommunications, waste, and community facilities. The Spatial Plan helps Council understand how and where the district will grow and is a key influence on this strategy, in particular:

> **The Spatial Plan identifies where and in what manner the district will grow** and what infrastructure will be required to support this growth. The delivery of responsive and cost-effective infrastructure that is delivered in a staged manner, linked in a sequenced way to growth, is critical to achieving the outcomes of the Spatial Plan and ensuring that growth is adequately provided for. This strategy responds to the need to develop infrastructure in line with how and where the district is going to grow.

> **The delivery of an integrated transport network that is focussed on moving goods and people, is critical to achieving the outcomes of the Spatial Plan and ensuring that growth is adequately provided for.** This means increasing the level of investment in new infrastructure and optimising the use of road space for all road users and to support better public transport services and active travel. This is a key input in to determining the focus areas for transport investment. This strategy outlines the choices needed about transport and social infrastructure to transform neighbourhoods and transport networks to respond to this.

> Much of the recent growth has been in housing developments that sometimes lack local shops, services and adequate parks and community facilities. **Ensuring well-designed neighbourhoods, particularly in new development areas, will mean more everyday needs can be met locally, improve connections and a feeling of belonging, helping to improve the health and wellbeing of communities now and into the future.** This strategy outlines the infrastructure required to enable more everyday needs to be met close to home.

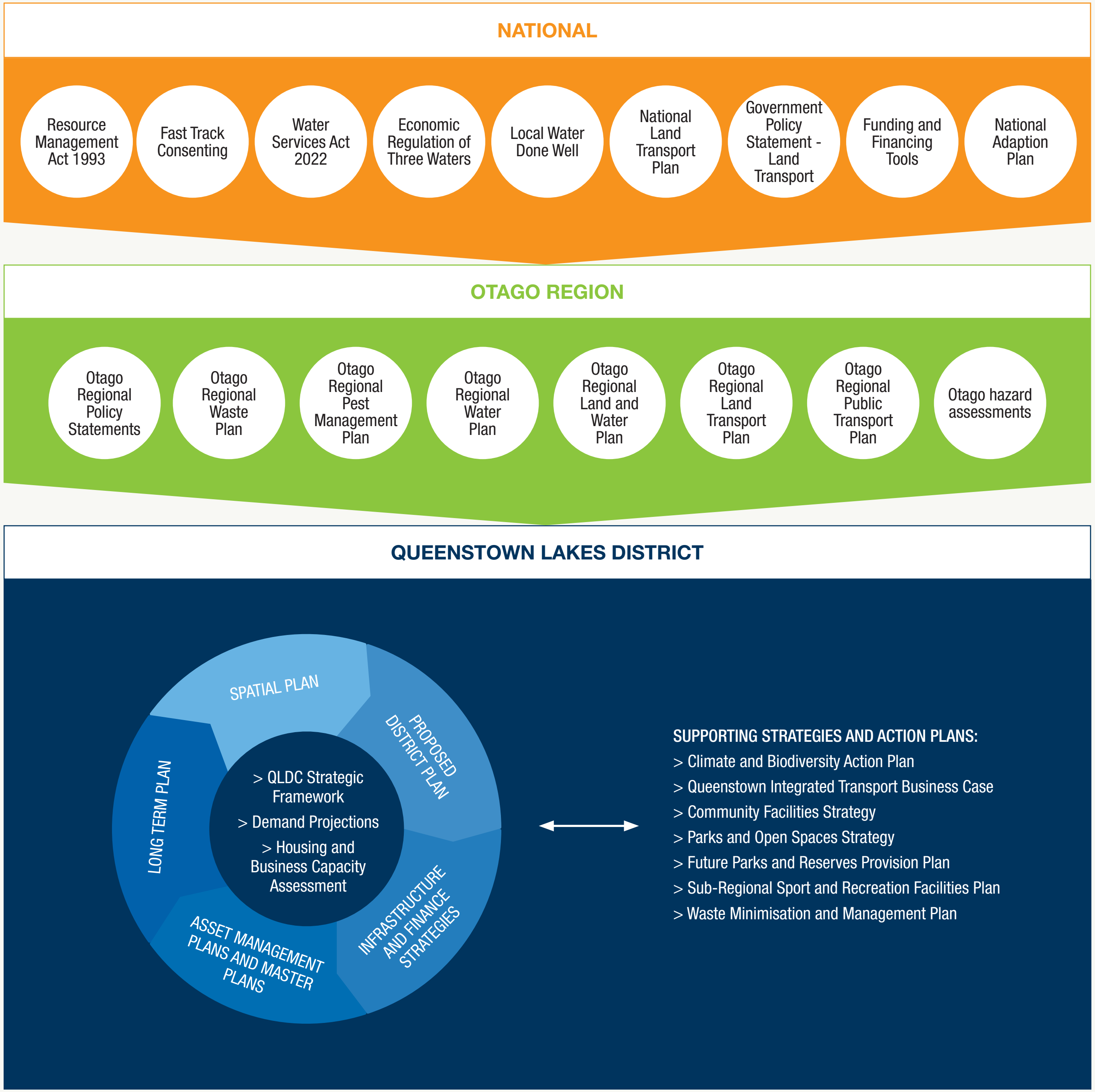
> Including mana whenua perspective across Council activities is essential to creating thriving communities. **Council, as a crown entity, honours its commitment to its Te Tiriti o Waitangi partners (Kāi Tahu) by acknowledging and adopting Kāi Tahu values and aspirations as a shared responsibility.** This strategy has considered Kāi Tahu's aspirations in options for future infrastructure interventions.

The next iteration of the Spatial Plan is currently being developed, alongside the development of this strategy, and this will be informed by revised demand projections. In a high-growth environment, it is important that these strategies inform each other and are updated with a clear understanding of thresholds for change and the potential for timeline acceleration. Details on population projections and demand for services can be found here: **www.qldc.govt.nz/community/population-and-demand.**

Strategic planning environment

Local government is facing a complex and uncertain future. There are Government reforms underway, and yet to come, that will have a significant impact on how to plan for and fund infrastructure and services for the future.

Outlined here are the key external influences on this strategy; most of these are currently under review, or signalled as planned for review, by the Government. Each of these changes would likely have a significant impact on specific parts of the strategy, all of these changes together will likely have a material impact on the strategy as a whole. As reforms progress, it is anticipated that significant replanning will be required within the next three years.



Significant issues

The Queenstown Lakes District is a highly desirable place to call home due to the attractive scenery and climate, clean environment, outdoor lifestyle, strong economic opportunities and strong national and international connectivity. Over the past 30 years, the Queenstown Lakes has almost tripled in size, alongside significant growth in visitors to the area. The economy has performed very strongly, with GDP growth over double the New Zealand average and there has been very low unemployment. The 2023 Quality of Life survey results demonstrate a solid commitment to, and pride in, the district amongst its residents. Respondents generally reported having a high quality of life with over half likely to recommend working and living in the district to others.

However, people who live, work, and visit Queenstown Lakes District are also experiencing wide-ranging challenges that are driven from a national level as well as those that are district specific. Some of these challenges can be directly influenced by actions Council takes, many others are outside of the control of Council. These have been distilled into five significant issues that the district is facing that this strategy aims to address through the provision of improved infrastructure over the next 30 years.

RAPID AND SUSTAINED POPULATION GROWTH

The Queenstown Lakes District is one of the fastest growing areas in Aotearoa, with resident and visitor growth that has consistently exceeded predictions. Growth has had benefits and caused some challenges. Urban development has often been developer-led, spreading out over large areas of land putting pressure on both the environment and infrastructure. Areas in the district are already zoned to enable greater than 30 years' worth of housing growth, before considering key development areas that have not yet been zoned. Much of the district's growth is demand led with high levels of inward migration from both NZ and overseas. This demand places considerable price pressure on the market and an ongoing demand for additional supply of both land and housing.

Queenstown Lakes faces a disproportionately high number of visitors relative to its population compared to other centres in New Zealand. Average day populations, which are over 30% higher than the resident population, must be considered when planning for infrastructure needs. There is national economic dependence on a positive visitor experience, but the district has a relatively small population, and workforce, that are required to plan, fund, and deliver infrastructure on a large scale.

This means there is significant demand for new servicing capacity across the district's infrastructure both within and beyond current zoned / serviced areas. Council must find innovative ways to make best use of existing infrastructure and expand the networks to respond to this.

INCREASED AND INCREASING STANDARDS

Central Government and Otago Regional Council have both made changes in recent years that have resulted (or will result) in obligations to deliver new infrastructure and services at a higher standard than in the past, and to upgrade existing infrastructure and services to meet these higher standards. These standards have been increasing over recent years and further changes are expected, but it is unclear where central Government will focus future changes, and this adds uncertainty to planning.

This means that infrastructure upgrades must be made earlier, and the cost of new infrastructure continually increases. Responding to increasing standards will also require the community to play its part, for example drinking water will need to be used more efficiently as the cost to treat increases.

RESILIENCE TO SHOCK EVENTS

The Queenstown Lakes district is in an inland mountainous environment exposed to climatic extremes in terms of high and low temperatures, extreme rainfall, drought and heavy snowfall. The likelihood of more severe and frequent weather events will increase with a warming climate.[27] The most likely natural hazards for the region are major storms (with associated flooding, high winds and landslides – as was experienced in September 2023)

[27] *Climate change implications for the Queenstown Lakes District.* Bodeker Scientific, April 2019. See https://www.qldc.govt.nz/media/cabftw34/24-4-19_bodeker_final_report_qldc.pdf

and earthquakes (with associated ground shaking, liquefaction, rockfall and landslides).

These events can cause major damage to local infrastructure and regional connectivity (roading, power and telecommunications). Infrastructure therefore needs to be functional and resilient to the district's alpine climate and seismically active terrain, whilst protecting the outstanding natural landscapes on which the district's reputation is predicated. Infrastructure investments need to be approached from an integrated systems perspective that ensures that the engineering design, supporting services, network connections and the community that the asset serves are all resilient and prepared for the shocks and stresses that can occur. Opportunities to build resilience into existing infrastructure assets and networks also need to be considered.

CLIMATE EMERGENCY

On 27 June 2019, Council declared a climate and ecological emergency as well as approving the release of the Council's first Climate Action Plan 2019-2022[28] for public feedback. In June 2022 the second Climate and Biodiversity Plan 2022-2025[29] (CBP) was adopted which recognised the need to address both the climate and ecological emergencies together. The CBP is one of Council's core strategies, influencing across all work streams, programmes and plans.

Infrastructure plays a fundamental role in determining carbon emissions for a district. The extent of infrastructure can guide and shape the physical layout and design of a district and therefore be a key source and enabler of both emission production and reduction. Embodied carbon and emissions must be accounted for at every stage of the lifecycle for infrastructure, including design, supply chain, construction, operations and maintenance.

INFRASTRUCTURE DEFICIT

The issues outlined above put pressure on existing services and require Council to do more. But the ability to do more is constrained by:

> continued escalating costs due to increasing interest rates, high inflation, high demand, and supply chain issues (often due to macro-economic and international geo-political issues)

> limited capacity to deliver due to the size of both Council's workforce and the contractor / professional services market in the district

> long project incubation periods and barriers to implementation make it difficult and costly to respond to changing requirements

> the timing and investment of other infrastructure and service providers that are also critical to meeting demand and maintaining levels of service within the district

> limited funding availability exacerbated by settlement of large defective building claims, debt associated with a major capital delivery programme in recent years, and ratepayer affordability limitations.

Like many councils around Aotearoa New Zealand, Council has been facing these constraints for some time and resulting infrastructure and service deficits must now be addressed alongside responding to the other issues outlined above. This is consistent with Te Waihanga's (Infrastructure Commission) view that there is currently a large infrastructure deficit across New Zealand.

[28] https://www.qldc.govt.nz/your-council/climate-change-and-biodiversity#climate-action-plan-2019-2022
[29] https://www.qldc.govt.nz/media/ie3jk5bb/qldc_climate-and-biodiversity-plan_jun22-web.pdf

Section 3

Meeting the challenge

IN THIS SECTION

The ‘most likely’ scenario

This strategy is underpinned by a ‘most likely scenario’ for the next 30 years. This scenario is a combination of assumptions about a wide-ranging suite of drivers that will influence how the future unfolds. To provide definition to the most likely scenario, the two common drivers that are most influential to the provision of Council’s infrastructure activities have been identified and tested to determine how plausible differing combinations of these key drivers are (ref. figure 2).

KEY DRIVERS:

POPULATION GROWTH

The extent to which resident and visitor populations grow is a critical determinant of the type and scale of infrastructure required. In addition to providing for high and sustained growth in the district’s resident population, Council’s infrastructure also needs to be able to support considerable population peaks when visitor numbers are high. These variable demand patterns exacerbate the servicing challenges associated with providing infrastructure that meets the demands of a growing district. Growth itself is not directly within the control of Council and Government direction is clear that we must plan to support projected growth. Council is required to estimate the likely growth in the district over the next 30 years, zone for it, and plan for investment in infrastructure that services it.

ABILITY TO FUND

Ability to fund infrastructure is determined by a range of assumptions made in the Finance Strategy about currently known external funding streams, the size of rates increases, and Council debt to revenue ratio requirements from Local Government Funding Agency (LGFA). Combined, this means the expected ability to fund infrastructure will likely not keep pace with the need to fund infrastructure to desired levels, without significant changes to the funding models and tools used by Council.

Council is planning for a future where the district’s attractiveness and desirability remains strong. As a result, resident and visitor population growth continues at high levels, and so too does the need to provide enabling infrastructure. It is likely that demand for infrastructure will continue to outpace and exceed Council’s ability to fund, and as a result there will be a need to continually balance service levels with risk and cost. Development that is dependent on enabling infrastructure will be delayed beyond optimal timeframes without alternative funding and delivery approaches. This is Council’s ‘most likely scenario’.

The significant decisions, options, and timing of investment set out in this Strategy reflect the most likely scenario. This scenario gives regard to current constraints, and the likelihood of those constraints materially changing over the next 30 years.

THE MOST LIKELY SCENARIO IS NOT THE PREFERRED SCENARIO.

Current fiscal constraints mean Council is unable to invest at the optimal quantum and pace required to respond to issues and realise Council's vision. This strategy outlines a realistic 30-year plan that makes meaningful progress towards outcomes, and acknowledges there will be trade-offs and challenges along the way.

COUNCIL WILL PROACTIVELY WORK TOWARDS A MORE PREFERABLE SCENARIO.

Although this strategy is predicated on a most likely scenario, Council will actively seek out opportunities to shift the district towards a more preferrable scenario. The introduction of new funding and financing tools and/or significant shifts in user demand patterns will enable Council to refocus towards future-focussed infrastructure (closing the infrastructure deficit and getting ahead of the demand curve earlier). If fiscal constraints are alleviated, Council will bring forward key projects that move the district materially closer to its desired outcomes. Further information on how Council will proactively respond to these constraints is included in the 'making infrastructure services sustainable' section of this Strategy.

COUNCIL IS CRITICALLY DEPENDENT ON INVESTMENT OTHER PROVIDERS MAKE OVER THE NEXT 30 YEARS.

Council is not the only infrastructure provider in the district. NZ Transport Agency Waka Kotahi is responsible for the state highways, Otago Regional Council for public transport services, Transpower for electricity, Ministry of Education for schools, and Te Whatu Ora Health New Zealand for healthcare facilities – amongst many others. Like Council, these other infrastructure providers are facing similar issues and constraints; accordingly, it is assumed investment in third-party provided infrastructure in the district will follow a similar trajectory to Council's for the foreseeable future.

LEVELS OF SERVICE WILL BE PERIODICALLY REVIEWED OVER THE LIFE OF THIS STRATEGY.

Levels of service (LoS) define the type and standard of services the community can expect. These LoS inform when and to what extent investment in new and existing infrastructure is required, what services will cost to operate and maintain, the standard to which developers must build new infrastructure, and provide a basis on which Council measures its performance as a service provider. Council's infrastructure related LoS are articulated across a range of different publications and sources and are due for consolidation and review. In determining the most likely scenario for the next 30 years, it is assumed that differentiated LoS models will continue to be utilised across Council's infrastructure activity types.[30]

[30] A differentiated LoS model seeks to balance user need and value. Under a differentiated model, service users can expect core and common minimum LoS, to which additional services and increased performance standards an be added where it makes sense to do so.

Figure 2: *defining the most likely scenario for this strategy*

GROWTH

The district remains an attractive destination, with high growth continuing across resident and visitor populations

Resident and population growth is materially lower than predicted

ABILITY TO FUND

Funding capacity remains constrained

Capacity to fund increases significantly

MOST LIKELY SCENARIO

Growth continues to place high demand on services, exacerbating existing deficits. Council is unable to fund assets in optimal timeframes, meaning service levels may worsen in the near-term and servicing growth is a challenge. Council is dependent on alternative funding/delivery mechanisms to meet the growth challenge.

Demand for growth servicing remains high, but Council's ability to fund enabling infrastructure is better matched to demand. Development within key growth areas is unlocked earlier than currently forecast, and the economies of scale that growth provides for enables the delivery of more cost-effective services.

Demand for increased servicing capacity slows and becomes more manageable. While Council's ability to fund new infrastructure remains constrained, current servicing challenges are not exacerbated by increasing pressure on our existing assets, meaning current funding levels can focus on addressing historical infrastructure deficits.

Demand for increased servicing capacity slows and becomes more manageable. More funding can be directed towards addressing the historical infrastructure deficit and improving current performance. Without new funding models or growth, expenditure will be limited by affordability for existing service users.

Making infrastructure services sustainable

More investment in the district's infrastructure over the next 30 years is inevitable. Sometimes this investment will be driven by increasing demand for service or unmet need; in other instances, investment may be justified due to the social, environmental and economic benefits that can be generated.

Built solutions alone will not respond to the issues identified in this strategy, and it is no longer feasible to rely on traditional funding mechanisms to meet the district's infrastructure investment needs. With that in mind, difficult and complex choices must be made about where to invest and how to cover the associated costs, and smarter ways to use existing infrastructure will be required.

The approach to prioritising, funding and operating Council's infrastructure over the next 30 years will focus on optimising available resources, assets and services alongside making prudent investment.

RESPONSIBLE DECISION-MAKING AND STRONG RESOURCE MANAGEMENT
Council is committed to being a responsible steward of the district's infrastructure resources, and to ensuring every investment it makes extracts true value-for-money. Infrastructure planning and decision-making will always give regard to the principles and approaches described in Council's Financial Strategy to ensure the organisation continues to operate in a responsible and affordable way. In accordance with, and in support of, the Financial Strategy, Council will seek to:
Comprehensively forecast future infrastructure needs, set long-term investment priorities, manage trade-off decisions, and minimise the cost of change to ensure critical initiatives can continue to be funded.
Understand and value whole-of-life costs, opportunity costs, and intergenerational impacts – always giving regard to overall affordability and ensuring beneficiaries of investments Council makes, are reliably identified to ensure costs are apportioned in a fair way.
Develop and implement a continuous improvement programme that identifies opportunities to do more for the same, do the same for less, generate new revenue, and generally streamline and rationalise ongoing service provision.
Consider a mix of different funding mechanisms when determining how to meet the district's infrastructure resourcing needs over the next 30 years.
Retain sufficient funding agility within the infrastructure portfolio to be responsive to arising opportunities or unexpected needs without compromising other planned investments.
Be consistent and responsible resource managers - establishing and adhering to internal controls, expenditure targets, and savings plans.
Implement strategic procurement arrangements that make best use of market capacity and capability, minimise the interface burden to Council, and improve the reliability of costs.

CONSIDER NON-BUILT SOLUTIONS FIRST
Expenditure on new infrastructure is a critical component of responding to the challenges set out in this strategy, but it is not the only response. Sometimes, adapting existing assets or utilising them more efficiently, managing demand and/or customer expectations will yield lower-cost, better outcomes. Council will seek to:
Concurrently plan for integrated infrastructure and land use – this will enable Council to better coordinate the prioritisation of infrastructure servicing to new areas, optimise the functionality of existing networks, and manage the allocation of capacity where there are finite servicing constraints.
Identify and invest in low-cost actions that help achieve a more sustainable use of infrastructure, in particular, re-use or adaptation of existing infrastructure to increase effectiveness and performance.
Use behavioural and pricing interventions to influence how and when users engage with infrastructure assets and services.
Explore how planning and policy-based interventions can delay or negate the need for physical infrastructure solutions, in particular, scalable and differential service levels that are set in consultation with the communities Council serves.
Keep existing assets in good working order, minimising the need for expensive rehabilitations or replacements.
Support the use of emergent technologies and methodologies to improve the efficiency and effectiveness of infrastructure services, and to grow productivity and capability within the district's infrastructure sector.

PARTNER WITH OTHERS
To give effect to this strategy, support and participation from key partners including central government, the New Zealand Transport Agency, Kāi Tahu, Otago Regional Council, developers, not-for-profit organisations, funding trusts and the private sector. Council will seek to:
Plan in partnership with funders and providers to achieve common alignment, foster shared commitment, allocate risk fairly, and leverage each party's respective strengths.
Proactively look for opportunities to work with others in the delivery of new or expanded assets and services that move the district closer to long-term outcomes.
Advocate for the district's needs and opportunities on a national scale, acknowledging the material contribution the district makes to the national economy.
Foster mutually beneficial, high-performing, and dynamic relationships with Council's partners, contractors and suppliers that are underpinned by a 'best-for-district' approach.
Build strong relationships with current and potential funders to improve revenue assurance and flexibility.
Grow internal commercial capability to ensure the infrastructure deals Council makes are robust, affordable and deliver real value.

EMBRACE UNCERTAINTY AND CHANGE

This strategy provides for a ‘most likely’ (or most probable) scenario which contains embedded assumptions around core drivers – some assumptions are conscious and explicit, others less so. In reality, the core drivers have varying degrees of uncertainty which provide for a range of possible futures; this means the magnitude, sequencing, and timing of investments set down in this strategy will need to change over time. Being open to, and ready for, change will ensure Council remains agile, prepared and responsible infrastructure providers. Council will seek to:

Document and track assumptions over time, building in explicit trigger points to revisit and recalibrate this strategy and infrastructure planning in line with new information and changing probabilities.

Use scenario and adaptive planning methods to explore how Council will respond to change – favouring more dynamic and flexible plans over the more traditional approach of ‘predict and provide’ where possible, and exploration of multiple scenarios that allow for assessing the likelihood of differing strategic options succeeding over time.

Prioritise resource towards initiatives that transform the way infrastructure assets and services are delivered – rethinking, redesigning, or rapidly accelerating investments that deliver on community outcomes.

Invest confidently and quickly in assets and services that are beneficial in any scenario (“no/low regrets infrastructure”).

Embrace ambiguity and prioritise agility in investments where the future need is less certain; for example, asking whether a response can be staged over time, future-proofing assets for emergent technologies, or changing the way users interact with infrastructure services.

Significant decisions

Eight significant infrastructure decisions required over the next 30 years have been identified. Options for responding to these decisions are set out in this section.

The key initiatives associated with giving effect to the most likely option are also included. In this context, key initiatives are included where they are of notable scale, cost and complexity, and will fundamentally influence the way Council plans, delivers, and operates its infrastructure.

Of the options presented, one is associated with the ‘most likely scenario’.

Description of the option.

The extent to which the option **responds to significant issues** and **delivers on investment objectives** (both abbreviated from section 2 of this strategy), using a coloured continuum to show relative contribution to the relevant significant issues and infrastructure objectives:

LOW IMPACT
MODERATE IMPACT
HIGH IMPACT

Outline of the key implications of the option.

OPTION # | **MOST LIKELY**

NAME OF OPTION

Description of the option appears here. Description of the option appears here.

Responds to these significant issues:	
Resilience	LOW IMPACT
Delivers on these objectives:	
Plan for growth	MODERATE IMPACT

Implications:

Outline of the key implications of the option. Outline of the key implications of the option.

01

Responding to natural hazard risks and the effects of climate change

Preparing the district for natural disasters and a changing climate (shocks and stressors) is a priority for Council. The extent to which resilience is built into infrastructure networks and services will be a key determinant of the type and level of investment required over the next 30 years. The physical resilience of infrastructure assets will also influence the level of individual and community preparedness required for shocks and stressors.

Work is underway with the Otago Regional Council and the community to develop a complete picture of key risks across the district, along with potential responses. A global good practice approach known as dynamic adaptive pathways is being used for this work. This strategy will be reviewed and updated as this risk identification and planning exercise develops.

Four principal options for infrastructure investment in response to natural hazard risks and climate change have been identified. Over the next 30 years, Council expects to maintain the current pace of risk assessment and response, with an increased focus on strengthening critical infrastructure assets that are at high-risk of failure in a disaster event.

OPTION 1

MAINTAIN EXISTING ASSETS & REACT TO SHOCK EVENTS

This response-based option means Council would continue to invest in a regular programme of renewals with some resilience benefits, and plan to reprioritise resources towards rebuilding assets/networks if major disaster strikes. Individuals and communities will need to ensure they are prepared for protracted service outages.

Responds to these significant issues:	
Resilience	LOW IMPACT
Delivers on these objectives:	
Diverse, fit-for-purpose facilities	LOW IMPACT

Implications:

As the effects of climate change worsen over the next 30 years, an overall decline in the resilience of infrastructure networks and services is likely – particularly wildfire, stormwater management, with flooding and uncontrolled wastewater overflow events likely to become more frequent and impactful. The community will need to be aware of, and prepared for, the impacts of shocks and stressors.

OPTION 2

SUSTAIN THE CURRENT PACE OF RISK ASSESSMENT AND RESPONSE

While remaining largely dependent on reactive responses to major shock events, this option directs some resources toward better understanding network vulnerabilities, development of a long-term resilience-based investment plan, targeted low-cost interventions, and inclusion of increased asset resilience standards as part of major infrastructure upgrade projects triggered by other business needs.

Responds to these significant issues:	
Resilience	LOW IMPACT
Infrastructure deficit	LOW IMPACT
Delivers on these objectives:	
Diverse, fit-for-purpose facilities	LOW IMPACT
Natural hazard response and recovery	LOW IMPACT

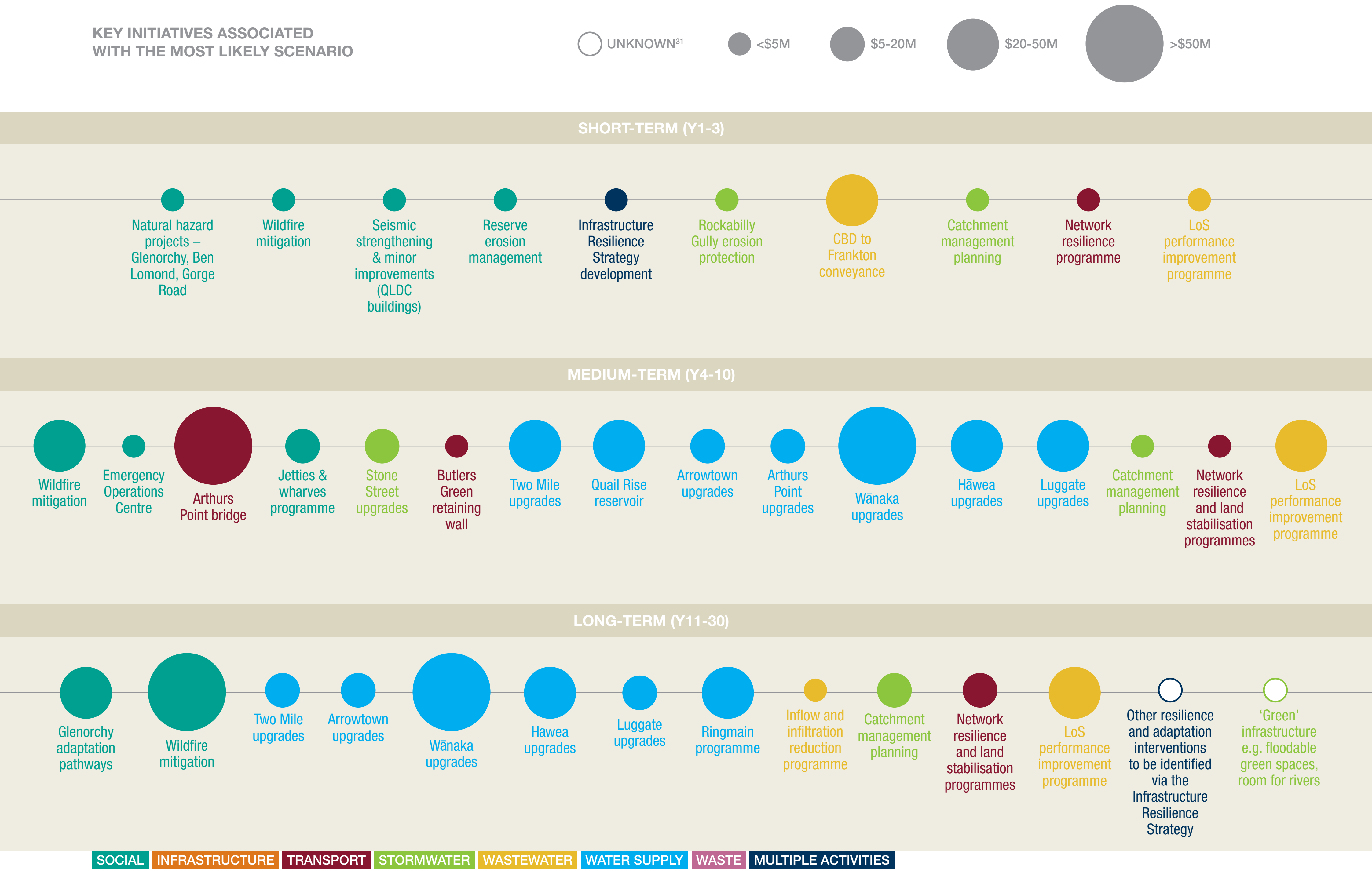
Implications:

While mitigating actions are identified, they are not invested in until the longer term resulting in risks associated with shocks and stressors being carried for longer. As the impacts of a changing climate become more pronounced, there may be an overall decline in network and service resilience over time. The community will need to be aware of, and prepared for, the impacts of shocks and stressors that cannot be fully mitigated with this level of investment.

OPTION 3	MOST LIKELY
STRENGTHEN CRITICAL ASSETS AND SERVICES	
In addition to maintaining the current programme of risk assessment and response, targeted investment in at-risk assets will be prioritised over the medium-long term. This option focusses on initiatives that require specific investment in infrastructure to make further progress on the Climate and Biodiversity Action Plan outcomes and in line with the Otago Regional Councils hazard assessment programme.	
Responds to these significant issues:	
Resilience	MODERATE IMPACT
Infrastructure deficit	MODERATE IMPACT
Delivers on these objectives:	
Diverse, fit-for-purpose facilities	MODERATE IMPACT
Natural hazard response and recovery	MODERATE IMPACT
Implications:	
This option prevents decline in the resilience of infrastructure networks and services and takes additional mitigating actions for risks associated with shocks and stressors. The strengthening of some critical assets will require significant capital expenditure, at times limiting Council's ability to make investment in other outcome areas. The community will need to be aware of, and prepared for, the impacts of shocks and stressors that cannot be fully mitigated with this level of investment.	

OPTION 4	
HIGH LEVEL OF INFRASTRUCTURE RESILIENCE TO SHOCKS AND STRESSORS	
All of major assets will be strengthened/replaced/protected to withstand disaster events, and n+1 redundancy will be achieved across all critical assets wherever possible. Ongoing investigations, planning and low-cost interventions will also continue. Delivery of interventions identified through a resilience investment plan (to be developed) will be accelerated.	
Responds to these significant issues:	
Resilience	HIGH IMPACT
Infrastructure deficit	MODERATE IMPACT
Delivers on these objectives:	
Diverse, fit-for-purpose facilities	HIGH IMPACT
Natural hazard response and recovery	HIGH IMPACT
Implications:	
Building high levels of resilience into infrastructure assets and services will come at a high cost, materially impacting Council's ability to fund other investment priorities and core services.	

KEY INITIATIVES ASSOCIATED WITH THE MOST LIKELY SCENARIO



[31] Initiatives where Council does not yet have a readily available indication of scale or cost.

02

Reducing infrastructure's impact on the environment

Council has a major role to play in leading the district-level response to the climate and ecological emergency. This role extends to the decisions made about the district's assets and services; for example, the effectiveness of the transport network and type of waste services provided will directly impact the district's emissions, three waters infrastructure will determine how impactful extreme rainfall events are on the community and environment[32] and the blue green network of open spaces has a key role to play in both climate change preparedness and ecological restoration.

Council works closely with the community and local organisations to partner in the delivery of climate and biodiversity actions. This includes funding a wide variety of community groups and projects that are focussed on district-level emission reduction, climate change education, biodiversity regeneration, and helping communities to be prepared and resilient for a just and equitable transition.

The Kāi Tahu climate change strategy, He Rautaki mō te Huringa Āhua o Te Rangi, speaks to creating a legacy for those whānau to come in response to the effects of climate change. Council shares Kāi Tahu's aspiration to secure the best possible outcomes for future generations.

Council is partnering with Kāi Tahu to develop a common understanding of the blue-green network requirements for the future, with the connectedness of all resources at the centre.

Three principal options for reducing infrastructure's impact on the environment have been identified. Over the next 30 years, Council expects to maintain the current pace of efforts to reduce its infrastructure's impact on the environment. This option reinforces Council's continued commitment to protecting and respecting the natural environment and reflects the substantial progress underway.

OPTION 1
SLOW CURRENT EFFORTS
A wide range of initiatives (as set out in the Climate and Biodiversity Action Plan) are already underway to address the climate and biodiversity emergency for the district. This option pulls back on previously indicated investment in infrastructure that makes progress on the CBAP including investment in the blue-green network plan.
Responds to these significant issues:
Nil
Delivers on these objectives:
Nil
Implications:
This option will slow efforts and will likely result in further biodiversity degradation and increasing global emissions within the district. This would be out of step with commitments made in the Climate and Biodiversity Action Plan and with expectations of the community, Kāi Tahu and Government.

[32] Wastewater network capacity needs to be able to cope with surge events to mitigate the risk of untreated wastewater overflows, secure water sources and reliable treatment mechanisms are critical for mitigating the risk of contaminants entering the public water supply, and the capacity of stormwater conveyance systems determines where, and for how long, areas of the district may be in flood.

OPTION 2	MOST LIKELY

MAINTAIN/SUSTAIN CURRENT EFFORTS

A wide range of initiatives (as set out in the Climate and Biodiversity Action Plan) are already underway to address the climate and biodiversity emergency declared for the district. Many of these initiatives involve partnering with the community to achieve better environmental outcomes – and will continue as planned. This option focusses on initiatives that require specific investment in infrastructure to make further progress on the Climate and Biodiversity Action Plan outcomes as well as progressing the development of a blue-green network plan in partnership with Kāi Tahu. The pace at which these activities occur is driven by capacity to delivery and funding availability.

Responds to these significant issues:	
Climate emergency	MODERATE IMPACT
Delivers on these objectives:	
Improve environmental impacts	MODERATE IMPACT
Prevent contaminants from entering environment	MODERATE IMPACT
Reduce emissions and resource extraction	MODERATE IMPACT

Implications:

This option will sustain Council's contribution to biodiversity regeneration and global emission reduction within the district, ensuring the current situation does not worsen as the impact of a warming climate become more pronounced. Some improvement or change opportunities will be delivered later than optimal or desired as Council seeks to balance competing demands for investment.

OPTION 3

ACCELERATE CURRENT EFFORTS

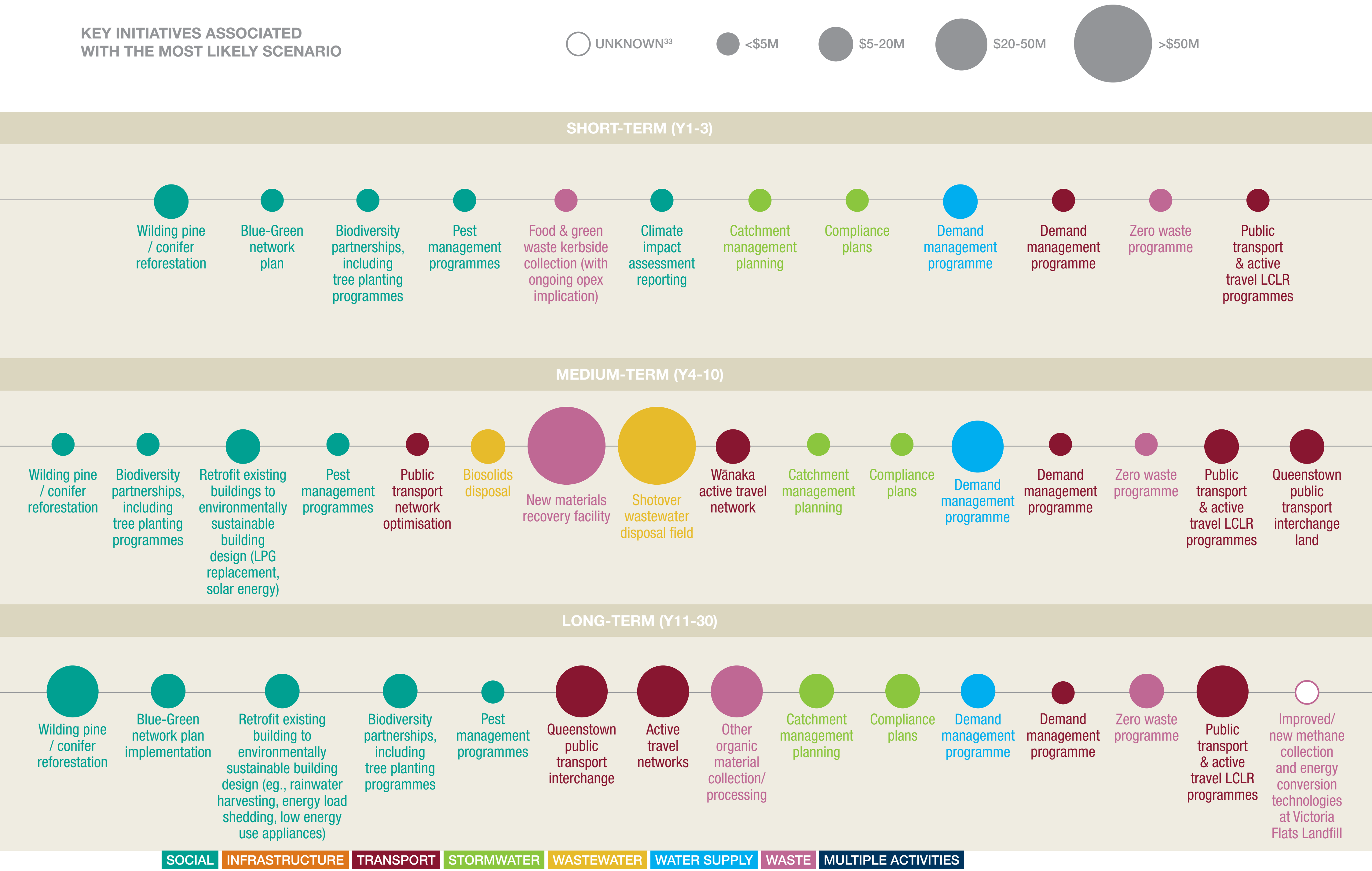
This option delivers the same programme of interventions but on an accelerated timetable.

Responds to these significant issues:	
Climate emergency	HIGH IMPACT
Delivers on these objectives:	
Improve environment impacts	HIGH IMPACT
Prevent contaminants from entering environment	MODERATE IMPACT
Reduce emissions and resource extraction	HIGH IMPACT

Implications:

With this option the benefits associated with environmental regeneration and emissions reduction will be felt by the community on a more timely basis. Implementing the option will require more funding, sooner – this means that Council would need to scale back investment in other areas.

KEY INITIATIVES ASSOCIATED WITH THE MOST LIKELY SCENARIO



[33] Initiatives where Council does not yet have a readily available indication of scale or cost.

03

Well-designed neighbourhoods with social infrastructure that provides for everyday needs

Having places for people to connect is important for growing strong, healthy and inclusive communities. It provides opportunities to bring different groups of people together, contributing to community identity, social integration, a sense of belonging and the desirability of a place. A connected and healthy community is one that can live, work and play together.

The everyday needs of the community need to be considered upfront when new neighbourhoods are designed. Increasing densities and the redevelopment of sites can often make it difficult for social infrastructure to be provided retrospectively. This highlights the need for areas to be planned in their entirety to ensure the everyday needs of the community are met close to home.

The Spatial Plan aims to create more connected neighbourhoods and improve access to the everyday needs of communities in a number of ways. The consolidated approach to managing growth concentrates population in settlements and neighbourhoods of a scale that can sustain more local services, such as parks and community spaces. It will also support improved public transport services. The plan also proposes several new centres that will improve access to everyday needs by walking and cycling for many residents.

The district is made up of a combination of larger centres, supporting settlements, self-contained villages, and small remote settlements. Each of these areas experience a range of social infrastructure provision, with some of their needs met locally and some requiring a short or longer bus ride or drive. Supplying a consistent level of service for a population spread over such a large geographical area presents a challenge. It is not always achievable to deliver social infrastructure to the same level, particularly for existing neighbourhoods. However, Council should aspire to achieve this in key development areas and where significant intensification is planned in existing settlements where possible.

Council has developed a service model that provides a guide on the number and type of facilities that should be available in communities of different sizes. The model combines settlement population size with a hierarchy of travel means to access social infrastructure, and provides a graphical way of showing the tipping points where a settlement is large enough to warrant its own local asset or service.

Many existing settlements already have access to social infrastructure consistent with this model. The district is also well provisioned with natural features that complement the social infrastructure provided by Council, and others, and is readily accessible to all. The amount and quality of natural reserves and open spaces available to the community are high compared to many other urban centres across Aotearoa. Many people move to this region for this experience and Council proactively works, individually and with a network of partners, to maintain a grow these experiences.

Four principal options have been identified that build on each other, demonstrating an increasing extent of implementation of the service model. The most likely scenario is based on applying the model to key development areas over the next 30 years and existing settlements where this is practical.

		<2,500 people	2,500 – 6,250 people	6,250 – 12,500 people	> 12,500 people
Parks	Local park				
	Community park				
	Destination park				
Sports fields	Sportsground park (community)				
	Sportsground park (premier)				
Sports and recreation facilities	Indoor courts	single	single	multiple	multiple
	Outdoor courts	single	single	single	multiple
	Local pool				
	Aquatic facility				
Community spaces	Community centre	small hall	small hall	community centre	community centre
	Event and function centre				
	Local library service				
	Destination library				

- <15 minute walk
- <15 minute bus ride (or drive)
- 15-30 minute bus ride (or drive)
- >30 minute bus ride (or drive)

OPTION 1

MAKE BEST USE OF EXISTING ASSETS	
Council will maintain existing facilities and spaces and invest in improving the capacity and quality of existing social infrastructure. This option involves getting the most value out of existing assets, without extending the network of social infrastructure over time.	
Responds to these significant issues:	
Growth	LOW IMPACT
Infrastructure deficit	LOW IMPACT
Delivers on these objectives:	
Opportunities for increased activity and connection	LOW IMPACT
Diverse, fit-for-purpose facilities	LOW IMPACT
Meet everyday needs within a short walk, cycle or bus ride	LOW IMPACT
Plan for growth	LOW IMPACT
Implications:	
Social infrastructure will not respond effectively to growth and this will likely have flow on implications for community wellbeing, housing availability and affordability.	

OPTION 2

PROTECT THE NETWORK FOR FUTURE DEVELOPMENT	
In addition to making the best use of existing social infrastructure, Council will also protect the ability to apply the service model in key development areas in the future. This means Council will invest in early design and land acquisitions for social infrastructure in key development areas.	
Responds to these significant issues:	
Growth	LOW - ENABLER
Infrastructure deficit	LOW - ENABLER
Delivers on these objectives:	
Opportunities for increased activity and connection	LOW IMPACT
Diverse, fit-for-purpose facilities	LOW IMPACT
Meet everyday needs within a short walk, cycle or bus ride	LOW IMPACT
Plan for growth	LOW IMPACT
Implications:	
While the ability to improve services in the future is protected, the implications associated with not having everyday needs met locally will still be experienced by the community.	

OPTION 3 | MOST LIKELY

DELIVER GOOD PRACTICE SOCIAL INFRASTRUCTURE FOR KEY DEVELOPMENT AREAS

In addition to making the best use of existing social infrastructure and protecting the network for future development, Council will actively work towards delivering social infrastructure in line with the service model for key development areas, but this may lag housing development. Council will also work to retrofit the service model to existing settlements, but only where it is practical to do so.

Responds to these significant issues:	
Growth	MODERATE IMPACT
Infrastructure deficit	MODERATE IMPACT
Delivers on these objectives:	
Opportunities for increased activity and connection	MODERATE IMPACT
Diverse, fit-for-purpose facilities	MODERATE IMPACT
Meet everyday needs within a short walk, cycle or bus ride	HIGH IMPACT
Plan for growth	MODERATE IMPACT

Implications:

This option ensures that good practice social infrastructure is built into planning and delivered for high growth areas and also provides for an increase in social infrastructure for some existing settlements. While not giving all residents an ideal level of access to social infrastructure, this provides an increase in the proportion of residents who would experience a good practice level of access.

OPTION 4

DELIVER GOOD PRACTICE SOCIAL INFRASTRUCTURE FOR ALL SETTLEMENTS

In addition to making the best use of existing social infrastructure and protecting the network for future development, Council will actively work towards delivering the service model for all settlements.

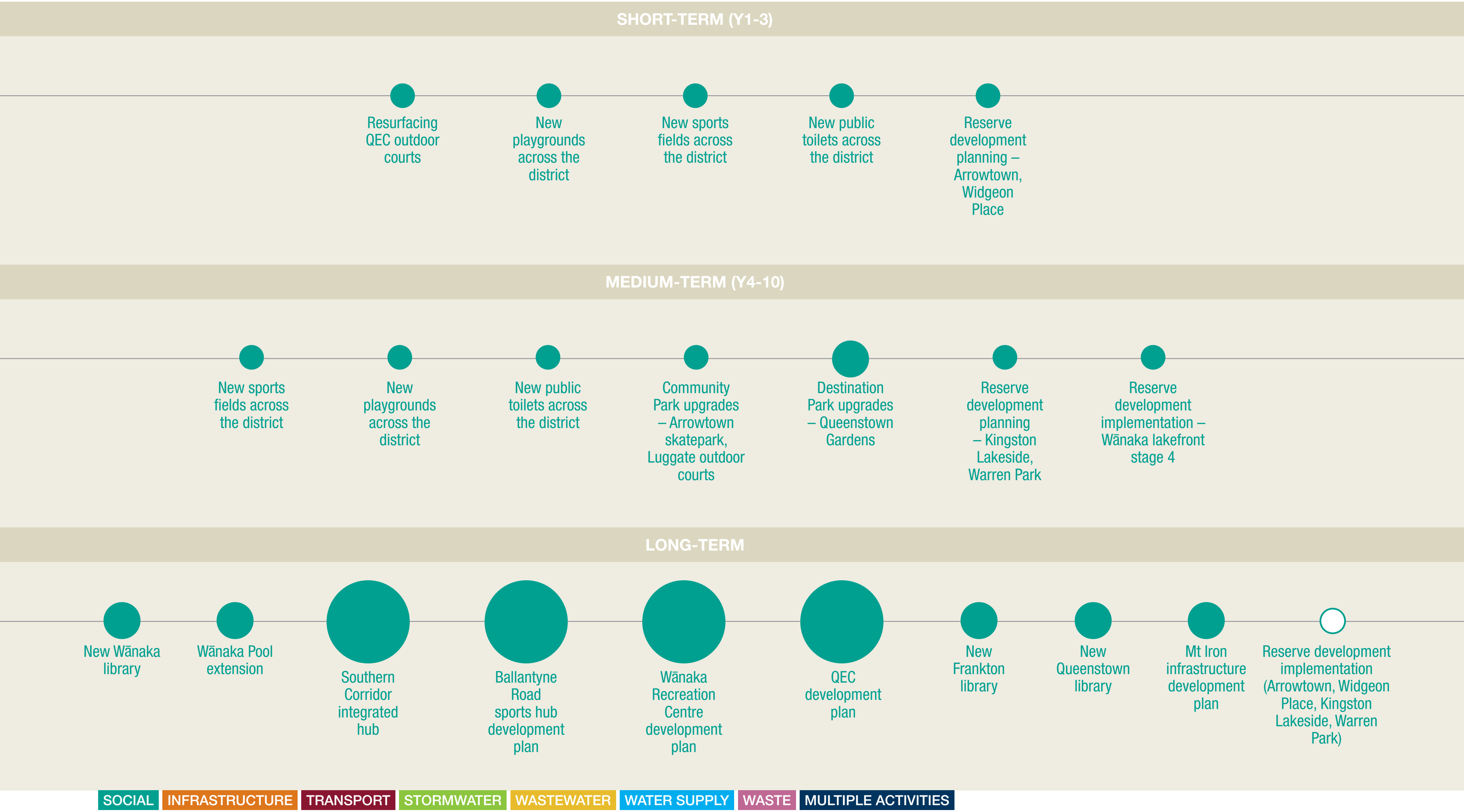
Responds to these significant issues:	
Growth	HIGH IMPACT
Infrastructure deficit	HIGH IMPACT
Delivers on these objectives:	
Opportunities for increased activity and connection	HIGH IMPACT
Diverse, fit-for-purpose facilities	HIGH IMPACT
Meet everyday needs within a short walk, cycle or bus ride	HIGH IMPACT
Plan for growth	HIGH IMPACT

Implications:

All communities would have improved social infrastructure, but this would come at considerable upfront and intergenerational cost with costs being disproportionately borne by smaller communities.

KEY INITIATIVES ASSOCIATED WITH THE MOST LIKELY SCENARIO

UNKNOWN[34] | <$5M | $5-20M | $20-50M | >$50M



[34] Initiatives where Council does not yet have a readily available indication of scale or cost.

04

Servicing of key development areas

There are a number of key development areas within the district. Significant investment in infrastructure is required over the next 30 years to unlock these areas for the district's rapidly growing population. The sequence, pace, and capacity of infrastructure provided to service these areas will be a key determinant of the quantum and locality of new housing released within the district.

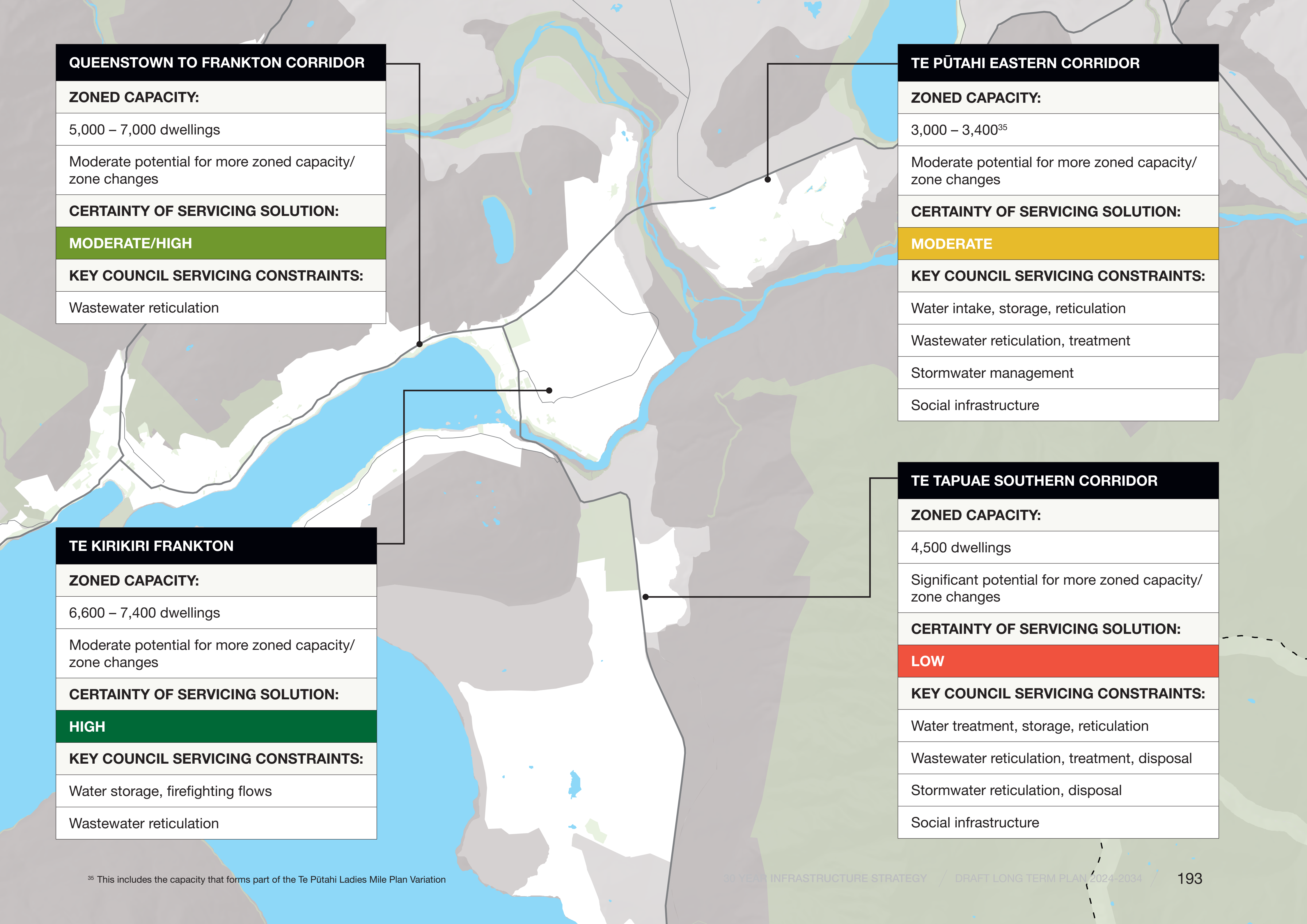
The Queenstown Lakes Spatial Plan has been developed to provide a long-term framework for managing growth. It directs growth in a way that will make positive changes to the environment, housing, access to jobs and opportunities, and the wellbeing of the community and the experience of visitors. The next iteration of the Spatial Plan is being developed, along with a programme of structure planning for key development areas (as identified in this strategy).

While planning for these key development areas continues to take shape, Council has and will continue to invest in the capacity and performance of its centralised infrastructure, for example major capacity upgrades at the district's two major wastewater treatment plants (Project Shotover and Project Pure), in preparation for future projected growth.

Through the Long Term Plan 2024-2034, Council plans to invest in the critically enabling infrastructure and new schemes required to unlock the identified key development areas. It is important that other utility providers also invest in the new assets and services required to meet projected growth in these areas.

Whakatipu

Key development areas extend to the west, south, and east of the established Frankton metropolitan area. Development of an integrated investment programme is a priority action for 2024/25 to determine the optimal mix and sequence of infrastructure interventions across these areas.



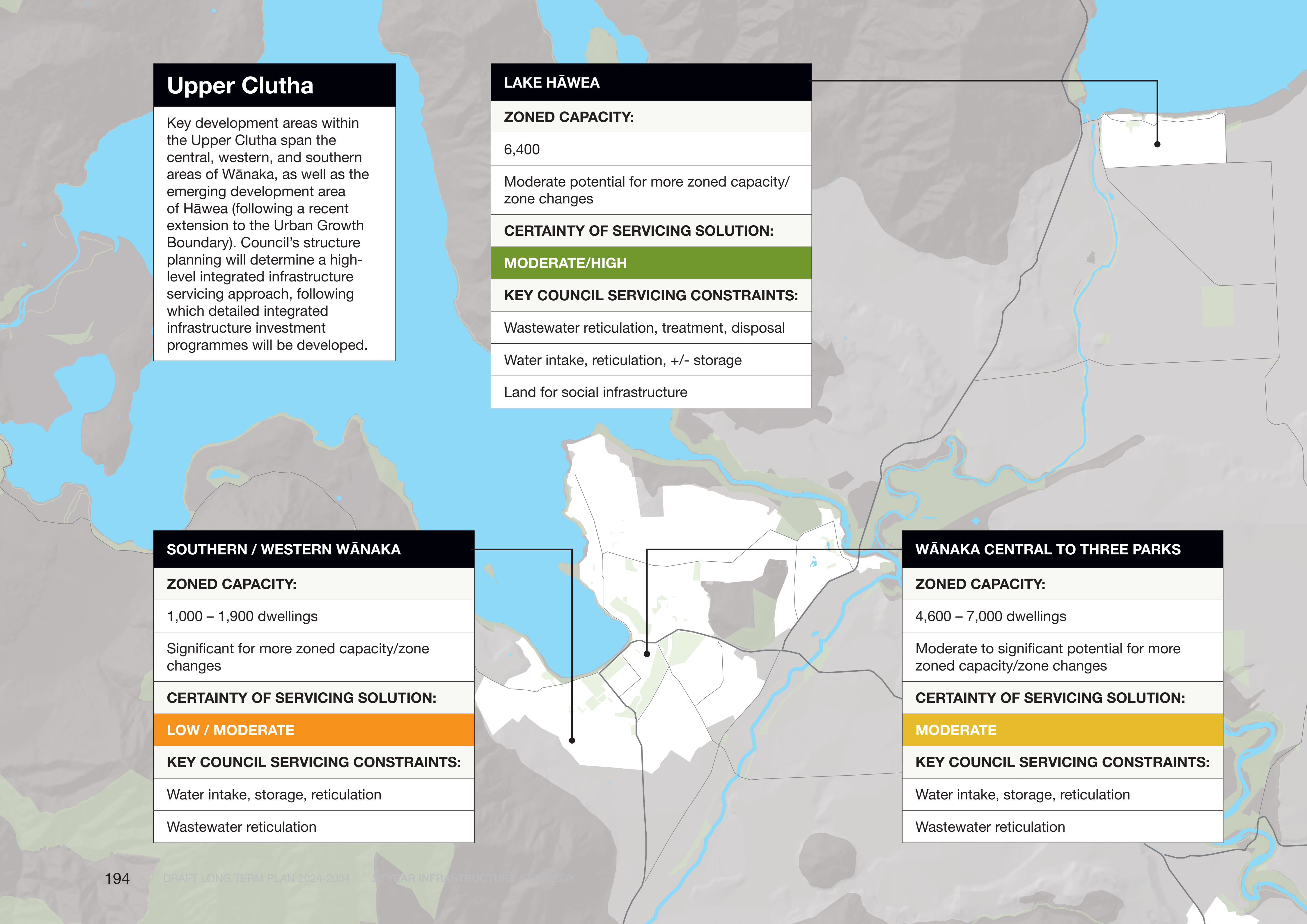
QUEENSTOWN TO FRANKTON CORRIDOR
ZONED CAPACITY:
5,000 – 7,000 dwellings
Moderate potential for more zoned capacity/ zone changes
CERTAINTY OF SERVICING SOLUTION:
MODERATE/HIGH
KEY COUNCIL SERVICING CONSTRAINTS:
Wastewater reticulation

TE KIRIKIRI FRANKTON
ZONED CAPACITY:
6,600 – 7,400 dwellings
Moderate potential for more zoned capacity/ zone changes
CERTAINTY OF SERVICING SOLUTION:
HIGH
KEY COUNCIL SERVICING CONSTRAINTS:
Water storage, firefighting flows
Wastewater reticulation

TE PŪTAHI EASTERN CORRIDOR
ZONED CAPACITY:
3,000 – 3,400[35]
Moderate potential for more zoned capacity/ zone changes
CERTAINTY OF SERVICING SOLUTION:
MODERATE
KEY COUNCIL SERVICING CONSTRAINTS:
Water intake, storage, reticulation
Wastewater reticulation, treatment
Stormwater management
Social infrastructure

TE TAPUAE SOUTHERN CORRIDOR
ZONED CAPACITY:
4,500 dwellings
Significant potential for more zoned capacity/ zone changes
CERTAINTY OF SERVICING SOLUTION:
LOW
KEY COUNCIL SERVICING CONSTRAINTS:
Water treatment, storage, reticulation
Wastewater reticulation, treatment, disposal
Stormwater reticulation, disposal
Social infrastructure

[35] This includes the capacity that forms part of the Te Pūtahi Ladies Mile Plan Variation



Upper Clutha

Key development areas within the Upper Clutha span the central, western, and southern areas of Wānaka, as well as the emerging development area of Hāwea (following a recent extension to the Urban Growth Boundary). Council's structure planning will determine a high-level integrated infrastructure servicing approach, following which detailed integrated infrastructure investment programmes will be developed.

LAKE HĀWEA

ZONED CAPACITY:

6,400

Moderate potential for more zoned capacity/zone changes

CERTAINTY OF SERVICING SOLUTION:

MODERATE/HIGH

KEY COUNCIL SERVICING CONSTRAINTS:

Wastewater reticulation, treatment, disposal

Water intake, reticulation, +/- storage

Land for social infrastructure

SOUTHERN / WESTERN WĀNAKA

ZONED CAPACITY:

1,000 – 1,900 dwellings

Significant for more zoned capacity/zone changes

CERTAINTY OF SERVICING SOLUTION:

LOW / MODERATE

KEY COUNCIL SERVICING CONSTRAINTS:

Water intake, storage, reticulation

Wastewater reticulation

WĀNAKA CENTRAL TO THREE PARKS

ZONED CAPACITY:

4,600 – 7,000 dwellings

Moderate to significant potential for more zoned capacity/zone changes

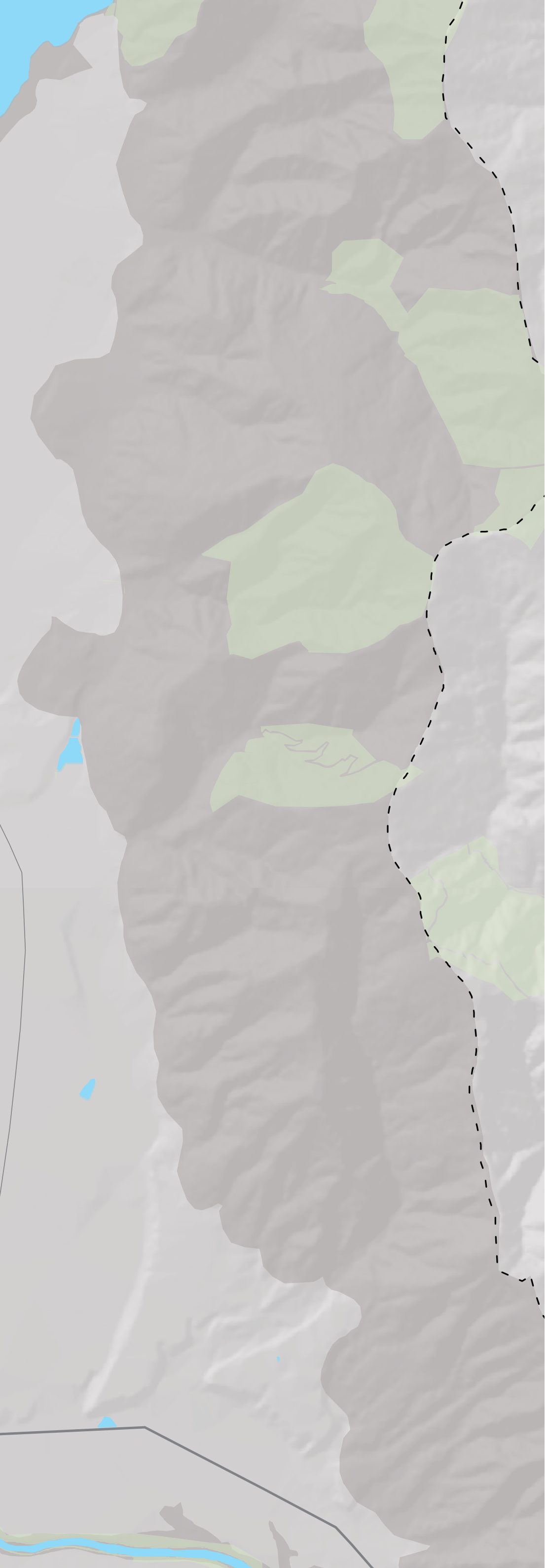
CERTAINTY OF SERVICING SOLUTION:

MODERATE

KEY COUNCIL SERVICING CONSTRAINTS:

Water intake, storage, reticulation

Wastewater reticulation



Five principal options for servicing of key development areas have been identified. Over the next 30 years, Council expects to adopt a servicing approach that balances the potential for development with predicted population growth and any constraints associated with the size and operations of infrastructure. Priority will be given to infrastructure types that must precede development (e.g. three waters), with other infrastructure types following as and when development or funding enable (e.g. social infrastructure, active transport).

Although the options identified involve elements of a more traditional ‘predict and provide’ approach to infrastructure servicing, adaptive plans and agile solutions will be favoured wherever possible; ensuring Council remains responsive to inevitable changes in population projections and demand/ usage patterns.

OPTION 1

ON DEMAND, DEVELOPMENT-LED SERVICING	
This option relies on developers to implement infrastructure that supports individual developments to a standard set by Council. The cost and delivery of the infrastructure development is the responsibility of the developer.	
Responds to these significant issues:	
Rapid and sustained population growth	MODERATE IMPACT
Delivers on these objectives:	
Nil	
Implications:	
While this option may appear to address requirements for individual settlements, it would lead to an overall inefficient network that is difficult and expensive for Council to manage and maintain into the future. As development is often undertaken on a piecemeal basis, this means that individual developments might not be of a size to trigger specific requirements, but in aggregate they might; this has led to a growing infrastructure deficit.	

OPTION 2

SERVICE EXISTING ZONED CAPACITY ONLY	
This option involves extracting the maximum possible effectiveness from existing infrastructure as the population grows within existing zoned areas. Investment will be made in demand management initiatives and then optimisation of existing infrastructure. The success of this option will be dependent on the community being motivated to make material changes to the way they interact with infrastructure services.	
Responds to these significant issues:	
Growth	LOW IMPACT
Delivers on these objectives:	
Opportunities for increased activity and connection	LOW IMPACT
Diverse, fit-for-purpose facilities	LOW IMPACT
Meet everyday needs within a short walk, cycle or bus ride	LOW IMPACT
Plan for growth	LOW IMPACT
Optimise infrastructure servicing	LOW IMPACT
Implications:	
It is unlikely that increasing infrastructure servicing capacity to currently zoned levels alone will meet the needs of the district's growing population. Housing development, particularly large-scale development that offers economies of scale, will be constrained by the lack of supporting infrastructure – exacerbating the current challenges of housing availability and affordability. Additionally, the capacity increases required within existing schemes will be unable to leverage the infrastructure that would be created to support these development areas, potentially resulting in a higher servicing cost per user relative to more growth-enabling options.	

OPTION 3

PROTECT FOR FUTURE DEVELOPMENT ONLY	
This option is about preserving options into the future only, and is an important consideration now as private development rapidly encroaches on land that could be used to develop key infrastructure. This option is still dependent on 'service existing zoned capacity only' to manage demand and service levels.	
Responds to these significant issues:	
Growth	LOW IMPACT
Delivers on these objectives:	
Opportunities for increased activity and connection	LOW IMPACT
Diverse, fit-for-purpose facilities	LOW IMPACT
Meet everyday needs within a short walk, cycle or bus ride	LOW IMPACT
Plan for growth	LOW IMPACT
Optimise infrastructure servicing	LOW IMPACT
Implications:	
While the ability to deliver infrastructure for these development areas is preserved into the future, without provision of the infrastructure itself, the implications of this option remain the same as in Option 1.	

OPTION 4 | MOST LIKELY

SERVICE AREAS TO PROJECTED GROWTH LEVELS AND / OR OPTIMAL SERVICING CAPACITY

The maximum capacities that could be achieved within these development areas, combined with potential for infill and redevelopment of established areas, is greater than the demand associated with the district's projected population growth over the next 30 years. This option seeks to strike a balance between ensuring sufficient development capacity is serviced to keep pace with the needs of the growing population, without investing too far ahead of where and when growth occurs. The option recognises that there are certain infrastructure types that must lead development, and some that can lag – and focusses on accelerating critically enabling infrastructure to unlock the identified areas at a pace that is aligned with the increasing demand for housing within the district. It also seeks to preserve the necessary land and permissions required to develop other supporting infrastructure as and when funding allows or demand requires.

In implementing this option, Council will seek to work closely with developers, leveraging their capability and funding to provide supporting infrastructure in a way that is consistent with the overarching servicing strategy to be developed as part of this option. It also requires Council to investigate and establish new funding and financing models to make the delivery of required infrastructure achievable and affordable to the community.

Responds to these significant issues:	
Growth	MODERATE IMPACT
Infrastructure deficit	MODERATE IMPACT
Delivers on these objectives:	
Opportunities for increased activity and connection	MODERATE IMPACT
Diverse, fit-for-purpose facilities	MODERATE IMPACT
Meet everyday needs within a short walk, cycle or bus ride	HIGH IMPACT
Plan for growth	MODERATE IMPACT
Optimise infrastructure servicing	MODERATE IMPACT

Implications:

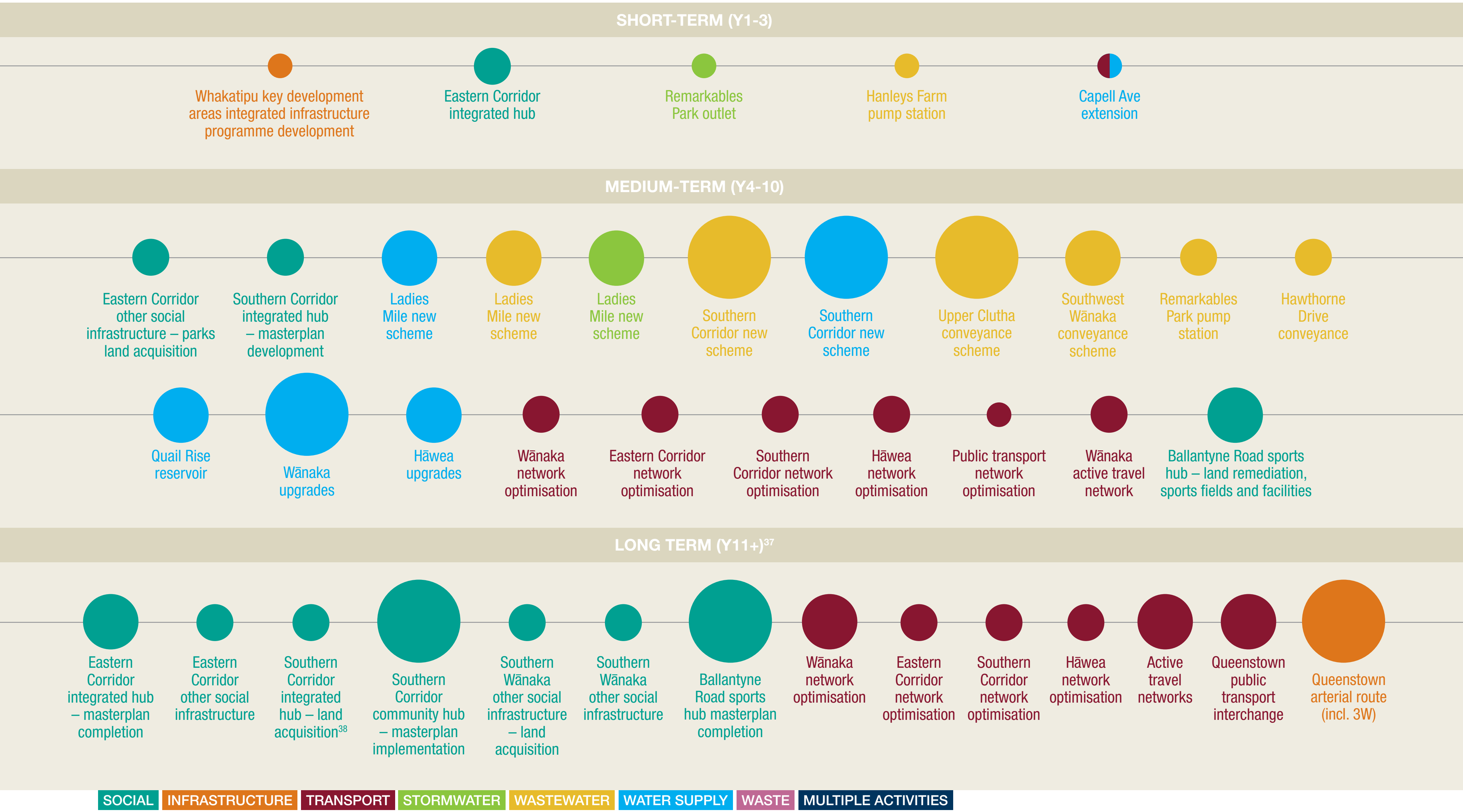
Over the next 30 years, infrastructure servicing constraints on these development areas will markedly reduce – aligning the timing, location and capacity of infrastructure across these areas to best match demand growth. The timing and sequence of these infrastructure interventions may not always align with the development community's preferred timelines or approaches, potentially constraining the ability and willingness to develop in the short to medium term.

The indicative staging of key initiatives is reflective of readiness to advance development (status of structure planning/zoning, certainty of solution, ability to fund and deliver, etc). There will continue to be short-term constraint on development of these areas while the necessary planning, design, and consenting activities required to shift these areas into a high state of readiness are advanced.

OPTION 5

SERVICE AREAS TO MAXIMUM POSSIBLE CAPACITY	
The maximum capacities that could be achieved within these development areas, combined with potential for infill and redevelopment of established areas, is greater than the demand associated with the district's projected population growth over the next 30 years. In this option, supporting infrastructure will be developed to support an area's maximum possible capacity. For this option to be feasible, one development area would need to be advanced at a time, consolidating most growth to a single area until servicing capacity is utilised, following which the next development area would be advanced. In practice, some elements of this location-based, staged approach to servicing development areas are reflected in Option 3 as a result of the differing levels of certainty and readiness associated with developing and servicing the respective areas.	
Responds to these significant issues:	
Growth	HIGH IMPACT
Infrastructure deficit	LOW IMPACT
Delivers on these objectives:	
Opportunities for increased activity and connection	MODERATE IMPACT
Diverse, fit-for-purpose facilities	MODERATE IMPACT
Meet everyday needs within a short walk, cycle or bus ride	MODERATE IMPACT
Plan for growth	HIGH IMPACT
Optimise infrastructure servicing	HIGH IMPACT
Implications:	
This option is dependent on the growing population consolidating in a designated development area. The option risks oversizing infrastructure, resulting in expenditure levels that are unaffordable for the community and sub-optimal asset performance.	

KEY INITIATIVES ASSOCIATED WITH THE MOST LIKELY SCENARIO



[36] Initiatives where Council does not yet have a readily available indication of scale or cost.
[37] Once enabling infrastructure for key development areas is established, continued investment is then contemplated through significant decisions for the respective infrastructure activities/services e.g. ongoing water supply upgrades to maintain service levels within growth areas is addressed as part of the 'investing in three waters schemes' significant decision and associated options.
[38] No expenditure is included for other social infrastructure in key growth areas as it is assumed that this will be provided by developers through reserve contributions.

05

Investing in existing three waters schemes

In addition to the growth anticipated in key development areas, the demand for three waters servicing within existing and imminently planned schemes will continue to increase over time. Council will continue to work with local communities to address both infrastructure needs and the funding and recovery mechanisms to support significant shifts in existing and historic levels of service, which have been barriers to community uptake in the past. As part of prioritising these investments Council will also work with Kāi Tahu to give effect to Te Mana o te Wai, having regard to the cultural mauri of water as well as its functional protection.

Council has made considerable investment in its existing networks and services. Funding for the maintenance and renewal of current assets has remained a top priority, along with technology improvements to lift service performance, and capacity upgrades to maintain service levels in line with growth.

New schemes and services have been progressively introduced across the district to ensure the district's growing population has access to high-quality infrastructure that protects and respects the natural environment. Notably, Luggate has been connected to Wānaka's wastewater treatment plant, the Cardrona settlement now has new reticulated wastewater and water supply schemes, and arrangements are in place to introduce the same for Kingston.

A key consideration for Council in giving effect to this decision will be how and where wastewater is treated and disposed across the district. Historically and where realistic, Council has pursued a strategic approach of centralising wastewater management; this has resulted in two major wastewater treatment and disposal sites within the district (Project Shotover and Project Pure), accompanied by investment in modern localised facilities for Cardrona (operational) and Kingston (planned) where it is not feasible to connect to a central system. As growth within the district continues, and consents for existing operations come up for renewal, Council will need to reassess this predominantly centralised approach to wastewater management – either reconfirming and expanding the existing arrangements, or pursuing additional treatment and disposal locations within the district. An adaptive planning pathways approach is being deployed to understand and confirm how Council can best manage the additional wastewater volumes and increasing standards into the future; this work will be completed in close collaboration with mana whenua, and will influence the nature and timing of major investment in wastewater infrastructure beyond the 2024-2034 Long Term Plan.

Another key influence on this decision is the level of demand for treated water. The district's water usage rates are amongst the highest in New Zealand. Council must ensure water usage is efficient and sustainable in order to support future generations within permitted abstraction levels. Reducing per person demand will enable Council to reduce or defer costly and carbon-intensive network capacity increases, and demonstrates respect for the lakes, rivers, and aquifers from which freshwater is abstracted. Reducing indoor water use also has the benefit of reducing wastewater flows for conveyance, treatment, and discharge back to the natural environment.

Four principal options for ongoing investment in existing three waters schemes have been identified. All options identified are underpinned by an assumption that Council will continue to invest in the maintenance and renewal of existing assets at a level that optimises their performance and useful life. Over the next 30 years, Council expects to drive more sustainable infrastructure service provision through the introduction of demand management and other efficiency-based initiatives. In addition, ongoing investment in asset-based solutions that increase network capacity and service performance will be made in line with projected growth, and the breadth of serviced areas will be expanded through the extension of established schemes.

OPTION 1

MAINTAIN EXISTING ASSETS AND INVEST ONLY IN LOW/NO BUILD INFRASTRUCTURE SOLUTIONS

This option seeks to primarily respond to growing demand for service through low/no build solutions only. It recognises that there are efficiencies and alternative management approaches that can be deployed to mitigate the effects of growth – but relying on these approaches alone comes with considerable risk and limitations.

The key focus of this option is to implement a water demand management programme across the district, with a target of reducing average water consumption per person per day to below 300L by 2031 (a 40% reduction from 2020 usage levels) – bringing the district in line with the national average and providing a more sustainable water supply service for a growing population. Even with the success of water demand management, growth within the district will continue to place pressure across the three waters networks. A focus on inflow and infiltration will be required to help preserve wastewater network capacity. Stormwater hazard mapping to identify areas at risk of flooding will continue, enabling affected property owners to be prepared and supporting future planning/consenting decisions with the most up-to-date information.

Responds to these significant issues:

Nil

Delivers on these objectives:

Sustainable infrastructure	MODERATE IMPACT
Reduce emissions and resource extraction	LOW IMPACT

Implications:

While demand management is a critical component of providing sustainable three waters services into the future, pursuing a low/no build only pathway for existing schemes will rapidly constrain growth and/or result in a significant deterioration in service levels over time as growth erodes available capacities. Compliance with standards and regulations will become increasingly difficult, and it is unlikely environmental protections will be provided to a level reasonably expected by residents, mana whenua, and regulators. It will not be feasible to extend current scheme boundaries to connect adjacent settlements or facilitate further new development.

OPTION 2

MAINTAIN EXISTING AND BUILD TO MEET DEMAND

This option provides infrastructure assets and services that support an extrapolation of current network demands in line with projected population growth. Under this option, major capacity increases across water supply and wastewater networks will continue over the next 30 years, and the extent of Council's stormwater network will continue to expand in response to more houses, roads, and other built environment activities. Demand management and behaviour change initiatives will be deprioritised in favour of accelerating built capacity solutions.

Responds to these significant issues:	
Growth	HIGH IMPACT
Increasing standards	LOW IMPACT
Resilience	MODERATE IMPACT
Infrastructure deficit	MODERATE IMPACT
Delivers on these objectives:	
Protect people from harm	MODERATE IMPACT
Leverage investment	MODERATE IMPACT
Sustainable infrastructure	LOW IMPACT
Prevent contaminants from entering environment	MODERATE IMPACT
Optimise infrastructure servicing	MODERATE IMPACT
Natural hazard response and recovery	MODERATE IMPACT

Implications:

Major infrastructure capacity increases will accommodate high levels of growth within existing schemes; however, these infrastructure solutions will be costly and carbon intensive, challenging affordability and diverging from environmental outcomes and objectives. Consenting and other necessary planning permissions required for ongoing operations may become increasingly difficult.

OPTION 3

MAINTAIN EXISTING AND MEET DEMAND THROUGH A BALANCE OF BUILT AND NON-BUILT SOLUTIONS

This option seeks to sustainably support growth and maintain service levels within existing scheme boundaries by investing in a balanced programme of built and non-built initiatives. Over the next ten years capacity increases will be made to respond to any existing infrastructure deficits and provide for projected demand growth, and efficiency-based initiatives will also be pursued to change demand patterns on network over time – meaning future capacity upgrades can be of a smaller scale or later than would otherwise be required. The scope of this option is confined to established scheme boundaries; Council does not invest in infrastructure to connect adjacent areas (established settlements or new developments) to existing networks.

Responds to these significant issues:	
Growth	HIGH IMPACT
Increasing standards	MODERATE IMPACT
Resilience	MODERATE IMPACT
Climate emergency	LOW IMPACT
Infrastructure deficit	HIGH IMPACT
Delivers on these objectives:	
Protect people from harm	MODERATE IMPACT
Leverage investment	MODERATE IMPACT
Sustainable infrastructure	HIGH IMPACT
Prevent contaminants from entering environment	HIGH IMPACT
Reduce emissions and resource extraction	LOW IMPACT
Optimise infrastructure servicing	HIGH IMPACT
Natural hazard response and recovery	MODERATE IMPACT

Implications:

Established schemes will continue to attract investment that maintains or improves service levels, alongside an expectation that efficiency-based initiatives make better use of existing and new assets. Settlements that are adjacent to established or planned schemes (in particular, the existing townships of Kingston and Luggate) will remain dependent on alternative arrangements.

OPTION 4 **MOST LIKELY**

MAINTAIN EXISTING, MEET DEMAND THROUGH A BALANCE OF BUILT AND NON-BUILT SOLUTIONS, AND EXTEND CURRENT NETWORKS TO INCREASE BREADTH OF SERVICE

Council has made significant investment in lifting the performance of existing schemes, and development of new schemes, to continuously increase the availability of high-quality three waters services across the district. This option continues to invest in these schemes as outlined in Option 3 (i.e. a balanced programme of built and efficiency-based initiatives), but provides for their expansion to leverage existing infrastructure to further increase the number of existing and new residents that can be supported by Council's three waters services. In addition to the improved public health and environmental standards that can be achieved through scheme expansions, the fixed costs associated with scheme operations can be spread across a broader user base, providing overall affordability benefits.

Possible additions to this option are the provision of reticulated wastewater schemes for Glenorchy and Gibbston. These would be a new standalone schemes as there are no existing Council wastewater services in the area to leverage.

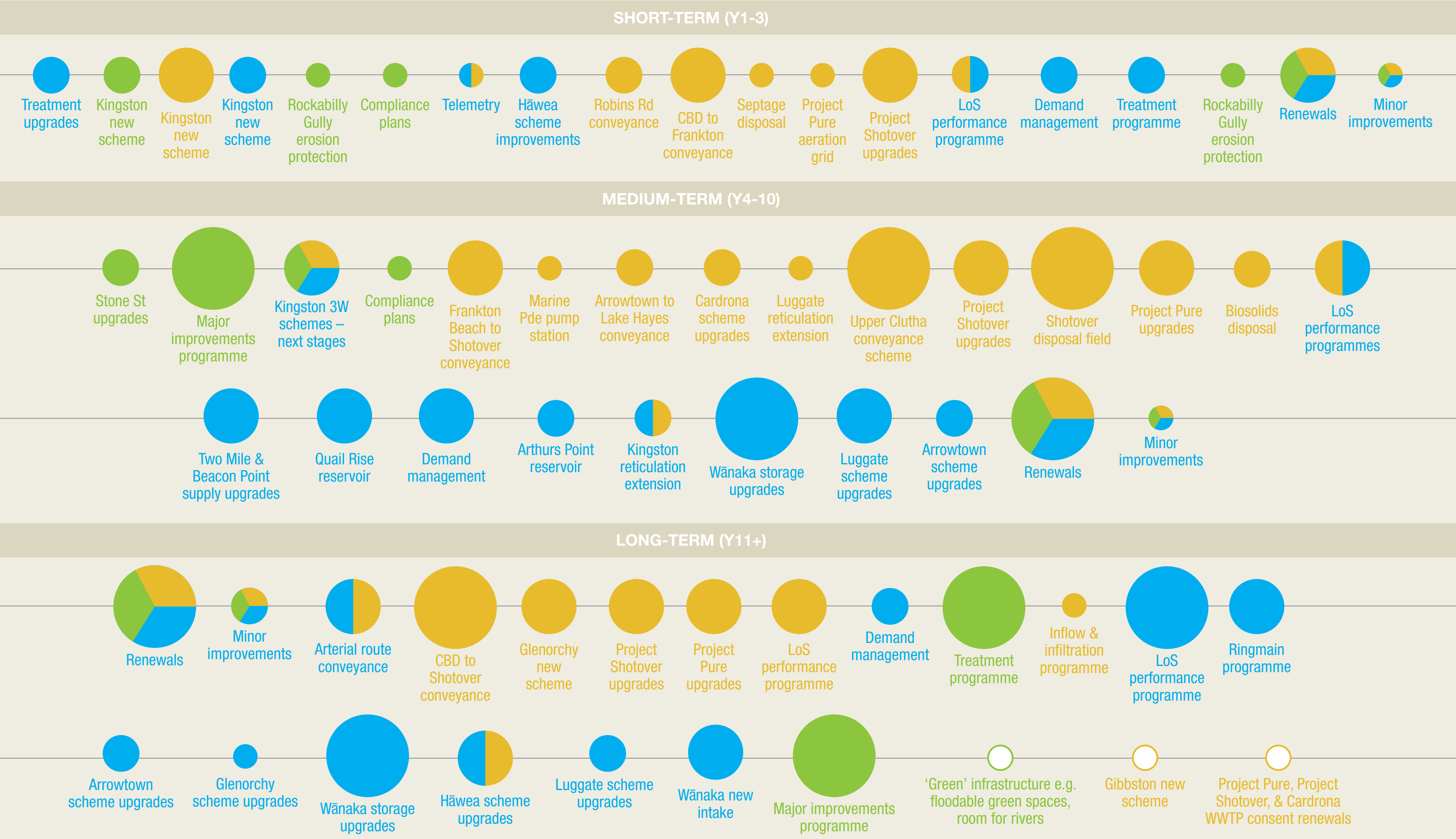
Responds to these significant issues:	
Growth	HIGH IMPACT
Increasing standards	HIGH IMPACT
Resilience	MODERATE IMPACT
Climate emergency	LOW IMPACT
Infrastructure deficit	HIGH IMPACT
Delivers on these objectives:	
Protect people from harm	HIGH IMPACT
Leverage investment	MODERATE IMPACT
Sustainable infrastructure	HIGH IMPACT
Prevent contaminants from entering environment	HIGH IMPACT
Reduce emissions and resource extraction	LOW IMPACT
Optimise infrastructure servicing	HIGH IMPACT
Natural hazard response and recovery	MODERATE IMPACT

Implications:

Expanding existing networks will require upfront investment in expensive and carbon-intensive infrastructure; however, overtime the environmental and public health benefits, combined with the broader user base to spread fixed operational costs across, could outweigh the upfront investment required. Proposed network extensions will be subject to rigorous analysis and community consultation before confirming.

KEY INITIATIVES ASSOCIATED WITH THE MOST LIKELY SCENARIO

UNKNOWN[39] <$5M $5-20M $20-50M >$50M



SOCIAL | INFRASTRUCTURE | TRANSPORT | STORMWATER | WASTEWATER | WATER SUPPLY | WASTE | MULTIPLE ACTIVITIES

[39] Initiatives where Council does not yet have a readily available indication of scale or cost.

06

Providing for the transportation network's capacity, functionality and transformation

The delivery of an integrated transport network that focusses on moving people and goods is critical to sustainably providing for the district's growth and achieving the outcomes of the Spatial Plan. The district's transportation assets and services are provided in partnership with the New Zealand Transport Agency (NZTA) and Otago Regional Council (ORC); this collective partnership is known as Way To Go (W2G), and recognises all three agencies have an important role to play in realising the district's transport and broader outcomes.

The W2G partnership continues to collectively and comprehensively plan for the future needs of the district's transportation network (see Way to Go for further information). Investment across the district is underway for transportation initiatives that give effect to the Queenstown Lakes Spatial Plan. These major upgrades and service expansions are supported by Council's ongoing investment in the transport network's maintenance, renewal and targeted low-cost improvement programmes.

Investment in Whakatipu's transport network is well advanced with a low-cost frequent public transport service operational, recently completed upgrades to primary active travel routes and the Queenstown CBD, construction of the first stage of Queenstown's arterial bypass route underway, the planned New Zealand Upgrade Programme works package on State Highway 6 and 6A, and a full suite of detailed planning documents for the ongoing evolution of the area's transport networks and services.

Planning for the Upper Clutha network is rapidly advancing, with particular emphasis on the development of business cases for an Upper Clutha public transport service and the optimisation of Wānaka's transport network. A range of network safety improvements have been delivered, along with a number of high-quality primary active travel connections throughout Wānaka.

Four principal options for investment in the transport network's capacity, functionality and transformation have been identified. Over the next 30 years, Council expects to achieve targeted network expansions and provide more transport choices for people. The most likely scenario assumes that W2G partner agencies will continue to invest in the district's state highways, transportation networks, and public transport services in a way that is consistent with agreed plans and arising network needs. Council will continually collaborate with, and advocate to, the W2G partners to ensure future investment plans remain aligned and right for the district.

The investment priorities of W2G partners are guided by the Government Policy Statement (GPS) on Land Transport. Changes to the GPS directly influence the level of funding support Council's transportation investments attract; this means that, while the initiatives defined in the most likely scenario are all expected to advance over the life of this strategy, the timing of delivery will continue to be realigned to current funding priorities to ensure the greatest level of funding assistance can be uplifted for the district.

OPTION 1

MAKE BEST USE OF EXISTING ASSETS	
This low-build option involves extracting the maximum possible effectiveness from the existing asset base (do more for the same). Investment will be made in travel demand management initiatives and optimisation of established transportation networks and services. The success of this option will be dependent on W2G partners also investing in the optimisation of their respective assets and services (in particular ORC's public transport service), and the community being motivated to make material changes to the way they interact with transportation networks and services.	
Responds to these significant issues:	
Growth	LOW IMPACT
Climate emergency	LOW IMPACT
Delivers on these objectives:	
Sustainable infrastructure	LOW IMPACT
Implications:	
Extracting the most from Council's existing assets and services will support the more effective use of the network; however, this alone will not deliver the level of capacity and functionality required to keep pace with growth. As a result, travel times are expected to worsen, driving up emissions, hampering productivity and compromising user experience. Development activity will likely encroach on strategic roading corridors, precluding their use for future network improvements.	

OPTION 2

PROTECT THE NETWORK FOR FUTURE DEVELOPMENT

Investment will focus on protecting key transport corridors and other strategic locations/assets, but won't extend to the physical assets that enable their utilisation. This option is about preserving options into the future only, and is an important consideration now as private development rapidly encroaches on important transportation corridors. This option is still dependent on 'making best use of existing assets' to manage demand and service levels and includes associated investment. In addition, investment will be directed towards early design and land acquisitions that enable/ maintain designations and inform the planning of other dependent activities.

Responds to these significant issues:	
Growth	LOW IMPACT
Climate emergency	LOW IMPACT
Infrastructure deficit	LOW IMPACT
Delivers on these objectives:	
Sustainable infrastructure	LOW IMPACT
Optimise infrastructure servicing	LOW IMPACT

Implications:

The implications associated with this option as per option one; however, strategic land acquisitions will protect some strategic future transport investment options.

OPTION 3 MOST LIKELY

TARGETED EXPANSIONS & MORE TRAVEL CHOICES

This option builds on protection of the network by targeting major investment in the development of key corridors and services. Investment will deliver the formation of critical bypass routes in the hubs of Queenstown and Wānaka, major upgrades to public transport networks, and expansion of active travel networks. A concurrent focus on 'making the best use of existing assets' will continue to make the evolving transportation network more efficient, and strategic planning will continue to explore what new and innovative initiatives can change the way the network operates.

This option is underpinned by an assumption that new funding mechanisms will be introduced over the life of this strategy to enable investment at this level.

Responds to these significant issues:	
Growth	MODERATE IMPACT
Climate emergency	MODERATE IMPACT
Infrastructure deficit	MODERATE IMPACT
Delivers on these objectives:	
Protect people from harm	MODERATE IMPACT
Leverage investment	MODERATE IMPACT
Sustainable infrastructure	MODERATE IMPACT
Reduce emissions and resource extraction	LOW IMPACT
Optimise infrastructure servicing	MODERATE IMPACT

Implications:

Targeted expansions will enable the network to better keep pace with demand growth and support greater effectiveness of existing assets and services. Levels of service are mostly expected to be maintained over the next 30 years, although there may be some interim deterioration until Council is able to fund the major interventions planned in later years.

OPTION 4

TRANSFORM THE WAY THE TRANSPORTATION NETWORK OPERATES

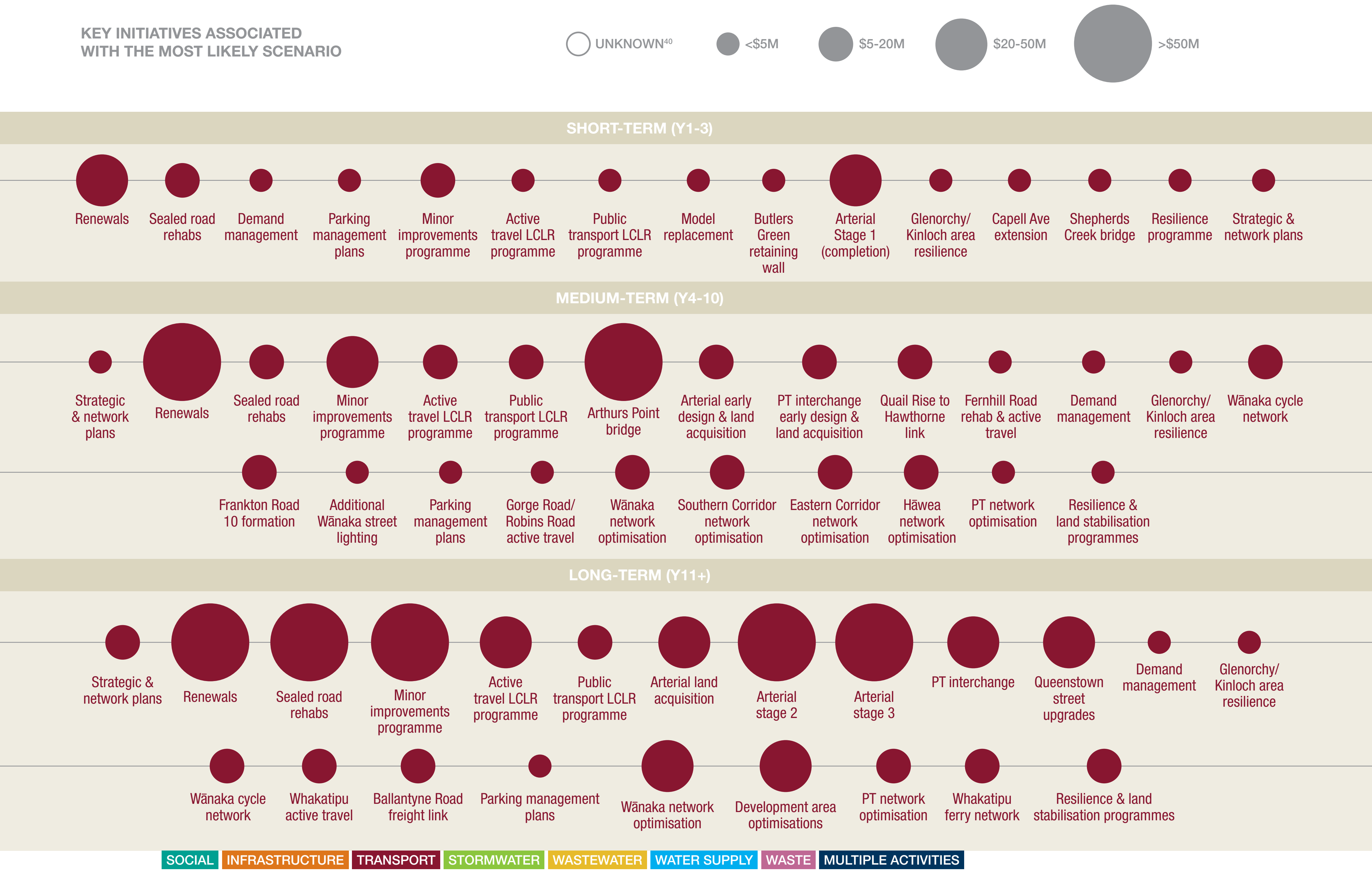
New high-capacity high-frequency public transport modalities, major streetscape upgrades, and secondary cycle networks feature in this option, in addition to the targeted expansions and network effectiveness interventions described in previous options. Blue-sky thinking will be an underpinning principle, investing in new and innovative technologies that fundamentally transform how the network operates and the way users engage with it. The extent to which this option could be given effect is critically dependent on the pace of behaviour change, technological advancements, and the availability of new funding. It is also highly dependent on similar levels of investment in, and support from, key transportation partners and central government.

Responds to these significant issues:	
Growth	HIGH IMPACT
Climate emergency	MODERATE IMPACT
Infrastructure deficit	HIGH IMPACT
Delivers on these objectives:	
Protect people from harm	MODERATE IMPACT
Leverage investment	HIGH IMPACT
Sustainable infrastructure	HIGH IMPACT
Reduce emissions and resource extraction	HIGH IMPACT
Optimise infrastructure servicing	MODERATE IMPACT

Implications:

Levels of service would change considerably through this option with the introduction of new modalities and broad improvements to network amenity. Some interventions are likely to come with high upfront cost and risk; however, may have the potential to deliver greater benefits and cost efficiencies over the long term. The level of funding, partnership, and approvals associated with implementing this option mean that, like with option 3, material changes would be given effect in later years, resulting in the likelihood of a near term reduction in service levels as population growth outpaces interventions. Investing and delivering at this level may require Council to deprioritise expenditure in other activities.

KEY INITIATIVES ASSOCIATED WITH THE MOST LIKELY SCENARIO



[40] Initiatives where Council does not yet have a readily available indication of scale or cost.

07

Extent of investment in strategically placed, integrated facilities

Due to regional topography, climatic conditions, and a small, dispersed population base, it is not affordable, or efficient from a transport and people resource perspective, to have all types of social infrastructure replicated across individual neighbourhoods. This can be managed by having certain social infrastructure for each ward centralised in a strategically placed, multipurpose facility that integrates different community needs, including sports, play, recreation, libraries, events and other community activities. As key development areas continue to grow, additional smaller scale integrated hubs in these areas will also be developed, complementing the centralised facilities, to meet local sports, play, recreation and community needs.

Council has developed key strategic facilities in Whakatipu and the Upper Clutha that are high quality, heavily used and easily accessible to a large portion of the population. These facilities are strategically placed in central locations and have been designed with the needs of the community in mind. These strategic facilities have been built to enable future development and the Community Services team regularly engage with the community to understand changing needs and service gaps.

Two principal options have been identified; the most likely scenario suggests that over the next 30 years shared, centrally located, multipurpose facilities will be invested in over a decentralised network of facilities.[41]

[41] Refer to "servicing of key development areas" significant decision for key initiatives related to integrated hubs in key development areas

OPTION 1

DECENTRALISED FACILITIES

Current centralised facilities are maintained but not expanded, instead capacity required to service the district's growing community is built in multiple locations across the district.

Responds to these significant issues:	
Growth	LOW AS INEFFICIENT
Infrastructure deficit	LOW AS INEFFICIENT
Delivers on these objectives:	
Opportunities for increased activity and connection	MODERATE IMPACT
Diverse, fit-for-purpose facilities	MODERATE IMPACT
Plan for growth	LOW AS INEFFICIENT
Strategically placed, multipurpose facilities	LOW IMPACT

Implications:

Enables local use of facilities but will impact on ability to host ward, district and regional competition and events particularly as the population grows. Result is a disjointed network that doesn't effectively support ward-wide events and activities and is inefficient from a travel perspective, although does enable access for local community events and activities.

OPTION 2 MOST LIKELY

STRATEGICALLY PLACED, INTEGRATED, MULTIPURPOSE FACILITIES

Council invests in strategically placed, integrated and multipurpose facilities that maximise efficiencies in meeting user needs of the entire community within each ward. These facilities are expanded to accommodate the growing population, provide shared facilities to support a range of community, recreation and sporting groups and are supported by smaller scale hubs in settlements with high populations. At least one of these facilities should be able to host district and regional/international sporting tournaments and events.

Council will continue to invest in three strategically placed, multi-purpose, integrated community hubs that service each ward:

> Wānaka Recreation Centre (Upper Clutha)
> Queenstown Events Centre (Whakatipu)
> Ballantyne Road Sports Hub (Upper Clutha).

The Southern Corridor and Eastern Corridor in the Whakatipu and Southern Wānaka are predicted to reach the population where additional smaller scale community hubs are warranted.

Council also aims to support the development of specific community hubs for the following purposes:

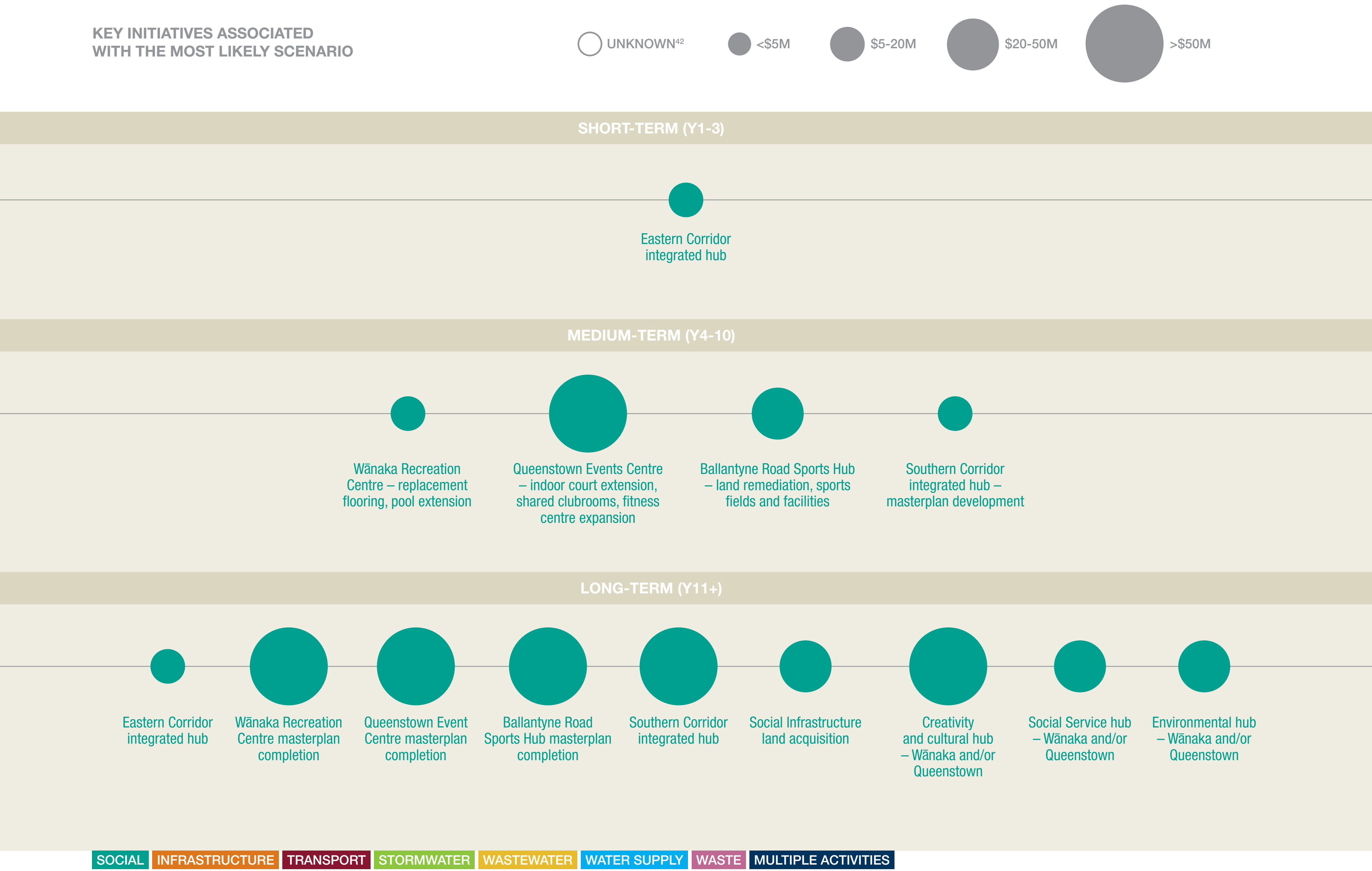
> Creativity and culture – for use by groups delivering creative and cultural activities including performing arts, visual arts, mana whenua heritage storytelling.
> Social service – for use by organisations providing social services to the community
> Environmental hub – for use by organisations working to improve environmental outcomes for and with the community.

Responds to these significant issues:	
Growth	MODERATE IMPACT
Infrastructure deficit	MODERATE IMPACT
Delivers on these objectives:	
Opportunities for increased activity and connection	MODERATE IMPACT
Diverse, fit-for-purpose facilities	HIGH IMPACT
Plan for growth	HIGH IMPACT
Strategically placed, multipurpose facilities	HIGH IMPACT

Implications:

The combination of strategically placed, integrated, multipurpose hubs, together with smaller hubs in high population areas, means Council is investing efficiently in quality facilities that can provide for the district's diverse and expanding population.

KEY INITIATIVES ASSOCIATED WITH THE MOST LIKELY SCENARIO



[42] Initiatives where Council does not yet have a readily available indication of scale or cost.

07

The type of waste management services and facilities provided

The amount of waste entering the district's landfill is driving up emissions and exhausting finite disposal capacity. Council is committed to working with mana whenua, central Government, businesses and communities to change this.

Distributed community solutions will play an important part in reducing, avoiding and managing waste within the district. Examples of community-based solutions include container return schemes, repair cafes and community composting hubs – all of which can help build resilience and community ownership into waste minimisation models. Council has, and will continue to support, community-led waste reduction initiatives through its successful Zero Waste grant funding programme.

Four principal options for the types of waste management services and facilities provided for the district have been identified. Over the next 30 years, Council will invest in moving the district towards a circular economy by increasing rates of waste diversion, influencing how materials are managed and processed, leveraging no and low build solutions where possible, and empowering the community to take ownership of waste minimisation models and outcomes.

OPTION 1

MAINTAIN ESTABLISHED SERVICES AND INITIATIVES

To maintain current service levels in line with demand growth and legislative change, end-of-life Materials Recovery Facility and Transfer Station facilities will be replaced with new fit-for-future facilities. Investment in the established programme for community-led zero waste initiatives will also continue.

Responds to these significant issues:	
Growth	LOW IMPACT
Increasing standards	LOW IMPACT
Climate emergency	LOW IMPACT
Infrastructure deficit	MODERATE IMPACT
Delivers on these objectives:	
Protect people from harm	HIGH IMPACT
Leverage investment	MODERATE IMPACT
Sustainable infrastructure	LOW IMPACT
Reduce emissions and resource extraction	LOW IMPACT

Implications:

Current service levels will be maintained, with the replacement of end-of-life facilities delivering a material reduction in risk levels. Without the introduction of additional diversion activities, volumes of waste to landfill will increase in line with population growth, resulting in a material worsening of emissions over time and increased likelihood of exhausting finite landfill capacity. As the cost of disposal increases, so too will the cost of service.

OPTION 2

FOCUS ON EMISSIONS REDUCTION

In order to meet incoming standards around emission reduction, more organic waste will be diverted from landfill. In addition, other initiatives and technologies that minimise the emissions generated by waste management activities will be explored.

Responds to these significant issues:	
Growth	MODERATE IMPACT
Increasing standards	MODERATE IMPACT
Infrastructure deficit	MODERATE IMPACT
Delivers on these objectives:	
Protect people from harm	HIGH IMPACT
Leverage investment	MODERATE IMPACT
Sustainable infrastructure	LOW IMPACT
Reduce emissions and resource extraction	MODERATE IMPACT

Implications:

The material implication of this option is the introduction of a kerbside food and green waste collection service. This service will significantly increase the volume of waste diverted from landfill.

OPTION 3 **MOST LIKELY**

MOVE TOWARDS A CIRCULAR ECONOMY

Building on the 'focus on emissions reduction option', further steps will be taken towards a circular economy by providing more opportunities and incentives to divert more product from landfill – particularly construction sector waste which accounts for 50% of all landfill waste in New Zealand.[43]

In addition to key investment initiatives, Council will work closely with the hospitality and tourism sectors to reduce industry waste. National behaviour change programmes will be leveraged, and commercial opportunities with other waste service providers (in particular neighbouring councils) will be pursued.

Responds to these significant issues:	
Growth	HIGH IMPACT
Increasing standards	HIGH IMPACT
Climate emergency	HIGH IMPACT
Resilience	LOW IMPACT
Infrastructure deficit	HIGH IMPACT
Delivers on these objectives:	
Protect people from harm	HIGH IMPACT
Leverage investment	HIGH IMPACT
Sustainable infrastructure	HIGH IMPACT
Reduce emissions and resource extraction	HIGH IMPACT

Implications:

The implications of this option are similar to option 2, with the addition of an enhanced focus on programmes that support sectors to reduce their waste, and the provision of additional organic waste management capability in later years (most likely timber).

OPTION 4

PROTECT FOR ALL POSSIBILITIES

This option retains a focus on achieving a circular economy, but provides additional landfill capacity for a scenario where diversion levels are insufficient to manage within existing landfill capacity in perpetuity.

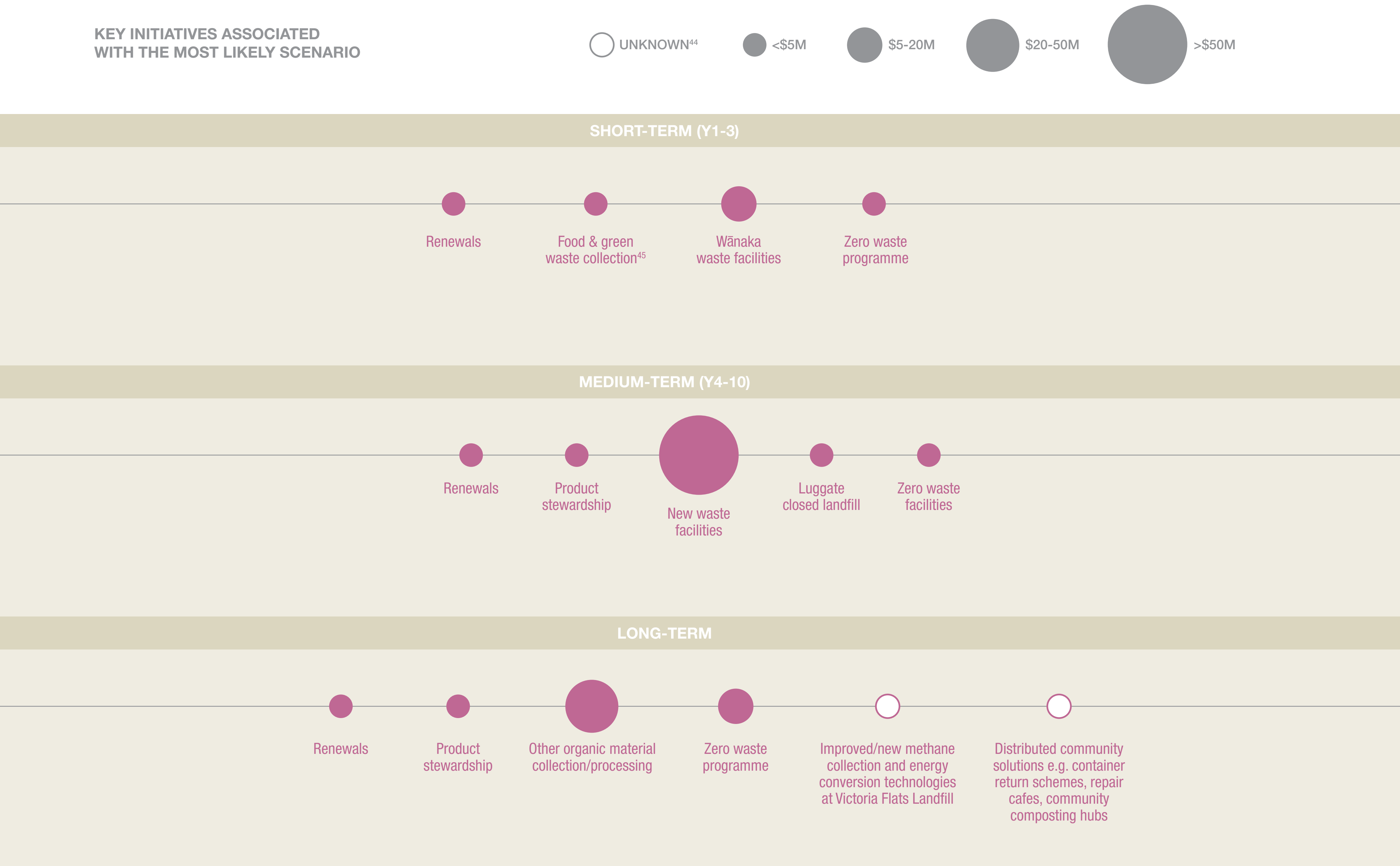
Responds to these significant issues:	
Growth	HIGH IMPACT
Increasing standards	MODERATE IMPACT
Climate emergency	MODERATE IMPACT
Resilience	LOW IMPACT
Infrastructure deficit	HIGH IMPACT
Delivers on these objectives:	
Protect people from harm	HIGH IMPACT
Leverage investment	HIGH IMPACT
Sustainable infrastructure	HIGH IMPACT
Reduce emissions and resource extraction	MODERATE IMPACT

Implications:

The implications of this option are similar to option 3; however, new landfill capacity will be created. Providing this new capacity is expected to be a costly and complex activity, and may also reduce the imperative to achieve desired diversion levels.

[43] *How do we stop throwing so much away?* New Zealand Infrastructure Commission Te Waihanga. https://tewaihanga.govt.nz/the-strategy/issues/how-do-we-stop-throwing-so-much-away (retrieved Dec 2023)

KEY INITIATIVES ASSOCIATED WITH THE MOST LIKELY SCENARIO



SOCIAL | INFRASTRUCTURE | TRANSPORT | STORMWATER | WASTEWATER | WATER SUPPLY | WASTE | MULTIPLE ACTIVITIES

[44] Initiatives where Council does not yet have a readily available indication of scale or cost.
[45] Although introduction of a kerbside food & green waste collection service has a relatively low capital outlay, there is a notable increase in annual operating costs associated with the new service. This impact is reflected in the forecast increase in waste management operating expenditure in FY28 (Y4) shown in Section 4 of this strategy.

Section 4

Managing and investing in Council's assets

IN THIS SECTION

Council's asset management approach

Council is continually working to lift its asset management capability and performance. Elevating asset management performance and capability offers the potential for significant value creation, including improved service delivery, cost savings and long-term sustainability. Effective asset management and investment is fundamental to, and a key component of, Council's Strategic Framework.

COUNCIL'S ASSET MANAGEMENT	
Vision	To deliver fit-for-purpose integrated asset management that supports the wellbeing of an evolving community, whilst balancing service, risk and cost efficiency.
Objectives	The asset management system is fit-for-purpose and is integrated with other management systems.
	To comply with the relevant legal, regulator and stakeholder requirements.
	The organisation is committed to asset management at the highest level with responsibilities, roles and authorities defined.
	The planning to achieve the asset management objectives considers life cycle costs, performance and risks.
	To provide adequate support for the asset management system.
	To implement operational and control processes and ensure expected outcomes are achieved.
	To evaluate the performance of assets, asset management and the asset management system.
	To continually improve asset management capability and asset management performance.
	To support long-term objectives and sustainable outcomes.
System	Council's asset management system is comprised of a Strategic Asset Management Plan SAMP (in development)[46], Asset Management Policy, Asset Management Plans, asset portfolio and systems, and the elements associated with the continual implementation, review and improvement of the system (e.g. performance evaluations, improvement plan, people, etc).
	Generally, Council aims to review its asset management system every three years. Triennial review ensures risks and opportunities are determined and corresponding responses are planned.
Portfolio	Council's asset management portfolio is predominantly comprised of community services and facilities, transport, three waters, and waste minimisation and management. It also includes other activities such as environmental management, regulatory functions and services, local democracy and economy-based activities, and financial and support services.
	The Long Term Plan (updated every three years) provides a summary of Council's key asset activity types, the extent and median age of Council's assets, proposed ten-year investment profiles, performance indicators, and approach for managing any significant negative effects associated with operating and investing in Council's assets.
Plans	An Asset Management Plan (AMP) is developed for each of Council's key activity types. These AMPs translate the strategic direction set through Council's Strategic Framework, this strategy, and the SAMP, into detailed plans that prioritise asset management activities and resources in order to deliver on overarching asset management objectives.
	Council's AMPs include detailed information about the operating environment, key challenges and risks, service levels, and the age, condition, performance and valuation of Council's assets. The AMPs also define Council's corresponding asset lifecycle management approach, including the level of investment Council proposes to make in assets and services (and associated financial management arrangements), how Council plans to manage risk, the commercial models Council plans to use for the procurement and delivery of services, and Council's plans for ongoing improvement.

[46] The SAMP will align the asset management system with organisational strategic objectives and priorities – serving as a comprehensive road map for achieving the asset management vision across Council's asset portfolio.

Relationship between this strategy and the asset management system

Council's asset management system translates the strategic investment direction set out in this strategy into asset-based investment considerations and programmes. The AMPs define Council's investment needs and opportunities, strategic responses, and ultimately, a proposed asset investment programme. Accordingly, Council's AMPs build on, and are an extension, to this strategy – providing the detailed information about how Council plans to manage and invest in its assets over time.

COUNCIL'S APPROACH TO	
Replacement of existing assets	Renewals programmes are optimised to ensure that best whole-of-life value is achieved. Critical assets (as identified under Council's Risk Management Framework) are prioritised for investment. Council's renewals programmes are developed strategically alongside capital improvement programmes to ensure best use is made of Council's resources in responding to significant issues and delivering on strategic objectives.
Responding to changes in demand	Council measures, updates, and confirms demand for services on an annual basis to ensure future projections for infrastructure are based on the best available information. Any necessary adjustments are made to proposed expenditure via the Annual Plan process, and AMPs are reviewed and updated triennially and the Long Term Plan is recalibrated.
Planned changes in service levels	Council will research, monitor and engage on the setting of service levels to best balance service efficiency and effectiveness, customer expectations, legal requirements and community affordability.
	Council's projected expenditure over the next 10 and 30 year horizons reflects any reasonably quantifiable impacts of anticipated changes to service levels (in particular those associated with the significant decisions detailed in this strategy) and the approach for managing the associated assets is captured in the respective AMP.
Providing resilient infrastructure assets and managing risks	Council's strategic renewals and improvement investment programmes seek to deliver a balanced approach to asset reinforcement, relocation, and de-risking; this approach informs and underpins insurance and other financial provisions as detailed in Council's Finance Strategy. To support continual improvement in this area, Council: > has commenced a programme of work to identify and assess natural hazard risks across the district. The findings of this programme, along with any required responses, will be progressively reflected through updates to this strategy, the Long Term Plan and AMPs as the knowledge base in this area grows > will continue to periodically complete asset criticality assessments. The output of this work informs ongoing long-term network and service planning processes > has established a dedicated internal risk and assurance function. Risks are now being systematically identified, categorised and planned for through a single risk management framework and system > has provisioned dedicated funding to support the development of an Infrastructure Resilience Strategy.
Asset optimisation	As much as practicable, Council optimises and extends the effective life/capacity of its existing infrastructure to reduce investment in new infrastructure. Council's proposed renewals expenditure reflects the level of maintenance required to keep existing assets in good working order – particularly where the cost of remediation or replacement is expensive (e.g. Council plans to steadily increase expenditure on pavement resurfacing and rehabilitation to ensure the network doesn't deteriorate as the cost associated with these activities increases). To achieve this level of expenditure on critical assets, Council makes informed trade-offs in other areas (e.g. Council plans to utilise footpath assets beyond optimal renewal timeframes).
	A critical component of optimising Council's existing asset base is reducing and or shifting per capita demand on services. Key behaviour-change programmes Council plans to invest in include: > travel demand management: reducing the need to travel, changing the time of travel, and facilitating/incentivising uptake of public transport and active transport modalities > water demand management: smart meters, software, and potentially the introduction of volumetric charging, will support a reduction in demand for water supply. Achieving reduction targets will enable Council to defer investment in costly and capital intensive infrastructure that is otherwise required due to capacity/supply constraints > zero waste programme: Council's investment in community-led waste minimisation initiatives has been a highly effective method of diverting waste from landfill.

What this means for Council's likely expenditure over the next 30 years

Investment planned through the 2024/25 – 2033/34 Long Term Plan responds materially to Council's historical infrastructure deficit, recognises the incoming three waters requirements and also provides the necessary new infrastructure required to unlock key development areas. This ambitious ten-year investment plan creates a foundation for lower and more steady levels of investment in three waters and waste infrastructure through years 11 to 30, providing funding and delivery capacity for major social and transport infrastructure through that same period. This investment approach builds on the track record Council has of investing first in maintaining existing assets and services, and providing for established communities where there have historically been barriers to servicing uptake in the past.

All figures are present day (uninflated), rounded to the nearest $100k. Operating expenditure excludes income, depreciation, overheads and interest.

WASTE MINIMISATION AND MANAGEMENT

	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Y11-15	Y16-20	Y21-25	Y26-30	CAPEX COST DRIVERS (30 YEARS)		
CAPEX	$6.3M	$12.9M	$19M	$25.3M	$14.8M	$4.6M	$0.8M	$1.2M	$1.9M	$1.1M	$4.4M	$5.1M	$4.8M	$41.8M	**Growth**	**Renewal**	**LOS**
OPEX	$17.8M	$17.8M	$17.8M	$19.5M	$19.5M	$19.5M	$19.7M	$19.7M	$19.7M	$19.7M	$98.5M	$98.5M	$98.5M	$98.5M	5%[47]	37%	57%

TRANSPORT

	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Y11-15	Y16-20	Y21-25	Y26-30	CAPEX COST DRIVERS (30 YEARS)		
CAPEX	$38.3M	$21.4M	$21.6M	$25.3M	$35.1M	$40.4M	$40.5M	$27.9M	$42.5M	$53.6M	$189.8M	$193.2M	$227M	$154.9M	**Growth**	**Renewal**	**LOS**
OPEX	$12.5M	$12.5M	$12.6M	$12.6M	$12.7M	$12.7M	$12.7M	$12.8M	$12.9M	$13.0M	$65.7M	$67.1M	$68.6M	$70.1M	37%	29%	34%

THREE WATERS

	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	Y11-15	Y16-20	Y21-25	Y26-30	CAPEX COST DRIVERS (30 YEARS)		
CAPEX	$77.4M	$100.3M	$116.2M	$139.4M	$144.6M	$161.5M	$130.6M	$131.8M	$105.9M	$113.3M	$244M	$385.6M	$303.5M	$266.6M	**Growth**	**Renewal**	**LOS**
OPEX	$20.9M	$20.9M	$21.6M	$22.0M	$22.2M	$22.5M	$22.8M	$23.7M	$24.6M	$24.1M	$126.2M	$136.7M	$148.1M	$160.4M	38%	17%	45%

[47] Through the replacement of the district's Materials Recovery Facility, and upgrade of Queenstown and Wānaka transfer stations, Council will have the facilities and technology required to cater for increased volumes resulting from population growth. Growth remains a relatively low driver for capital investment relative to renewal and LoS for this reason, and because Council anticipates relatively low capital cost initiatives such as the new food and green waste kerbside collection service and continuation of the zero waste programme to divert a higher proportion of the district's waste as the population grows. Accordingly, the most likely scenario for waste services responds strongly to growth without requiring significant growth-specific capital investment.

SOCIAL

This is the first time Council has included social infrastructure in this strategy; Council is early in its maturity journey for 30-year planning for social infrastructure. Detailed planning has been undertaken for the first ten years, and this is reflected below and in the Long Term Plan. Council has identified critical strategic initiatives for years 11-30, however does not yet have a fully planned programme for the full 30 years. Council is investing in building capability in this area and plans to mature its planning further over the next three years, for inclusion in the next iteration of this strategy.

SOCIAL													
	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10	CAPEX COST DRIVERS (FIRST 10 YEARS ONLY)[48]		
CAPEX	$14.8M	$14.1M	$33.0M	$41.0M	$50.7M	$28.7M	$30.1M	$38.5M	$49.3M	$80.3M	Growth	Renewal	LOS
OPEX	$38.8M	$42.9M	$43.9M	$44.8M	$46.9M	$49.8M	$53.6M	$55.1M	$56.9M	$59.6M	28%	36%	36%

[48] Further indicative expenditure forecasting for social infrastructure over the Y11-30 period is required before a reliable indication of 30-year cost driver apportionment can be determined.

Section 4 – Our costs in detail

Wāhaka 4 – Te utu whakahaere

How Council proposes to manage the funding it receives and spends on its operations throughout the ten year period. This section also outlines the significant assumptions made during the planning process and information about the impact on rates.

Prospective financial statements / Kā wawata ahumoni

PROSPECTIVE STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDING 30 JUNE ($'000)

ANNUAL PLAN 2023/24		TEN YEAR PLAN 2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Operating revenue										
	Revenue from non-exchange transactions										
118,104	Targeted rates	141,704	164,095	187,927	210,299	239,259	262,244	284,031	306,398	324,530	337,899
6,792	General rates	7,706	10,495	11,469	14,756	21,361	23,091	19,340	18,290	18,719	22,424
7,464	User charges - subsidised	8,116	8,514	8,857	9,381	9,756	10,119	10,477	10,942	11,307	11,673
48,013	Grants and subsidies	23,555	26,002	26,558	30,497	29,616	31,893	32,829	23,938	35,471	44,569
20,673	Vested assets	30,235	30,942	31,723	32,513	33,287	34,028	34,777	35,500	36,247	36,989
20,645	Development contributions	39,314	33,026	33,910	33,753	34,639	37,409	36,477	36,940	36,924	37,555
6,998	Other income	7,524	8,091	8,627	9,109	9,383	9,813	10,072	12,268	12,535	12,796
1,630	Revaluation of investment property	1,801	1,323	1,484	1,517	1,480	1,511	1,469	1,498	1,452	1,479
	Revenue from exchange transactions										
37,131	User charges - full cost recovery	40,185	41,498	43,058	44,697	46,108	47,450	48,729	50,034	51,321	52,775
7,423	Dividend income	10,737	12,509	12,752	9,207	9,400	9,588	9,771	9,956	10,145	10,328
4,854	Other income - full cost recovery	4,960	5,166	5,611	5,917	6,152	6,381	6,608	6,840	7,065	7,294
3,142	Other gains/(losses) - full cost recovery	-	1,481	-	(1,561)	7,388	8,660	4,047	3,517	-	21,054
282,869	**Total revenue**	**315,838**	**343,142**	**371,977**	**400,085**	**447,829**	**482,186**	**498,627**	**516,122**	**545,716**	**596,835**
	Operating expenditure										
12,038	Local democracy	11,429	12,300	12,291	12,075	11,671	12,245	12,126	12,342	12,941	12,722
45,140	Community services & facilities	51,882	54,386	56,906	60,505	63,493	67,306	70,548	74,365	77,251	81,584
20,443	Economy	22,519	22,501	21,929	21,759	21,411	20,533	19,937	19,537	19,349	19,443
17,740	Environmental management	19,896	20,703	21,211	21,685	22,055	22,531	23,060	23,562	24,228	24,690
17,734	Regulatory functions & services	18,369	19,091	19,681	20,112	20,446	20,857	21,289	21,792	22,092	22,439
39,615	Transport	46,036	49,247	51,537	53,252	48,020	49,215	50,848	52,267	54,558	55,917
28,619	Wastewater	34,265	36,255	40,950	46,261	52,156	57,291	61,944	65,273	68,401	70,564
18,753	Water supply	22,098	22,672	24,192	26,648	29,449	32,927	36,751	40,925	46,043	47,773
8,727	Stormwater	12,691	11,155	11,970	13,019	14,082	15,110	16,493	17,690	19,440	20,142
20,414	Waste management	22,092	23,777	25,396	29,846	31,763	32,949	35,531	36,309	36,615	36,779
222	Finance & support services	208	1,471	2,584	3,179	3,679	3,566	3,714	4,790	5,223	6,918
229,445	**Total operating expenditure ***	**261,484**	**273,557**	**288,648**	**308,342**	**318,224**	**334,530**	**352,240**	**368,851**	**386,141**	**398,972**
53,424	**Operating surplus**	**54,354**	**69,584**	**83,328**	**91,743**	**129,605**	**147,656**	**146,387**	**147,271**	**159,575**	**197,863**
	*** Operating expenditure includes:**										
55,537	Depreciation	66,012	68,803	74,768	80,860	78,024	83,368	89,400	94,838	103,055	110,344
23,126	Interest	30,002	29,652	32,220	36,438	43,591	47,886	53,633	56,294	58,103	59,085

PROSPECTIVE STATEMENT OF OTHER COMPREHENSIVE REVENUE AND EXPENSE FOR THE YEAR ENDING 30 JUNE ($'000)

ANNUAL PLAN 2023/24		TEN YEAR PLAN 2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
53,424	Operating surplus	54,354	69,584	83,328	91,743	129,605	147,656	146,387	147,271	159,575	197,863
	Other comprehensive revenue and expense										
24,939	Gain/(loss) on revaluation	77,308	59,623	70,488	76,119	78,908	85,689	88,857	95,528	97,058	103,195
-	Depreciation & Impairment reversed on revaluation	58,834	60,514	65,312	70,029	66,577	70,331	73,415	77,590	84,764	88,040
(791)	Transfer from reserves	360	952	(1,604)	381	35	36	237	414	2,266	4,170
77,572	**TOTAL COMPREHENSIVE INCOME**	**190,856**	**190,673**	**217,524**	**238,273**	**275,125**	**303,711**	**308,896**	**320,803**	**343,663**	**393,267**

PROSPECTIVE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDING 30 JUNE ($'000)

ANNUAL PLAN 2023/24		TEN YEAR PLAN 2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
2,202,093	Forecast opening equity	2,674,407	2,865,263	3,055,936	3,273,460	3,511,733	3,786,859	4,090,570	4,399,466	4,720,269	5,063,931
77,572	Total comprehensive revenue and expense	190,856	190,673	217,524	238,273	275,125	303,711	308,896	320,803	343,663	393,267
2,279,665	**FORECAST CLOSING EQUITY**	**2,865,263**	**3,055,936**	**3,273,460**	**3,511,733**	**3,786,859**	**4,090,570**	**4,399,466**	**4,720,269**	**5,063,931**	**5,457,198**

PROSPECTIVE STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE ($'000)

ANNUAL PLAN 2023/24		TEN YEAR PLAN 2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Current assets										
2,904	Cash and cash equivalents	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
7,683	Receivables from non-exchange transactions	16,253	17,756	19,428	21,134	22,974	24,396	25,243	25,946	27,202	28,281
11,391	Receivables from exchange transactions	11,331	11,685	12,138	12,559	12,902	13,219	13,513	13,806	14,086	14,390
53	Inventories	59	65	70	76	81	86	92	97	103	108
15	Other financial assets	614	614	614	614	614	614	614	614	614	614
3,096	Other current assets	10,157	9,647	9,185	8,911	8,593	8,372	8,162	7,914	7,774	7,387
-	Assets held for sale	4,928	-	3,984	3,978	650	-	628	-	2,562	-
25,142	**Total current assets**	**46,841**	**43,267**	**48,919**	**50,772**	**49,314**	**50,188**	**51,752**	**51,877**	**55,842**	**54,280**
	Non-current assets										
5,412	Investments in subsidiaries	5,412	5,412	5,412	5,412	5,412	5,412	5,412	5,412	5,412	5,412
3,495	Other financial assets	16,761	17,745	19,352	21,786	23,805	25,179	25,811	26,630	26,337	26,103
7,614	Development property	19,372	14,444	14,444	10,460	6,482	5,832	5,832	5,204	5,204	4,293
64,333	Investment property	66,134	67,457	68,941	70,458	71,938	73,448	74,917	76,416	77,867	79,347
2,858,709	Property, plant and equipment	3,426,450	3,673,281	3,955,658	4,312,221	4,697,041	5,080,045	5,441,629	5,822,476	6,179,966	6,595,316
6,095	Intangible Assets	12,173	16,828	19,522	17,999	16,476	15,412	15,014	15,982	17,200	21,285
2,945,657	**Total non-current assets**	**3,546,302**	**3,795,167**	**4,083,329**	**4,438,336**	**4,821,154**	**5,205,329**	**5,568,615**	**5,952,119**	**6,311,986**	**6,731,757**
2,970,799	**Total assets**	**3,593,143**	**3,838,434**	**4,132,249**	**4,489,108**	**4,870,468**	**5,255,516**	**5,620,367**	**6,003,996**	**6,367,828**	**6,786,037**
	Current liabilities										
24,656	Payables from exchange transactions	52,427	55,111	49,170	51,831	53,152	54,808	56,195	58,243	59,869	60,740
33,747	Other current liabilities	10,285	11,107	12,031	12,966	13,961	14,725	15,168	15,527	16,178	16,729
154,238	Borrowings	198,414	178,069	198,368	181,675	202,443	163,660	171,769	180,821	183,495	187,014
2,778	Employee Entitlements	3,788	4,004	4,116	4,201	4,279	4,348	4,414	4,484	4,550	4,612
215,419	**Total current liabilities**	**264,914**	**248,291**	**263,684**	**250,674**	**273,836**	**237,541**	**247,546**	**259,075**	**264,092**	**269,095**
475,715	**Non-current liabilities**	462,966	534,207	595,104	726,701	809,774	927,405	973,355	1,024,653	1,039,805	1,059,743
691,134	**Total liabilities**	**727,880**	**782,498**	**858,788**	**977,375**	**1,083,609**	**1,164,946**	**1,220,901**	**1,283,728**	**1,303,896**	**1,328,838**
2,279,665	**Net assets**	**2,865,263**	**3,055,936**	**3,273,460**	**3,511,733**	**3,786,859**	**4,090,570**	**4,399,466**	**4,720,269**	**5,063,931**	**5,457,198**
	Equity										
1,400,467	Revaluation reserve	1,808,825	1,869,770	1,941,743	2,019,379	2,099,766	2,186,966	2,277,292	2,374,318	2,472,828	2,577,503
27,894	Operating reserves	16,288	17,138	15,546	15,587	15,620	15,587	15,639	14,621	14,574	14,611
26,298	Capital reserve	12,922	13,023	13,012	13,351	13,353	13,422	13,607	15,039	17,352	21,485
825,006	Accumulated funds	1,027,229	1,156,005	1,303,160	1,463,416	1,658,119	1,874,595	2,092,928	2,316,290	2,559,177	2,843,600
2,279,665	**Total equity**	**2,865,263**	**3,055,936**	**3,273,460**	**3,511,733**	**3,786,859**	**4,090,570**	**4,399,466**	**4,720,269**	**5,063,931**	**5,457,198**

PROSPECTIVE STATEMENT OF CASH FLOWS FOR THE YEAR ENDING 30 JUNE ($'000)

ANNUAL PLAN 2023/24		TEN YEAR PLAN 2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Cash flows from operating activities										
	Cash was provided from:										
254,984	Receipts from customers	314,024	341,420	374,920	412,170	455,715	492,659	515,848	535,498	572,553	606,033
7,423	Dividends received	10,737	12,509	12,752	9,207	9,400	9,588	9,771	9,956	10,145	10,328
	Cash was applied to:										
(151,405)	Payments to suppliers and employees	(190,291)	(201,367)	(208,908)	(219,700)	(226,100)	(233,768)	(240,588)	(250,376)	(258,731)	(263,975)
(23,126)	Finance costs paid	(30,002)	(29,652)	(32,220)	(36,438)	(43,591)	(47,886)	(53,633)	(56,294)	(58,103)	(59,085)
87,876	**Net cash inflow from operating activities**	**104,468**	**122,910**	**146,543**	**165,239**	**195,424**	**220,593**	**231,397**	**238,783**	**265,864**	**293,301**
	Cash flows from investing activities										
	Cash was provided from:										
6,794	Proceeds from asset sales	-	1,481	-	(1,561)	7,388	8,660	4,047	3,517	-	21,054
	Cash was applied to:										
(207,918)	Purchase of property, plant and equipment	(146,736)	(163,742)	(210,834)	(261,040)	(283,563)	(284,224)	(260,724)	(275,049)	(254,160)	(304,984)
(201,124)	**Net cash outflow from investing activities**	**(146,736)**	**(162,261)**	**(210,834)**	**(262,601)**	**(276,176)**	**(275,564)**	**(256,677)**	**(271,532)**	**(254,160)**	**(283,930)**
	Cash flows from financing activities										
	Cash was provided from:										
256,636	Proceeds from borrowings	241,278	217,420	262,659	279,037	283,195	218,630	197,048	213,570	171,791	177,643
	Cash was applied to:										
(144,000)	Repayment of borrowings	(198,414)	(178,069)	(198,368)	(181,675)	(202,443)	(163,660)	(171,769)	(180,821)	(183,495)	(187,014)
112,636	**Net cash inflow/(outflow) from financing activities**	**42,864**	**39,351**	**64,291**	**97,362**	**80,751**	**54,970**	**25,280**	**32,749**	**(11,704)**	**(9,371)**
(612)	Net increase/(decrease) in cash and cash equivalents	596	-	-	-	-	-	-	-	-	-
3,516	Forecast cash and cash equivalents at 1 July	2,904	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
2,904	**Forecast cash and cash equivalents at 30 June**	**3,500**	**3,500**	**3,500**	**3,500**	**3,500**	**3,500**	**3,500**	**3,500**	**3,500**	**3,500**
	Represented by:										
2,904	Cash and cash equivalents	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
-	Bank overdraft	-	-	-	-	-	-	-	-	-	-
2,904	**Total cash and cash equivalents**	**3,500**	**3,500**	**3,500**	**3,500**	**3,500**	**3,500**	**3,500**	**3,500**	**3,500**	**3,500**

PROSPECTIVE OPERATING EXPENDITURE BY ACTIVITY ($'000)

ANNUAL PLAN 2023/24		TEN YEAR PLAN 2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Local Democracy										
2,229	Governance	2,448	2,696	2,599	2,653	2,855	2,750	2,817	3,045	2,954	3,006
3,289	Community Engagement	3,494	3,594	3,665	3,724	3,753	3,831	3,923	3,993	4,126	4,183
5,046	Community Leadership	3,937	4,311	4,182	3,942	3,281	3,732	3,524	3,413	3,802	3,564
1,474	Emergency Management	1,552	1,702	1,848	1,758	1,784	1,935	1,866	1,893	2,062	1,973
12,038		**11,432**	**12,303**	**12,294**	**12,078**	**11,673**	**12,248**	**12,129**	**12,345**	**12,944**	**12,725**
	Community Services & Facilities										
17,718	Community Facilities	20,435	21,148	21,695	23,090	24,482	26,765	28,021	30,087	30,150	32,133
16,375	Active & Passive Recreation	18,731	19,787	21,144	22,478	23,496	24,379	25,707	26,894	29,182	30,498
372	Community Property	313	321	385	452	471	476	472	477	497	514
2,538	Community Grants	2,611	2,711	2,711	2,711	2,711	2,711	2,711	2,711	2,711	2,711
4,501	Libraries	5,708	5,966	6,184	6,410	6,450	6,635	6,831	7,044	7,259	7,441
408	Waterways Facilities	466	559	625	724	839	1,009	1,090	1,137	1,202	1,878
242	Cemeteries	267	271	299	341	391	426	465	504	544	561
1,606	Public Toilets	1,778	1,847	1,911	2,140	2,388	2,588	2,793	3,024	3,218	3,366
7	Forestry	2	2	2	2	2	2	2	2	2	2
1,374	Wānaka Airport	1,571	1,774	1,950	2,156	2,263	2,315	2,456	2,484	2,486	2,480
45,140		**51,882**	**54,386**	**56,906**	**60,505**	**63,493**	**67,306**	**70,548**	**74,365**	**77,251**	**81,584**
	Economy										
7,442	Property	8,448	7,703	7,160	6,554	5,934	4,713	3,757	3,025	2,417	2,203
6,446	Economic Development	7,310	7,894	7,718	7,894	8,010	8,196	8,401	8,576	8,844	8,998
6,555	Tourism Marketing	6,758	6,901	7,048	7,309	7,463	7,622	7,776	7,933	8,085	8,240
20,443		**22,516**	**22,498**	**21,926**	**21,757**	**21,408**	**20,531**	**19,934**	**19,534**	**19,346**	**19,440**
	Environmental Management										
5,502	District Plan	5,983	6,161	6,253	6,412	6,542	6,682	6,851	7,034	7,249	7,423
12,238	Resource Consents	13,913	14,542	14,958	15,273	15,513	15,849	16,209	16,528	16,979	17,267
17,740		**19,896**	**20,703**	**21,211**	**21,685**	**22,055**	**22,531**	**23,060**	**23,562**	**24,228**	**24,690**
	Regulatory Functions & Services										
9,814	Building Consents	9,808	10,201	10,409	10,610	10,761	10,987	11,232	11,445	11,760	11,950
7,920	Enforcement	8,561	8,890	9,273	9,502	9,685	9,870	10,057	10,347	10,332	10,489
17,734		**18,369**	**19,091**	**19,681**	**20,112**	**20,446**	**20,857**	**21,289**	**21,792**	**22,092**	**22,439**
	Transport										
38,011	Roading and Footpaths	44,847	47,956	50,186	51,997	46,780	47,953	49,561	50,926	53,235	54,531
1,604	Parking Facilities	1,189	1,292	1,351	1,255	1,240	1,262	1,287	1,340	1,323	1,387
39,615		**46,036**	**49,247**	**51,537**	**53,252**	**48,020**	**49,215**	**50,848**	**52,267**	**54,558**	**55,917**
28,619	**Wastewater**	34,265	36,255	40,950	46,261	52,156	57,291	61,944	65,273	68,401	70,564
18,753	**Water Supply**	22,098	22,672	24,192	26,648	29,449	32,927	36,751	40,925	46,043	47,773
8,727	**Stormwater**	12,691	11,155	11,970	13,019	14,082	15,110	16,493	17,690	19,440	20,142
20,414	**Waste Management**	22,092	23,777	25,396	29,846	31,763	32,949	35,531	36,309	36,615	36,779
222	**Finance & Support Services**	208	1,471	2,584	3,179	3,679	3,566	3,714	4,790	5,223	6,918
229,445	**Total operating expenditure**	**261,484**	**273,557**	**288,648**	**308,342**	**318,224**	**334,530**	**352,240**	**368,851**	**386,141**	**398,972**
55,537	Depreciation (included in above)	66,012	68,803	74,768	80,860	78,024	83,368	89,400	94,838	103,055	110,344
23,126	Interest (included in above)	30,002	29,652	32,220	36,438	43,591	47,886	53,633	56,294	58,103	59,085

PROSPECTIVE DEPRECIATION EXPENDITURE BY ACTIVITY ($'000)

ANNUAL PLAN 2023/24		TEN YEAR PLAN 2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
21	Local Democracy	22	22	30	14	14	14	17	11	11	11
6,072	Community Services & Facilities	6,956	7,748	8,342	9,331	9,992	11,783	13,159	14,132	15,156	17,649
13	Economy	43	63	71	77	81	86	87	105	85	91
-	Environmental Management	-	-	-	-	-	-	-	-	-	-
103	Regulatory Functions & Services	247	235	247	241	251	240	214	319	53	48
20,815	Transport	24,500	27,104	29,208	30,459	24,542	25,157	25,974	27,120	28,996	29,694
12,496	Wastewater	13,570	13,599	14,735	16,471	18,155	20,252	21,768	23,172	24,543	25,308
8,174	Water Supply	9,463	10,016	10,755	11,566	12,059	12,542	12,783	13,926	16,437	17,576
5,979	Stormwater	8,944	7,262	7,878	8,619	9,216	9,615	9,984	10,318	11,549	12,141
414	Waste Management	627	752	934	1,237	1,316	1,374	2,979	3,259	3,172	3,244
1,451	Finance & Support Services	1,639	2,002	2,569	2,843	2,398	2,304	2,434	2,476	3,053	4,582
55,537		**66,012**	**68,803**	**74,768**	**80,860**	**78,024**	**83,368**	**89,400**	**94,838**	**103,055**	**110,344**

PROSPECTIVE CAPITAL ASSET EXPENDITURE BY ACTIVITY ($'000)

ANNUAL PLAN 2023/24		TEN YEAR PLAN 2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Local Democracy										
-	Governance	-	-	-	-	-	-	-	-	-	-
-	Community Engagement	-	-	-	-	-	-	-	-	-	-
-	Community Leadership	-	-	-	-	-	-	-	-	-	-
21	Emergency Management	-	-	-	-	-	-	-	-	-	-
21		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Community Services & Facilities										
6,979	Community Facilities	4,947	3,001	14,440	22,687	26,276	12,021	9,760	8,022	19,184	32,319
10,778	Active & Passive Recreation	8,775	10,648	15,676	13,214	16,021	15,445	17,451	23,666	29,565	27,242
126	Community Property	298	207	768	141	244	124	95	229	240	262
-	Community Grants	-	-	-	-	-	-	-	-	-	-
456	Libraries	686	708	871	853	1,084	716	1,351	1,274	886	8,868
426	Waterways Facilities	580	468	878	2,048	4,716	1,950	2,283	2,364	3,279	5,749
116	Cemeteries	250	257	293	406	229	234	284	290	248	253
631	Public Toilets	125	128	846	1,405	882	900	1,494	936	685	150
-	Forestry	-	-	-	-	-	-	-	-	-	-
256	Wanaka Airport	1,854	1,421	1,332	2,526	3,067	434	238	224	125	93
19,768		**17,515**	**16,838**	**35,104**	**43,282**	**52,520**	**31,825**	**32,956**	**37,005**	**54,213**	**74,937**
	Economy										
1,190	Property	462	117	119	66	68	69	71	1,417	1,938	7,208
-	Economic Development	-	-	-	-	-	-	-	-	-	-
-	Tourism Marketing	-	-	-	-	-	-	-	-	-	-
1,190		**462**	**117**	**119**	**66**	**68**	**69**	**71**	**1,417**	**1,938**	**7,208**
	Environmental Management										
-	District Plan	-	-	-	-	-	-	-	-	-	-
-	Resource Consents	-	-	-	-	-	-	-	-	-	-
-		-	-	-	-	-	-	-	-	-	-
	Regulatory Functions & Services										
-	Building Consents	-	-	-	-	-	-	-	-	-	-
106	Enforcement	90	98	25	725	33	35	35	64	4	93
106		**90**	**98**	**25**	**725**	**33**	**35**	**35**	**64**	**4**	**93**
	Transport										
74,421	Roading and Footpaths	46,226	29,480	30,292	35,107	47,075	54,328	55,513	41,380	60,301	75,442
-	Town Centres	-	-	-	-	-	-	-	-	-	-
-	Parking Facilities	156	160	164	167	171	175	178	182	186	5,173
74,421		**46,382**	**29,641**	**30,456**	**35,274**	**47,246**	**54,503**	**55,692**	**41,562**	**60,487**	**80,615**
62,690	**Wastewater**	49,877	96,804	95,749	104,587	85,674	81,728	62,334	88,707	67,687	71,916
40,730	**Water Supply**	23,955	18,058	37,479	52,497	80,082	98,343	79,744	59,712	68,556	77,300
13,336	**Stormwater**	20,280	16,208	19,052	26,175	28,374	39,406	44,005	43,360	25,974	26,460
7,040	**Waste Management**	6,721	14,228	21,378	29,255	17,615	5,575	965	1,531	2,450	1,417
2,932	**Finance & Support Services**	11,690	2,693	3,194	1,691	5,239	6,767	19,700	37,191	9,097	2,026
222,233	**Total capital asset expenditure**	**176,971**	**194,683**	**242,557**	**293,553**	**316,851**	**318,252**	**295,501**	**310,549**	**290,407**	**341,973**

PROSPECTIVE CAPITAL DEBT REPAYMENT EXPENDITURE BY ACTIVITY ($'000)

ANNUAL PLAN 2023/24		TEN YEAR PLAN 2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Local Democracy										
-	Governance	-	-	-	-	-	-	-	-	-	-
-	Community Engagement	-	-	-	-	-	-	-	-	-	-
-	Community Leadership	-	-	-	-	-	-	-	-	-	-
-	Emergency Management	-	-	-	-	-	-	-	-	-	-
-		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Community Services & Facilities										
2,291	Community Facilities	5,274	3,313	4,780	5,500	8,499	10,100	11,483	13,960	14,329	26,435
605	Active & Passive Recreation	1,545	1,811	3,597	3,997	7,582	7,597	8,624	9,173	10,414	25,019
50	Community Property	50	50	50	250	500	500	600	300	300	300
-	Community Grants	-	-	-	-	-	-	-	-	-	-
50	Libraries	50	50	101	50	101	330	50	50	250	197
142	Waterways Facilities	100	100	200	250	1,000	1,000	1,000	1,080	1,014	1,074
-	Cemeteries	-	-	-	-	-	-	-	-	-	-
100	Public Toilets	197	1,194	312	250	411	687	500	753	529	548
-	Forestry	-	-	-	-	-	-	-	-	-	-
127	Wānaka Airport	250	250	250	500	1,000	1,082	1,097	1,123	1,229	1,266
3,365		**7,466**	**6,768**	**9,290**	**10,797**	**19,093**	**21,296**	**23,354**	**26,439**	**28,065**	**54,839**
	Economy										
11,100	Property	6,000	14,000	12,000	15,000	16,000	25,000	18,120	23,239	12,500	14,374
-	Economic Development	-	-	-	-	-	-	-	-	-	-
-	Tourism Marketing	-	-	-	-	-	-	-	-	-	-
11,100		**6,000**	**14,000**	**12,000**	**15,000**	**16,000**	**25,000**	**18,120**	**23,239**	**12,500**	**14,374**
	Environmental Management										
2,000	District Plan	2,000	2,000	2,000	1,000	1,000	1,000	-	-	-	-
-	Resource Consents	-	-	-	-	-	-	-	-	-	-
2,000		**2,000**	**2,000**	**2,000**	**1,000**	**1,000**	**1,000**	**-**	**-**	**-**	**-**
	Regulatory Functions & Services										
-	Building Consents	-	-	-	-	-	-	-	-	-	-
9	Enforcement	10	-	5	5	80	5	5	5	5	5
9		**10**	**-**	**5**	**5**	**80**	**5**	**5**	**5**	**5**	**5**
	Transport										
2,359	Roading and Footpaths	2,737	13,509	15,748	14,511	11,202	15,003	16,527	21,009	22,982	21,842
428	Town Centres	-	-	-	-	-	-	-	-	-	-
-	Parking Facilities	500	800	1,800	1,800	800	800	100	100	100	100
2,787		**3,237**	**14,309**	**17,548**	**16,311**	**12,002**	**15,803**	**16,627**	**21,109**	**23,082**	**21,942**
2,147	**Wastewater**	7,903	3,174	5,881	8,746	18,599	22,916	25,719	33,506	35,633	38,230
2,965	**Water Supply**	11,014	9,945	7,588	9,383	15,813	19,425	21,230	25,798	29,342	35,367
2,815	**Stormwater**	4,113	5,809	4,851	7,415	9,331	13,093	13,883	15,891	17,889	22,293
1,000	**Waste Management**	1,763	4,244	3,244	4,600	6,600	8,600	11,086	10,080	18,040	21,132
527	**Finance & Support Services**	100	2,100	3,000	1,100	11,100	5,000	18,700	7,000	10,000	10,000
28,714	**Total capital debt repayment expenditure**	**43,606**	**62,348**	**65,406**	**74,356**	**109,619**	**132,137**	**148,723**	**163,066**	**174,555**	**218,181**

PROSPECTIVE CAPITAL EXPENDITURE (INCLUDING DEBT REPAYMENT) BY ACTIVITY ($'000)

ANNUAL PLAN 2023/24		TEN YEAR PLAN 2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Local Democracy										
-	Governance	-	-	-	-	-	-	-	-	-	-
-	Community Engagement	-	-	-	-	-	-	-	-	-	-
-	Community Leadership	-	-	-	-	-	-	-	-	-	-
21	Emergency Management	-	-	-	-	-	-	-	-	-	-
21		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
	Community Services & Facilities										
9,270	Community Facilities	10,221	6,313	19,220	28,187	34,775	22,121	21,243	21,982	33,513	58,754
11,383	Active & Passive Recreation	10,321	12,459	19,274	17,211	23,603	23,042	26,075	32,839	39,980	52,261
176	Community Property	348	257	818	391	744	624	695	529	540	562
-	Community Grants	-	-	-	-	-	-	-	-	-	-
506	Libraries	736	758	972	903	1,185	1,046	1,401	1,324	1,136	9,065
568	Waterways Facilities	680	568	1,078	2,298	5,716	2,950	3,283	3,444	4,293	6,823
116	Cemeteries	250	257	293	406	229	234	284	290	248	253
731	Public Toilets	322	1,322	1,158	1,655	1,293	1,587	1,994	1,689	1,214	698
-	Forestry	-	-	-	-	-	-	-	-	-	-
383	Wānaka Airport	2,104	1,671	1,582	3,026	4,067	1,516	1,335	1,347	1,354	1,359
23,133		**24,981**	**23,605**	**44,395**	**54,079**	**71,613**	**53,121**	**56,310**	**63,444**	**82,278**	**129,776**
	Economy										
12,290	Property	6,462	14,117	12,119	15,066	16,068	25,069	18,191	24,656	14,438	21,582
-	Economic Development	-	-	-	-	-	-	-	-	-	-
-	Tourism Marketing	-	-	-	-	-	-	-	-	-	-
12,290		**6,462**	**14,117**	**12,119**	**15,066**	**16,068**	**25,069**	**18,191**	**24,656**	**14,438**	**21,582**
	Environmental Management										
2,000	District Plan	2,000	2,000	2,000	1,000	1,000	1,000	-	-	-	-
-	Resource Consents	-	-	-	-	-	-	-	-	-	-
2,000		**2,000**	**2,000**	**2,000**	**1,000**	**1,000**	**1,000**	**-**	**-**	**-**	**-**
	Regulatory Functions & Services										
-	Building Consents	-	-	-	-	-	-	-	-	-	-
115	Enforcement	100	98	30	730	113	40	40	69	9	98
115		**100**	**98**	**30**	**730**	**113**	**40**	**40**	**69**	**9**	**98**
	Transport										
76,780	Roading and Footpaths	48,963	42,989	46,040	49,617	58,278	69,331	72,040	62,389	83,283	97,283
428	Town Centres	-	-	-	-	-	-	-	-	-	-
-	Parking Facilities	656	960	1,964	1,967	971	975	278	282	286	5,273
77,208		**49,619**	**43,949**	**48,004**	**51,584**	**59,249**	**70,306**	**72,318**	**62,671**	**83,569**	**102,557**
64,837	**Wastewater**	57,780	99,978	101,630	113,333	104,273	104,644	88,053	122,213	103,320	110,146
43,695	**Water Supply**	34,969	28,003	45,067	61,880	95,895	117,768	100,974	85,510	97,898	112,667
16,151	**Stormwater**	24,393	22,017	23,903	33,590	37,705	52,499	57,888	59,251	43,863	48,753
8,040	**Waste Management**	8,483	18,472	24,622	33,855	24,215	14,175	12,051	11,611	20,490	22,549
3,459	**Finance & Support Services**	11,790	4,793	6,194	2,791	16,339	11,767	38,400	44,191	19,097	12,026
250,947	**Total capital debt repayment expenditure**	**220,577**	**257,031**	**307,964**	**367,910**	**426,470**	**450,389**	**444,225**	**473,615**	**464,963**	**560,154**

CAPITAL ASSET EXPENDITURE (GROWTH) BY ACTIVITY GROUP ($'000)

ANNUAL PLAN 2023/24		TEN YEAR PLAN 2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
4	Local Democracy	-	-	-	-	-	-	-	-	-	-
3,430	Community Services & Facilities	777	1,104	6,751	14,060	16,541	5,851	5,276	8,936	13,760	31,415
119	Economy	85	18	19	-	-	-	-	170	636	4,835
-	Environmental Management	-	-	-	-	-	-	-	-	-	-
5	Regulatory Functions & Services	6	-	-	-	-	-	-	-	-	-
27,202	Transport	15,147	7,370	6,881	9,098	13,469	15,909	16,495	11,549	20,166	28,498
30,136	Wastewater	15,431	44,668	40,024	30,227	21,733	34,054	33,266	53,103	37,229	50,680
27,824	Water Supply	12,673	6,546	10,858	23,720	43,717	41,542	25,724	29,826	18,526	31,754
4,686	Stormwater	6,452	5,432	4,478	13,019	8,234	20,984	22,446	22,892	5,482	6,491
42	Waste Management	-	314	-	-	-	-	-	-	-	-
661	Finance & Support Services	562	110	73	29	21	52	9	1,815	70	18
94,109	**Total capital debt repayment expenditure**	**51,132**	**65,563**	**69,084**	**90,153**	**103,715**	**118,393**	**103,215**	**128,291**	**95,869**	**153,691**

CAPITAL ASSET EXPENDITURE (RENEWAL) BY ACTIVITY GROUP ($'000)

ANNUAL PLAN 2023/24		TEN YEAR PLAN 2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
-	Local Democracy	-	-	-	-	-	-	-	-	-	-
7,546	Community Services & Facilities	10,359	9,743	15,918	10,819	14,529	10,108	11,955	11,202	16,351	12,055
66	Economy	217	64	65	66	68	69	71	672	813	1,875
-	Environmental Management	-	-	-	-	-	-	-	-	-	-
23	Regulatory Functions & Services	17	49	25	1	3	13	-	10	4	26
15,678	Transport	12,254	12,129	11,223	12,320	15,149	15,342	17,179	14,777	12,589	13,351
6,687	Wastewater	8,074	10,580	10,975	11,953	8,798	9,454	9,991	8,372	7,415	5,178
923	Water Supply	1,492	2,132	2,428	4,017	3,512	3,882	4,681	3,491	3,826	4,032
897	Stormwater	1,207	1,008	2,369	2,359	2,437	1,096	1,374	926	963	1,326
3,414	Waste Management	3,392	6,361	10,723	14,662	8,843	2,824	520	804	1,264	748
1,361	Finance & Support Services	1,953	1,779	2,305	1,405	1,577	1,607	1,511	5,072	1,342	1,643
36,595	**Total capital debt repayment expenditure**	**38,967**	**43,845**	**56,030**	**57,602**	**54,917**	**44,396**	**47,281**	**45,326**	**44,568**	**40,234**

CAPITAL ASSET EXPENDITURE (LEVEL OF SERVICE) BY ACTIVITY GROUP ($'000)

ANNUAL PLAN 2023/24		TEN YEAR PLAN 2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
17	Local Democracy	-	-	-	-	-	-	-	-	-	-
4,406	Community Services & Facilities	3,077	2,622	8,997	14,890	17,866	12,209	11,996	13,066	20,230	27,525
1,004	Economy	161	35	36	-	-	-	-	575	489	498
-	Environmental Management	-	-	-	-	-	-	-	-	-	-
78	Regulatory Functions & Services	66	48	-	724	30	22	35	54	-	67
26,935	Transport	12,350	3,377	5,439	6,785	11,400	15,873	14,492	7,551	19,901	30,779
22,076	Wastewater	20,424	35,459	38,488	55,983	48,559	31,484	12,186	20,197	15,853	8,717
8,416	Water Supply	3,887	3,329	17,980	18,385	26,318	46,233	42,500	19,412	39,067	34,228
3,430	Stormwater	4,170	1,106	3,309	1,669	8,346	7,755	10,394	9,544	9,312	8,212
3,584	Waste Management	3,329	7,553	10,655	14,593	8,772	2,751	445	727	1,186	669
910	Finance & Support Services	9,174	804	817	256	3,641	5,107	18,180	30,304	7,684	366
70,855	**Total capital debt repayment expenditure**	**56,637**	**54,334**	**85,720**	**113,284**	**124,931**	**121,435**	**110,228**	**101,432**	**113,723**	**111,059**

CAPITAL DEBT REPAYMENT EXPENDITURE BY ACTIVITY GROUP ($'000)

ANNUAL PLAN 2023/24		TEN YEAR PLAN 2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
-	Local Democracy	-	-	-	-	-	-	-	-	-	-
3,365	Community Services & Facilities	7,466	6,768	9,290	10,797	19,093	21,296	23,354	26,439	28,065	54,839
11,100	Economy	6,000	14,000	12,000	15,000	16,000	25,000	18,120	23,239	12,500	14,374
2,000	Environmental Management	2,000	2,000	2,000	1,000	1,000	1,000	-	-	-	-
9	Regulatory Functions & Services	10	-	5	5	80	5	5	5	5	5
2,787	Transport	3,237	14,309	17,548	16,311	12,002	15,803	16,627	21,109	23,082	21,942
2,147	Wastewater	7,903	3,174	5,881	8,746	18,599	22,916	25,719	33,506	35,633	38,230
2,965	Water Supply	11,014	9,945	7,588	9,383	15,813	19,425	21,230	25,798	29,342	35,367
2,815	Stormwater	4,113	5,809	4,851	7,415	9,331	13,093	13,883	15,891	17,889	22,293
1,000	Waste Management	1,763	4,244	3,244	4,600	6,600	8,600	11,086	10,080	18,040	21,132
527	Finance & Support Services	100	2,100	3,000	1,100	11,100	5,000	18,700	7,000	10,000	10,000
28,714	**Total capital debt repayment expenditure**	**43,606**	**62,348**	**65,406**	**74,356**	**109,619**	**132,137**	**148,723**	**163,066**	**174,555**	**218,181**

STATEMENT OF RESERVE FUNDS ($'000)

Reserve fund - Purpose of the fund	Opening Balance 2024/25	Deposits	Withdrawls	Closing Balance 2033/34
Development funds These arise from development and financial contributions levied by the Council for capital works and are intended to contribute to the growth related capital expenditure for roading, water supply, sewerage, stormwater, reserve land and improvements, and community facilities	16,744	321,282	(323,415)	14,611
Asset renewal funds The Council sets aside funding to meet the renewal of its infrastructural and operating assets to ensure the continued ability to provide services.	2,476	500,540	(491,162)	11,855
Asset sale reserves Proceeds from asset sales which are used to fund the portion of capital expenditure attributable to increased level of service for roading, water supply, sewerage, stormwater, reserve land and improvements, and community facilities.	4,652	-	-	4,652
Arrowtown Endowment Fund Proceeds from asset sales from Arrowtown endowment land.	1,161	-	-	1,161
Trust funds Funds held on behalf of various community organisations.	16	-	-	16
Queenstown Airport dividend reserve Unallocated portion of dividends received from QAC.	-	98,754	(98,754)	-
Transport improvement fund Funds set aside to subsidise public transport and the development of public transport infrastructure.	604	-	-	604
Lakes Leisure reserve Funds transferred from Lakes Leisure at dis-establishment that are to be used to fund charitable purposes in line with the company's constitution.	3,196	-	-	3,196
Total Reserve Funds	28,850	920,577	(913,331)	36,096

Statement of accounting policies

Taukī o kā kaupapa here moni

Reporting entity

The Queenstown Lakes District Council (the “Council” or “QLDC”) is a territorial local authority governed by the Local Government Act 2002.

The Council has controlling interests in Queenstown Events Centre Trust (100% – dormant) and Queenstown Airport Corporation Limited (75.01%). Pursuant to the Local Government Act 2002, these controlled entities are council-controlled organisations (“CCOs”).

The Council has elected not to consolidate the CCOs for the purposes of the prospective financial information contained in this Ten Year Plan in accordance with the Local Government Act 2002.

The prospective financial statements have been prepared in accordance with Section 111 of the Local Government Act 2002, the Financial Reporting Act 1993 and generally accepted accounting practice. The prospective financial statements comply with Public Benefit Entity (PBE) Standards for Tier 1 entities. The Council has complied with PBE FRS42 in the preparation of these prospective financial statements.

The prospective financial information contained in this Ten Year Plan relates to the Queenstown Lakes District Council only as the controlling entity of the economic entity. The Council has not presented prospective financial statements for the economic entity because the Council believes that the controlling entity prospective financial statements are more relevant to users. The main purpose of prospective financial statements in the Ten Year Plan is to provide users with information about the core services that the Council intends to provide ratepayers, the expected cost of those services and, as a consequence, how much the Council requires by way of rates to fund the intended levels of service.

The level of rate funding required is not affected by controlled entities except to the extent that the Council obtains distributions from those controlled entities. Distributions from Council’s controlled entity Queenstown Airport Corporation Ltd are included in the prospective financial statements of the Council.

The primary objective of the Council is to provide goods or services for community or social benefit rather than making a financial return. Accordingly, the Council has designated itself and the Group as public benefit entities (“PBEs”) for the purposes of complying with generally accepted accounting practice.

Basis of preparation

The financial statements have been prepared on the going concern basis and the accounting policies have been applied consistently throughout the year. The financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets.

Actual financial results are incorporated into opening balances for year 1 of the Long Term Plan where possible.

Statement of compliance

The financial statements of the Council have been prepared in accordance with the requirements of the Local Government Act 2002: Part 6, Section 98 and Part 3 of Schedule 10, which include the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP).

The financial statements of the Council and Group comply with Public Benefit Entity (PBE) Standards.

The financial statements have been prepared in accordance with Tier 1 PBE Standards.

The actual financial results achieved for the period covered are likely to vary from the information presented and the variations may be material.

The Council does not intend to update the prospective financial statements after presentation.

Presentation currency and rounding

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars ($'000) unless otherwise stated.

New accounting standards and interpretations

STANDARDS ISSUED AND EFFECTIVE FOR CURRENT YEAR

The 2022 Omnibus Amendment to PBE Standards has been issued, effective for all reporting periods commencing on or after 1 January 2023. This Standard has been issued to amend the relevant Tier 1 and Tier 2 PBE Standards resulting from PBE IPSAS 16 Investment Property, PBE IPSAS 17 Property Plant and Equipment, PBE IPSAS 19 Provisions, Contingent Liabilities and Contingent Assets and PBE IPSAS 30 Financial Instruments: Disclosures.

CLIMATE-RELATED DISCLOSURES

The Council has a Climate and Biodiversity Plan. Whilst compliance with climate-related disclosure requirements is not specifically addressed, it focuses on the Council's response to the emerging issue of climate change and biodiversity. International developments are monitored given their potential impact in New Zealand, either through future standard setter activity, or where obligations may arise to another entity due to the Group's relationship with them as a subsidiary/customer or supplier.

OTHER CHANGES IN ACCOUNTING POLICIES

There have been no other changes in accounting policies.

Summary of significant accounting policies

REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefits or service potential will flow to the Council and Group and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, taking into account contractually defined terms of payment, net of discounts and GST.

The specific recognition criteria described below must also be met before revenue is recognised.

(i) Revenue from non-exchange transactions

General and targeted rates

General and targeted rates are set annually and invoiced within the year. The Council and Group recognise revenue from rates when the Council has set the rate and provided the rates assessment. Rates revenue is measured at the amount assessed, which is the fair value of the cash received or receivable.

User charges and other income – subsidised

Rendering of services at a price that is not approximately equal to the value of the service provided by the Council is considered a non-exchange transaction. This includes rendering of services where the price does not allow the Council to fully recover the cost of providing the service (such as community activities, liquor licencing, water connections, dog licensing, etc.) and where a shortfall is subsidised by income from other activities, such as rates. Generally, there are no conditions attached to such revenue.

Revenue from subsidised services is recognised when the Council issues the invoice for the service. Revenue is recognised at the amount of the invoice, which is the fair value of the cash received or receivable for the service. Revenue is recognised by reference to the stage of completion of the service to the extent that the Council has an obligation to refund the cash received from the service (or to the extent that the customer has the right to withhold payment from the Council) if the service is not completed.

Grants and subsidies

Government grants are received from Waka Kotahi/New Zealand Transport Authority which subsidises part of the Council's costs in maintaining the local roading infrastructure. The subsidies represent revenue from non-exchange transactions and are recognised as revenue upon entitlement as conditions pertaining to eligible expenditure have been fulfilled.

Other grants and subsidies are recognised upon entitlement as conditions pertaining to eligible expenditure have been fulfilled.

A deferred revenue liability is recognised instead of revenue to the extent that there is a condition attached that would give rise to a liability to repay the grant amount or to return the granted asset.

Vested assets

Certain infrastructural assets have been vested to the Council as part of the subdivision covenant process. Vested assets are recognised at fair value at the date of recognition with an equal amount recognised as revenue unless there are conditions attached to the asset in which case revenue is deferred until the conditions are met.

Development contributions

The revenue recognition point for development and financial contributions is at the later of the point when the Council is ready to provide the service for which the contribution was levied, or the event that will give rise to a requirement for a development or financial contribution under the legislation.

(ii) Revenue from exchange transactions

User charges and other income – full cost recovery

Revenue from the rendering of services (such as resource consents, building consents, waste management, car parking, etc.) is recognised by reference to the stage of completion of the service. Stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours for each contract. When the contract outcome cannot be measured reliably, revenue is recognised only to the extent that the expenses incurred are eligible to be recovered.

Interest revenue

Interest revenue is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. Interest revenue is included in other revenue.

Dividend revenue

Dividends are recognised when the entitlement to the dividends is established.

Property sales

Net gains or losses on the sale of investment property, property, plant and equipment, property intended for sale and financial assets are recognised when an unconditional contract is in place and it is probable that the Council and Group will receive the consideration due.

Grant expenditure

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received.

Discretionary grants are those grants where the Council has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of the Council's decision.

Borrowing costs

All borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. The Council and Group have chosen not to capitalise borrowing costs directly attributable to the acquisition, construction or production of assets.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Rentals payable under operating leases are charged to the Statement of Financial Performance on a basis representative of the pattern of benefits to be derived from the leased asset.

A. Council and/or Group as lessor

   Amounts due from lessees under finance leases are recorded as receivables at the amount of the net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the leases.

   Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease.

B. Council and/or Group as lessee

   Assets held under finance leases are recognised at their fair value or, if lower, at amounts equal to the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the Statement of Financial Position as a finance lease obligation.

   Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability.

   Rentals payable under operating leases are charged to income on a straight line basis over the term of the relevant lease.

C. Lease incentives

   Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight line basis over the lease term.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Council activities are exempt from income tax. The subsidiary Queenstown Airport Corporation is subject to income tax as per below policy.

Tax currently payable is based on taxable profit for the period. Taxable profit differs from net surplus as reported in the Statement of Financial Performance because it excludes items of income or expense that are taxable in other years and it further excludes items that are never taxable or deductible.

The Council's and Group's liability for current tax is calculated using tax rates that have been enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements, and the corresponding tax bases used in the computation of taxable profit and is accounted for using the comprehensive balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting surplus. Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, branches, associates and joint ventures except where the Council and Group is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Council and Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax is recognised as an expense or income in the Statement of Financial Performance, except when it relates to items credited or debited to other comprehensive income, in which case the deferred tax is recognised directly in other comprehensive income.

Goods and Services Tax

Tax revenues, expenses, assets and liabilities are recognised net of the amount of goods and services tax (GST), except for receivables and payables which are recognised inclusive of GST. Where GST is not recoverable as an input tax, it is recognised as part of the related asset or expense.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at bank and other short-term highly liquid deposits that are readily convertible to a known amount of cash.

Financial instruments

Financial assets and financial liabilities are recognised on the Council's or Group's Statement of Financial Position when the Council and/or Group becomes a party to contractual provisions of the instrument. Investments are recognised and derecognised on trade date where purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs, except for those financial assets classified as fair value through surplus or deficit which are initially valued at fair value.

(i) Financial assets

Financial assets are classified into the following specified categories: financial assets 'at fair value through surplus or deficit', 'held-to-maturity' investments, 'available-for-sale' financial assets, and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

The effective interest method, referred to below, is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the interest rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

Financial assets at fair value through surplus or deficit

Financial assets are classified as financial assets at fair value through surplus or deficit where the financial asset:

- has been acquired principally for the purpose of selling in the near future;
- is a part of an identified portfolio of financial instruments that the Council and Group manages together and has a recent actual pattern of short-term profit-taking; or
- is a derivative that is not designated and effective as a hedging instrument.

Financial assets at fair value through profit or loss are stated at fair value, with any resultant gain or loss recognised in the Statement of Financial Performance. The net gain or loss is recognised in the Statement of Financial Performance and incorporates any dividend or interest earned on the financial asset. Fair value is determined in the manner described later in this note.

Held-to-maturity investments

Investments are recorded at amortised cost using the effective interest method less impairment, with revenue recognised on an effective yield basis. The Council and Group do not hold any financial assets in this category.

Available-for-sale financial assets

Equity investments held by the Council and Group classified as being available-for-sale are stated at fair value. Fair value is determined in the manner described later in this note. Gains and losses arising from changes in fair value are recognised directly in other comprehensive income, with the exception of impairment losses which are recognised directly in the Statement of Financial Performance.
Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously recognised in other comprehensive income is included in the Statement of Financial Performance for the period.

Dividends on available-for-sale equity instruments are recognised in the Statement of Financial Performance when the Council's and Group's right to receive payments is established.

Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest rate.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.
A provision for impairment is established when there is objective evidence that the Council or Group will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is expensed in the Statement of Financial Performance.

Loans, including loans to community organisations made by the Council at nil, or below market interest rates, are initially recognised at the present value of their expected future cash flows and discounted at the current market rate of return for a similar asset/investment. They are subsequently measured at amortised cost using the effective interest method. The difference between the face value and present value of expected future cash flows of the loan is recognised in the Statement of Financial Performance as a grant.

Impairment of financial assets

Financial assets, other than those at fair value through surplus or deficit, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of the investment have been impacted.
For financial assets carried at amortised cost, the amount of

the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account.
Changes in the carrying amount of the allowance account are recognised in the Statement of Financial Performance.

With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the Statement of Financial Performance to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

(ii) Financial liabilities

Trade and other payables

Trade payables and other accounts payable are recognised when the Council and Group becomes obliged to make future payments resulting from the purchase of goods and services.
Trade and other payables are initially recognised at fair value and are subsequently measured at amortised cost, using the effective interest method.

Borrowings

Borrowings are recorded initially at fair value, net of transaction costs. Subsequent to initial recognition, borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in the Statement of Financial Performance over the period of the borrowing using the effective interest method.

(iii) Derivative financial instruments

The Group enters into certain derivative financial instruments to manage its exposure to interest rate risk, including interest rate swaps. Further details of derivative financial instruments are disclosed in note 33 to the financial statements.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at each balance date. The resulting gain or loss is immediately recognised in the Statement of Financial Performance unless the derivative is designated and effective as a hedging instrument (in the case of Queenstown Airport Corporation Ltd (QAC)), in which event the nature and timing of the recognition in surplus or deficit depends on the nature of the hedging relationship. QAC designates certain derivatives as cash flow hedges. Council does not undertake hedge accounting in relation to its derivative financial instruments.

A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Fair value estimation

The fair value of financial instruments traded in active markets (such as listed equities) is based on quoted market prices at the balance date. The quoted market price used for financial assets held by the Council and Group is the current bid price; the appropriate quoted market price for financial liabilities is the current offer price.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Council and Group use a variety of methods and makes assumptions that are based on market conditions existing as at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term investment and debt instruments held.

Hedge accounting

Queenstown Airport Corporation Ltd (QAC) designates certain hedging instruments, which may include derivatives, as cash flow hedges.

At the inception of the hedging relationship the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, QAC documents whether the hedging instrument that is used in a hedged relationship is highly effective in offsetting changes in fair values or cash flows of the hedged item.

Note 16 sets out details of the fair value of the derivative instruments used for hedging purposes. Movements in the hedging reserve in equity are also detailed in other comprehensive income.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated as cash flow hedges are recognised in other comprehensive revenue and expenses and accumulated as a separate component of equity in the hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in surplus or deficit.

Amounts recognised in the hedging reserve are reclassified from equity to surplus or deficit (as a reclassification adjustment) in the periods when the hedging item is recognised in the surplus or deficit, in the same line as the recognised hedged item.

However, when the forecast transaction that is hedged results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in the hedging reserve are reclassified from equity and included in the initial measurement of the cost of the asset or liability (as a reclassification adjustment).

Hedge accounting is discontinued when QAC revokes the hedging relationship, the hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting. Any cumulative gain or loss recognised in the hedging reserve at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss.
When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was recognised in the hedging reserve is recognised immediately in the surplus or deficit.

Development properties

Development properties are stated at the lower of cost or net realisable value. Cost includes planning expenditure and any other expenditure to bring the development property to its present condition.

Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined on a weighted average basis with an appropriate allowance for obsolescence and deterioration.

Properties held for sale

Properties intended for sale are measured at the lower of carrying amount and fair value less costs to sell. Properties are classified as intended for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use.

Property, plant and equipment

The Council and Group have the following classes of property, plant and equipment:

Operational assets

> Council-owned land, buildings and building improvements, plant and equipment, motor vehicles, furniture and office equipment, computer equipment and library books; and

> Subsidiary-owned buildings, building improvements, plant and equipment, motor vehicles, furniture, office equipment and computer equipment.

Campground assets

- Council-owned land and buildings leased as campgrounds and listed as strategic assets in the Significance and Engagement policy.

Infrastructure assets

- Infrastructural assets are the fixed utility systems owned by the Council. Each asset type includes all items that are required for the network to function:
  - Sewer, stormwater and water
  - Roads, bridges and lighting
  - Land under roads.

(i) Cost

Operational assets (excluding Airport assets such as Queenstown Airport Corporation Ltd (QAC) land, buildings, roading, carparking and runways) and land under roads are recorded at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the assets. Where an asset is acquired for no cost, or for a nominal cost, it is recognised at fair value at the date of acquisition.

(ii) Accounting for revaluations

Infrastructural assets, other than land under roads, are stated at fair value less accumulated depreciation and any impairment losses recognised after the date of revaluation. Airport assets held or leased by QAC including land, buildings, roading, carparking and runways are also carried at fair value, as determined by an independent registered valuer, less accumulated depreciation and any impairment losses recognised after the date of any revaluation.

Infrastructure assets and airport assets acquired or constructed after the date of the latest revaluation are carried at cost, which approximates fair value. Revaluations are carried out with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the balance sheet date.

The results of revaluing are credited or debited to an asset revaluation reserve via other comprehensive income for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed to the Statement of Financial Performance.

Any subsequent increase in revaluation that offsets a previous decrease in value recognised in the Statement of Financial Performance will be recognised first in the Statement of Financial Performance up to the amount previously expensed, and then credited to the revaluation reserve via other comprehensive income for that class of asset.

Campground assets

Campground assets are classified as reserve land and held to earn rentals. Campground assets are stated at fair value using the income capitalisation approach.

Sewer, stormwater, water

Sewer, stormwater and water supply assets are stated at valuation which is optimised depreciated replacement cost value as at 30 June 2023 by WSP New Zealand Limited, independent valuers. The valuation has been undertaken using information at 30 June 2023 with additions subsequent to that date recorded at cost.

Roads, bridges and lighting

Roading assets are stated at valuation which is optimised depreciated replacement cost value as at 30 June 2023 by WSP New Zealand Limited, independent valuers. Additions subsequent to that date have been recorded at cost.

(iii) Depreciation

Operational assets, with the exception of land, are depreciated on a straight line basis to write off the asset to its estimated residual value over its estimated useful life.

Infrastructural assets, with the exception of land under roads, are depreciated on a straight line basis to write off the fair value of the asset to its estimated residual values over its estimated useful life.

Airport assets, with the exception of land, are depreciated on a straight line and a diminishing value basis to write off the asset to its estimated residual value over its estimated useful life.

Expenditure incurred to maintain these assets at full operating capability is charged to the Statement of Financial Performance in the year incurred.

The following estimated useful lives are used in the calculation of depreciation.

OPERATIONAL ASSETS	RATE (%)	METHOD
Buildings	2%-5%	SL
Building improvements	1.5%-10%	SL
Plant and machinery	5.5%-25%	SL
Motor vehicles	20%	DV
Furniture and office equipment	10%-20%	SL
Computer equipment	10%-25%	SL
Library books	10%	SL

INFRASTRUCTURAL ASSETS	RATE (%)	METHOD
Sewerage	1.37%-10%	SL
Water supply	1.42%-10%	SL
Stormwater	1.55%-10%	SL
Roading	1.3%-10.0%	SL
Buildings	1.4%-50.0%	DV or SL
Runways, taxiways and aprons	1.0%-20.0%	SL
Plant and equipment	1.0%-67.0%	DV

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period.

(iv) Disposal

An item of property, plant and equipment is derecognised upon disposal or recognised as impaired when no future economic benefits are expected to arise from the continued use of the asset.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Financial Performance in the period the asset is derecognised.

(v) Net proceeds earned

In accordance with the requirements of PBE IPSAS 17 Property Plant and Equipment, the net proceeds earned while bringing an asset into use are recognised in surplus or deficit rather than being deducted from the asset cost recognised, where applicable.

Emission trading scheme accounting policy

New Zealand Units ("NZUs") allocated as a result of the Council's participation in the Emissions Trading Scheme ("ETS") are treated as a prepayment (when purchased in advance) and expensed during the year in the period to which they cover.

Liabilities for surrender of NZUs (or cash) are accrued at the time the forests are harvested, or removed in any other way, in accordance with the terms of the ETS legislation.

Liabilities are accounted for at settlement value, being the cost of any NZUs on hand to meet the obligation plus the fair value of any shortfall in NZUs to meet the obligation.

Investment properties

Investment properties are held to earn rentals and/or for capital gains. Property held to meet service delivery objectives or held for strategic purposes is excluded from investment properties and included with property, plant and equipment. The investment properties are measured at fair value at the reporting date. Gains or losses arising from changes in the fair value of investment properties are included in the Statement of Financial Performance in the period in which they arise.

Investment properties are derecognised upon disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Financial Performance in the period the asset is derecognised. Any associated balance in the revaluation reserve is transferred to accumulated funds via equity.

Finite life intangible assets

Finite life intangible assets are recorded at cost less accumulated amortisation. Amortisation is charged on a straight line basis over their estimated useful life. The estimated useful life and amortisation period is reviewed at the end of each annual reporting period.

Intangible assets – software acquisition and development

Acquired computer software licenses are recorded at cost less accumulated amortisation. Amortisation is charged on a straight line basis over their estimated useful life. The estimated useful life and amortisation period is reviewed at the end of each annual reporting period.

Costs associated with maintaining computer software are recognised as an expense when incurred. Costs that are directly associated with the development of software for internal use by the Council and Group, are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

Impairment of non-financial cash-generating assets

At each reporting date, the Council and Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Council and Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Goodwill, intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually and whenever there is an indication that the asset may be impaired. An impairment of goodwill is not subsequently reversed.

Recoverable amount is the higher of fair value less costs to sell and value in use. Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential. In assessing value in use for cash-generating assets, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in the Statement of Financial Performance immediately, unless the relevant asset is carried at fair value, in which case the impairment loss is treated as a revaluation decrease, via other comprehensive income.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised in the Statement of Financial Performance immediately, unless the relevant asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase, via other comprehensive income.

Employee benefits

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and sick leave when it is probable that settlement will be required and they are capable of being measured reliably.

Provisions made in respect of employee benefits expected to be settled within 12 months are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Provisions made in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash outflows to be made by the Council and Group in respect of services provided by employees up to reporting date.

Provisions

Provisions are recognised when the Council and Group has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

Statement of cash flows

Cash means cash balances on hand, held in bank accounts and demand deposits that the Council and Group invest in as part of day-to-day cash management.

Operating activities include cash received from all income sources of the Council and Group and record the cash payments made for the supply of goods and services.

Investing activities are those activities relating to the acquisition and disposal of noncurrent assets.

Financing activities comprise the change in equity and debt structure of the Council and Group.

Equity

Equity is the community's interest in the Council and Group and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of reserves. Reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by Council.

Restricted and council-created reserves

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by the Council.

Restricted reserves are those subject to specific conditions accepted as binding by the Council and which may not be revised by the Council without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Also included in restricted reserves are reserves restricted by Council decision. The Council may alter them without references to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

The Council's objectives, policies and processes for managing capital are described in note 33.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the Council or Group to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due.

Financial guarantee contracts are initially recognised at fair value. If a financial guarantee contract was issued in a stand-alone arm's length transaction to an unrelated party, its fair value at inception is equal to the consideration received. When no consideration is received, a provision is recognised based on the probability the Council or Group will be required to reimburse a holder for a loss incurred, discounted to present value. The portion of the guarantee that remains unrecognised, prior to discounting to fair value, is disclosed as a contingent liability.

Financial guarantees are subsequently measured at the initial recognition amount less any amortisation; however, if the Council or Group assesses that it is probable that expenditure will be required to settle a guarantee, then the provision for the guarantee is measured at the present value of the future expenditure.

In accordance with PBE IPSAS 30 Financial Instruments: Disclosures, the circumstances that result in fair value of financial guarantee contracts not being determinable are disclosed where applicable.

Budget figures

The budget figures are those approved by the Council at the beginning of the year in the annual plan. The budget figures have been prepared in accordance with PBE FRS 42, using accounting policies that are consistent with those adopted by the Council for the preparation of the financial statements.

Allocation of overheads

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities based on the cost drivers and related activity/usage information. Direct costs are those costs that are directly attributable to a significant activity. Indirect costs are those costs that cannot be linked in an economically feasible manner to a specific significant activity.

Critical accounting estimates and assumptions

In preparing these financial statements the Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Three waters reform

In June 2022, the Government introduced legislation to establish four publicly-owned water services entities to take over responsibilities for service delivery and infrastructure from local authorities with effect from 1 July 2024. The impact of these proposed reforms, once legislated, will mean that the Council will no longer deliver three waters services or own the assets required to deliver these services. The bill is currently before Parliament, and as such, the impacts of the proposed reforms are currently unclear.

Infrastructural assets

There are a number of assumptions and estimates used when determining fair value using optimised Depreciated Replacement Cost (DRC) for infrastructural assets. These include:

> The physical deterioration and condition of an asset, for example the Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets which are not visible, for example stormwater, sewerage and water supply pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets;

> Estimating any obsolescence or surplus capacity of an asset;

> Estimates made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then the Council could be overestimating or underestimating the annual deprecation charge recognised as an expense in the Statement of Financial Performance. To minimise this risk, the Council's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of the Council's asset management planning activities, which gives the Council further assurance over its useful life estimate.

Experienced independent valuers perform the Council's infrastructural asset revaluations.

Provision for legal claims against council

Council's liability in relation to claims relating to certain alleged weather-tightness building defects has not been established. For these claims it is not possible to determine the outcome at this stage. Where a loss provision can be determined, the loss provision is based on the Council's best estimate of the current knowledge of claims against Council. Refer to note 17 for further information of claims provided for, and to note 23 where a provision is not able to be determined.

Financial reporting and prudence disclosure statement

Kā rīpoata ahumoni ahumoni

The purpose of this statement is to disclose the Council's planned financial performance in relation to various benchmarks to enable the assessment of whether the Council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

The Council is required to include this statement in its Long Term Plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

Rates affordability benchmark

The Council meets the rates affordability benchmark if:

> its planned rates income equals or is less than each quantified limit on rates; and

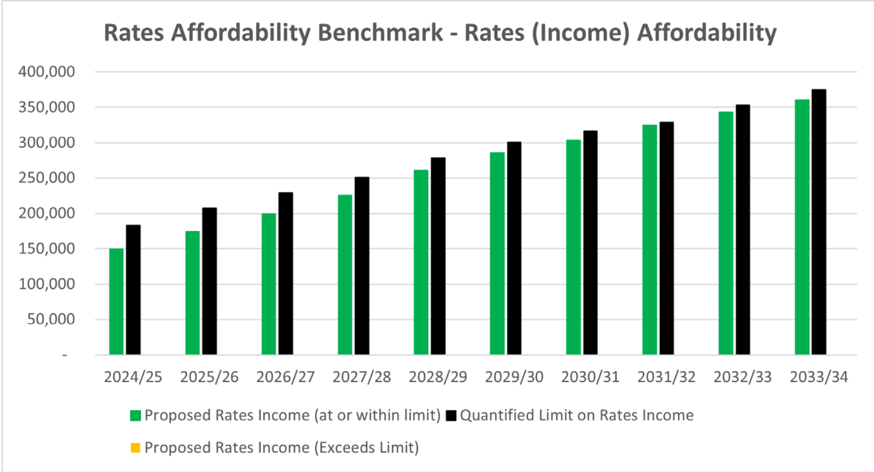
> its planned rates increases equal or are less than each quantified limit on rates increases.

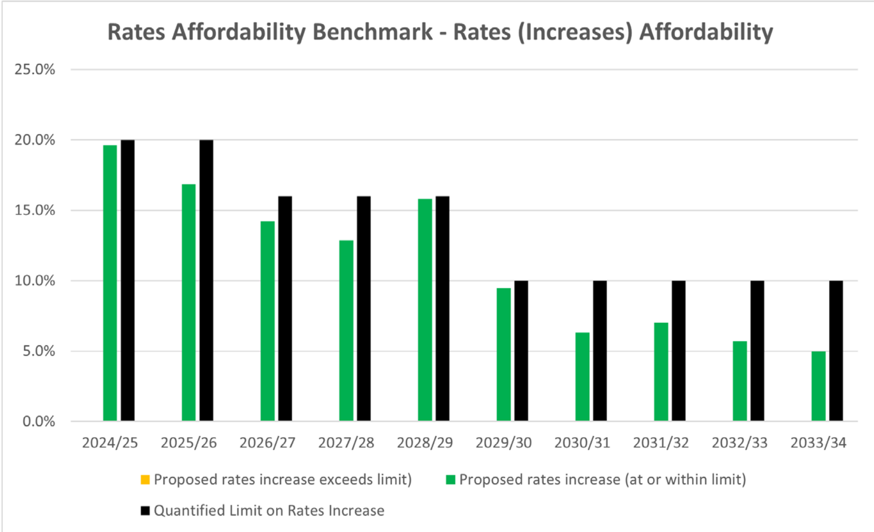
RATES (INCOME) AFFORDABILITY

The adjacent graph compares the Council's planned rates income with a quantified limit on rates contained in the Financial Strategy included in Council's Long Term Plan. The quantified limit is that rates income will not exceed 75% of total revenue.

RATES (INCREASES) AFFORDABILITY

The following graph compares Council's planned rates increases with a quantified limit on rates increases, which is included in this Long Term Plan's Financial Strategy. It is proposed therefore to set a rates increase limit of 20% gross (15.6% net) per annum for the first 2 years; 16% gross (11.9% net) per annum for the next 3 years and 10% gross (7.4% net) per annum for the last 5 years (subject to changes in growth forecasts). It is also proposed that rates income will not exceed 75% of total revenue.

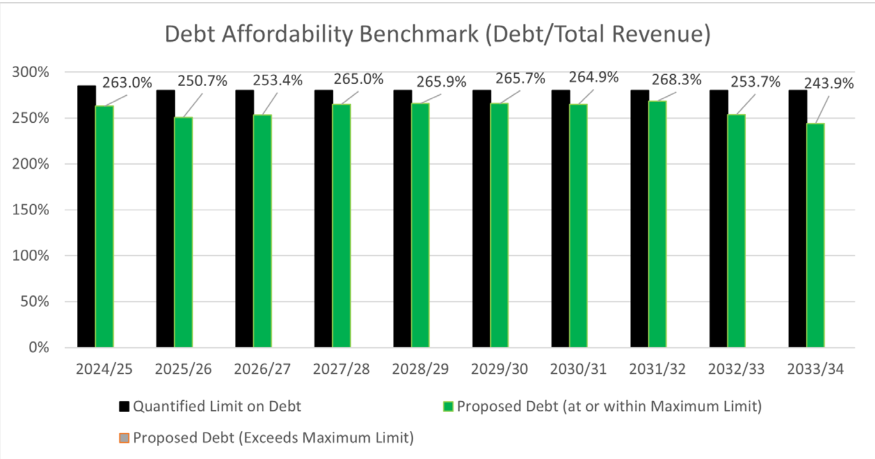




Debt affordability benchmark

Council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing.

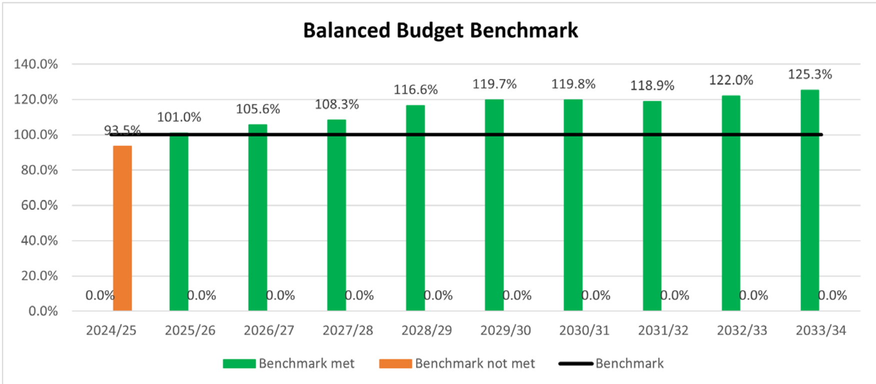
The following graph compares the Council's planned debt with the quantified limit on borrowing stated in the financial strategy included in Council's Long Term Plan. The quantified limit is that the debt to revenue ratio will be 285% for 2024/25; and 280% thereafter.



Balanced budget benchmark

The following graph displays Council's planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant or equipment) as a proportion of planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant or equipment).

Council meets this benchmark if its planned revenue equals or is greater than its planned operating expenses.



Rates / Rēti

Rates and charges for 2024/25

Kā rēti me kā utu mō 2024/25

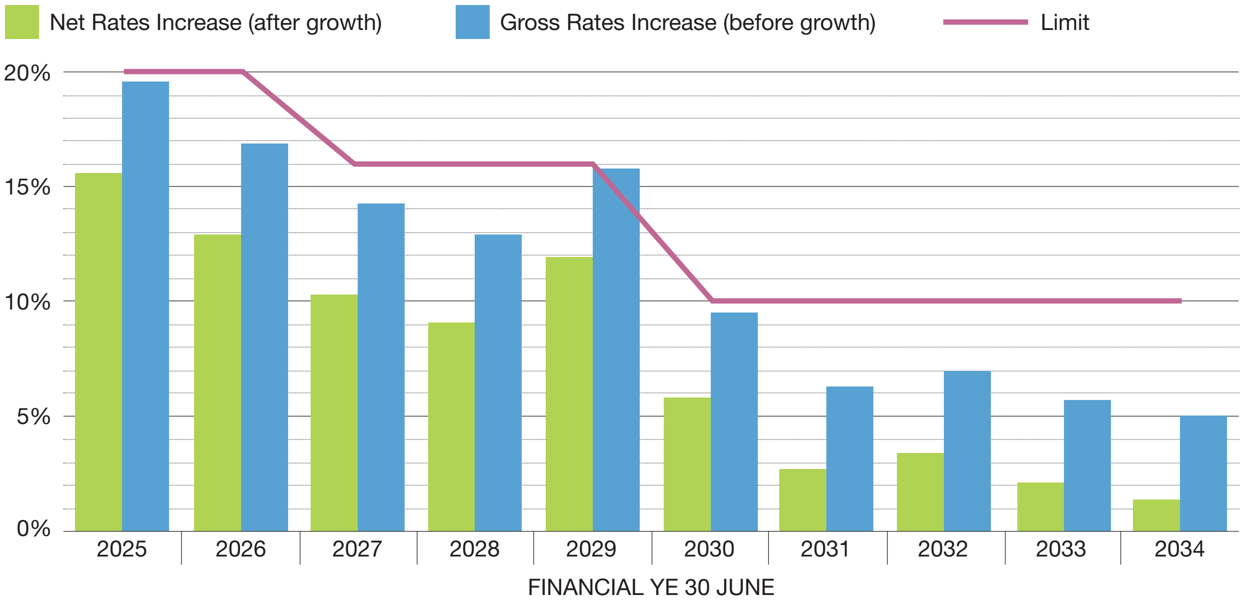
The proposed average rates increase for 2024-2025 is 15.6% (after allowing for growth of 3.5%).

An increase of this level is historically high but unavoidable. The reason for significant rates rises has been a key theme throughout this consultation document. The impact of higher interest costs and increased depreciation accounts for more than 50% of the rates increase. It reflects the impact of significant cost escalation in both capital expenditure and operating costs over the past 3 years. The increases proposed for water and wastewater schemes reflect the required increases in depreciation funding (discussed above), interest payments related to capital expenditure and increases to electricity, insurance and maintenance contract costs. We have attempted to minimise the impact of all these factors but increases in these areas are inevitable.

The rates impact associated with the two consultation topics, if approved, would be additional to the proposed increase described below.

10 YEAR RATES INCREASE

Financial Year End 30 June									
2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Net Rates Increase (after growth)									
15.6%	12.9%	10.3%	9.1%	11.9%	5.8%	2.7%	3.4%	2.1%	1.4%
Gross Rates Increase (before growth)									
19.6%	16.9%	14.2%	12.9%	15.8%	9.5%	6.3%	7.0%	5.7%	5.0%
Limit 20%	Limit 20%	Limit 16%	Limit 16%	Limit 16%	Limit 10%	Limit 10%	Limit 10%	Limit 10%	Limit 10%



RATES CHANGES FOR 2024-2025

The proposed rates increase include the following elements:

Charge type	Charge detail
Uniform annual charge	Increase of $23 per property per annum
Waste charge	Increase of $16 per property per annum (residential only)
Aquatic centre charges	Whakatipu increase of $71 per property per annum; Wānaka $18 increase per property per annum (residential only)
Increased rates for wastewater	Queenstown $108 per connection per annum; Wānaka $62; Arrowtown $124; Lake Hayes $156
Increased rates for water supply	Wānaka $20 per connection per annum; Hāwea $60; Arthurs Point $60; Lake Hayes $90

The table below shows indicative rates movements for median property values. There are separate tables available for high and low property values at **letstalk.qldc.govt.nz**

Summary of indicative total rates movements 2024-2025				
Median values			**Draft rates movement**	**Draft rates movement**
Property type	**Capital value (CV)**	**Location**	**%**	**$**
Residential	$1,390,000	Queenstown	15.64%	$610
Commercial	$2,999,000	Queenstown	13.67%	$1,130
Accommodation	$2,860,000	Queenstown	17.23%	$2,214
M/U Accommodation	$1,720,000	Queenstown	16.30%	$849
Vacant	$1,086,000	Queenstown	15.22%	$460
M/U Commercial	$1,565,000	Queenstown	15.11%	$690
Residential	$1,298,000	Wānaka	12.54%	$485
Commercial	$1,780,000	Wānaka	11.43%	$650
Accommodation	$1,724,000	Wānaka	13.28%	$1,189
M/U Accommodation	$1,613,000	Wānaka	13.45%	$687
Primary Industry	$7,138,000	Wānaka	11.97%	$658
Country Dwelling	$2,465,000	Wānaka	12.25%	$408
Vacant	$907,500	Wānaka	10.80%	$309
M/U Commercial	$1,390,400	Wānaka	12.19%	$537
Residential	$1,437,000	Arrowtown	15.94%	$652
Commercial	$3,302,000	Arrowtown	15.43%	$1,357
Accommodation	$2,689,000	Arrowtown	18.45%	$1,962
M/U Accommodation	$1,380,000	Arrowtown	16.25%	$775
Vacant	$1,180,000	Arrowtown	15.67%	$491
M/U Commercial	$1,430,000	Arrowtown	15.48%	$695
Primary Industry	$5,750,000	Whakatipu	15.26%	$715
Country Dwelling	$3,281,000	Whakatipu	16.19%	$633
Residential	$892,000	Glenorchy	16.45%	$536
Residential	$1,042,000	Lake Hayes	17.85%	$643
Residential	$843,000	Hāwea	15.61%	$486
Residential	$788,000	Luggate	10.68%	$369
Residential	$840,000	Kingston	16.00%	$353
Residential	$1,013,000	Arthurs Point	11.97%	$434

Summary of indicative total rate movements 2024-2025				
Median values			**Draft rates movement**	**Draft rates movement**
Property type	**New capital value (CV)**	**Location**	**%**	**$**
Residential	$1,390,000	Queenstown CBD	17.43%	$679
Commercial	$2,999,000	Queenstown CBD	15.49%	$1,281
Accommodation	$2,860,000	Queenstown CBD	18.34%	$2,358
M/U Accommodation	$1,720,000	Queenstown CBD	17.96%	$935
Vacant	$1,086,000	Queenstown CBD	17.03%	$514
M/U Commercial	$1,565,000	Queenstown CBD	16.83%	$769

RATES CHANGES FOR 2025-2026

The proposed average rates increase for 2025-2026 is 12.9% (after allowing for growth of 3.5%).

The proposed rates increase below include the following elements:

Charge type	Charge detail
Uniform annual charge	Increase of $46 per property
Waste charge	Increase of $29 per property (residential only)
Aquatic centre charges	Whakatipu decrease of $37 per property; Wānaka $9 increase (residential only)
Increased rates for wastewater	Queenstown $154 per connection per annum; Wānaka $162; Arrowtown $100; Lake Hayes $104; Arthurs Point $180; Cardrona $190; Hāwea $120
Increased rates for water supply	Lake Hayes $104 per connection per annum; Hāwea $10; Arthurs Point $60; Luggate $110

The table below shows indicative rates movements for median property values. There are separate tables available for high and low property values at **letstalk.qldc.govt.nz**

Summary of indicative total rates movements 2025-2026				
Median values			**Draft rates**	**Draft rates**
Property type	**Capital value (CV)**	**Location**	**%**	**$**
Residential	$1,390,000	Queenstown	10.38%	$468
Commercial	$2,999,000	Queenstown	9.96%	$936
Accommodation	$2,860,000	Queenstown	11.21%	$1,688
M/U Accommodation	$1,720,000	Queenstown	9.95%	$603
Vacant	$1,086,000	Queenstown	10.16%	$354
M/U Commercial	$1,565,000	Queenstown	10.06%	$529
Residential	$1,298,000	Wānaka	13.86%	$604
Commercial	$1,780,000	Wānaka	14.17%	$898
Accommodation	$1,724,000	Wānaka	14.59%	$1,479
M/U Accommodation	$1,613,000	Wānaka	13.75%	$797
Primary Industry	$7,138,000	Wānaka	16.29%	$1,003
Country Dwelling	$2,465,000	Wānaka	13.57%	$508
Vacant	$907,500	Wānaka	13.92%	$441
M/U Commercial	$1,390,400	Wānaka	13.68%	$676
Residential	$1,437,000	Arrowtown	8.07%	$382
Commercial	$3,302,000	Arrowtown	8.57%	$870
Accommodation	$2,689,000	Arrowtown	8.61%	$1,084
M/U Accommodation	$1,380,000	Arrowtown	7.99%	$443
Vacant	$1,180,000	Arrowtown	9.45%	$343
M/U Commercial	$1,430,000	Arrowtown	7.95%	$412
Primary Industry	$5,750,000	Whakatipu	12.10%	$6,058
Country Dwelling	$3,281,000	Whakatipu	10.63%	$483
Residential	$892,000	Glenorchy	12.44%	$472
Residential	$1,042,000	Lake Hayes	10.82%	$460
Residential	$843,000	Hāwea	14.78%	$531
Residential	$788,000	Luggate	11.78%	$450
Residential	$840,000	Kingston	8.73%	$223
Residential	$1,013,000	Arthurs Point	15.15%	$615

Summary of indicative total rate movements 2025-2026				
Median values			**Draft rates movement**	**Draft rates movement**
Property type	**New capital value (CV)**	**Location**	**%**	**$**
Residential	$1,390,000	Queenstown CBD	12.79%	$585
Commercial	$2,999,000	Queenstown CBD	12.45%	$1,189
Accommodation	$2,860,000	Queenstown CBD	12.69%	$1,930
M/U Accommodation	$1,720,000	Queenstown CBD	12.18%	$748
Vacant	$1,086,000	Queenstown CBD	12.60%	$445
M/U Commercial	$1,565,000	Queenstown CBD	12.38%	$661

RATES CHANGES FOR 2026-2027

The proposed average rates increase for 2026-2027 is 10.3% (after allowing for growth of 3.5%).

The proposed rates increase below include the following elements:

Charge type	Charge detail
Uniform annual charge	Increase of $49 per property
Waste charge	Increase of $29 per property (residential only)
Aquatic centre charges	Whakatipu decrease of $5 per property; Wānaka $3 decrease (residential only)
Increased rates for wastewater	Queenstown $228 per connection per annum; Wānaka $232; Arrowtown $120; Lake Hayes $116; Arthurs Point $60; Cardrona $300; Hāwea $340
Increased rates for water supply	Wānaka $20 per connection per annum; Hāwea $20; Queenstown $30; Arthurs Point $20; Lake Hayes $20

The table below shows indicative rates movements for median property values. There are separate tables available for high and low property values at **letstalk.qldc.govt.nz**

Summary of indicative total rates movements 2026-2027				
Median values			Draft rates	Draft rates
Property type	Capital value (CV)	Location	%	$
Residential	$1,390,000	Queenstown	10.62%	$534
Commercial	$2,999,000	Queenstown	8.12%	$860
Accommodation	$2,860,000	Queenstown	10.79%	$1,850
M/U Accommodation	$1,720,000	Queenstown	9.47%	$641
Vacant	$1,086,000	Queenstown	8.20%	$319
M/U Commercial	$1,565,000	Queenstown	9.81%	$575
Residential	$1,298,000	Wānaka	9.86%	$489
Commercial	$1,780,000	Wānaka	5.53%	$400
Accommodation	$1,724,000	Wānaka	7.83%	$911
M/U Accommodation	$1,613,000	Wānaka	7.96%	$524
Primary Industry	$7,138,000	Wānaka	-0.26%	-$19
Country Dwelling	$2,465,000	Wānaka	1.94%	$82
Vacant	$907,500	Wānaka	7.69%	$278
M/U Commercial	$1,390,400	Wānaka	8.62%	$484
Residential	$1,437,000	Arrowtown	6.31%	$326
Commercial	$3,302,000	Arrowtown	5.03%	$569
Accommodation	$2,689,000	Arrowtown	5.78%	$812
M/U Accommodation	$1,380,000	Arrowtown	5.70%	$346
Vacant	$1,180,000	Arrowtown	6.12%	$246
M/U Commercial	$1,430,000	Arrowtown	5.77%	$327
Primary Industry	$5,750,000	Whakatipu	2.88%	$179
Country Dwelling	$3,281,000	Whakatipu	4.34%	$223
Residential	$892,000	Glenorchy	4.57%	$196
Residential	$1,042,000	Lake Hayes	6.24%	$296
Residential	$843,000	Hāwea	15.93%	$658
Residential	$788,000	Luggate	7.30%	$312
Residential	$840,000	Kingston	4.93%	$139
Residential	$1,013,000	Arthurs Point	6.97%	$328

Summary of indicative total rate movements 2026-2027				
Median values			Draft rates movement	Draft rates movement
Property type	New capital value (CV)	Location	%	$
Residential	$1,390,000	Queenstown CBD	11.15%	$576
Commercial	$2,999,000	Queenstown CBD	10.30%	$1,106
Accommodation	$2,860,000	Queenstown CBD	13.02%	$2,232
M/U Accommodation	$1,720,000	Queenstown CBD	10.70%	$737
Vacant	$1,086,000	Queenstown CBD	9.31%	$371
M/U Commercial	$1,565,000	Queenstown CBD	10.71%	$643

There is the following rating policy related matter that we need to highlight as part of the Long Term Plan 2024-2034:

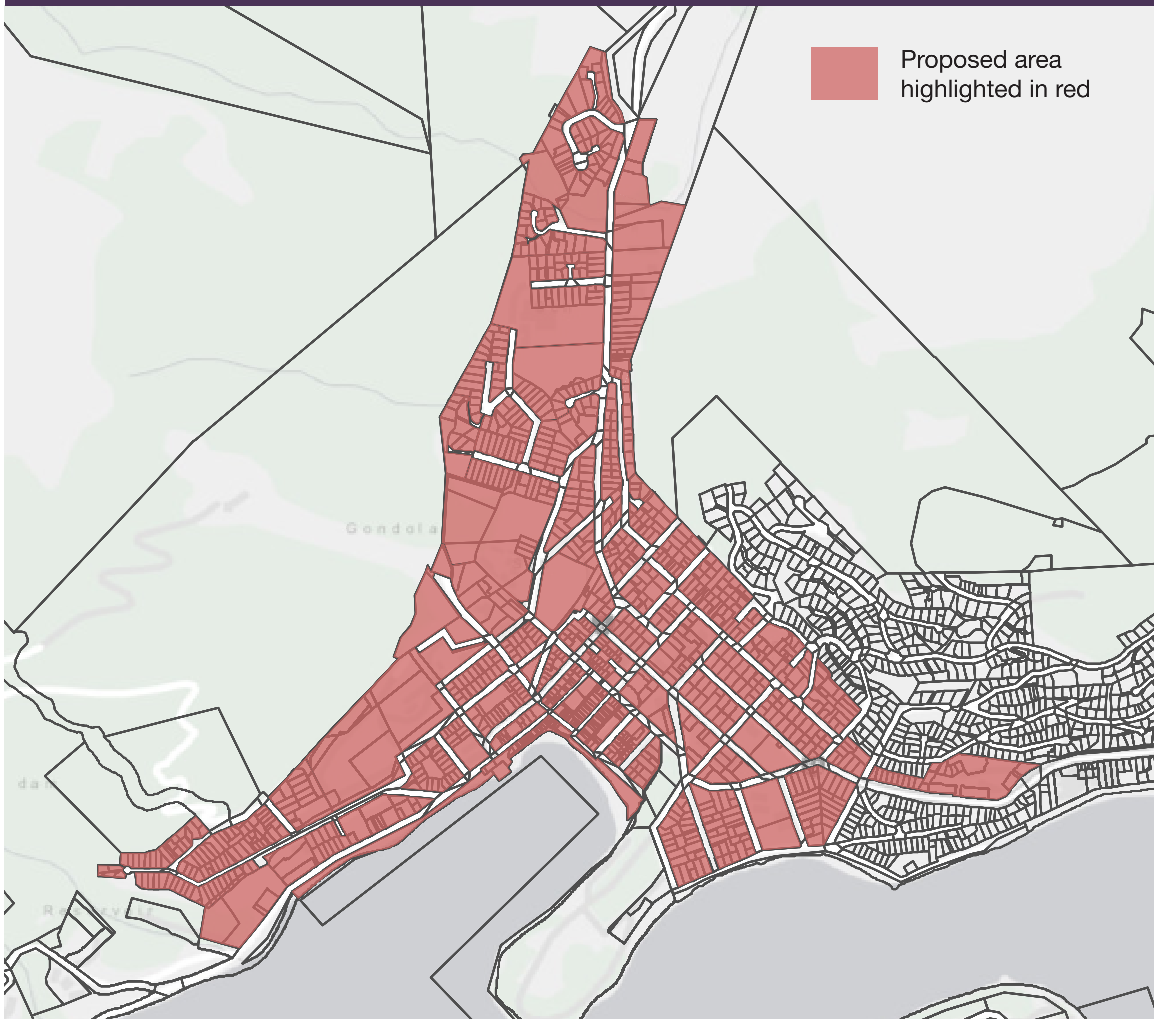
1. TARGETED RATE ON QUEENSTOWN TOWN CENTRE PROPERTIES

In 2018 and 2021, we asked for your feedback on proposals to fund the implementation of the Queenstown Town Centre Masterplan. This is a programme of work which includes the arterial road, street upgrades, carparking, a public transport hub, improved active travel options and other smaller associated projects. The preferred option was to introduce a targeted CBD rate to ensure that those who would benefit most from this significant investment, contributed in a fair and equitable way.

Since the previous LTP, we have completed stage 1 of the street upgrade programme at a cost of $69M and progressed stage 1 of the Town Centre Arterial Road (partially funded by Crown Infrastructure Partners). Council must now finalise an appropriate rating model to fund the increased level of service for the street upgrades for the 2024-2025 year. This topic also includes a proposal to recover part of the cost of the Town Centre Arterial Road and associated underground service upgrades (stage 1) from the 2025- 2026 rating year.

Generally, it is proposed that all properties within the area of benefit (shown below) will be subject to the new targeted town centre transport rate. The proportion of costs will be determined by the relative benefit of the works to the area versus the benefit received by the rest of the ward. It has been assessed that around 65% of the benefit is accrued to the wider town centre area, with the remaining 35% proposed to be recovered from wider Arrowtown-Kawarau and Queenstown-Whakatipu ward's ratepayers.

PROPOSED AREA FOR TARGETED CBD RATE



While this might not be welcomed by everyone in the current climate, Council considers that this is the fairest approach. For example, someone operating a hotel or business within the town centre benefits most from the improved experience and underground servicing, compared to a resident living in Frankton who may only visit town occasionally.

The alternative option is that 100% of costs are recovered from all Whakatipu ward ratepayers through the existing roading rate.

To ensure that future generations continue to pay for the benefit of the investment, a 30-year repayment period has been modelled, amounting to $1.29M per annum (including 5% interest). There is no future debt impact associated with this proposal.

1A) TARGETED RATE ON QUEENSTOWN TOWN CENTRE PROPERTIES (STREET UPGRADES 2024-2025)

Impact on rates

The increases for properties within the wider town centre area are low to moderate depending on the capital value and use. Residential properties show increases of between 1.6% to 4.1%, commercial from 1.7% to 3.0%, and accommodation from 0.9% to 2.2%. The impact is reduced for properties outside of the wider town centre area.

The following table illustrates the rates impact on different types of property (median values) including both those within the wider CBD and those in the balance of the ward. The analysis is based on the impact of the increased costs on rates for the current 2023-2024 year. Further analysis of low and high value properties is available at **letstalk.qldc.govt.nz/Long-Term-Plan-2024-2034**

Summary of Indicative Total Rate Movements - QT Street Upgrades				
Median values			Rates	Rates
Property type	CV[49]	Location	%	$
Residential	$1,390,000	Wider CBD	2.28%	$89
Residential	$1,390,000	Ward	0.43%	$17
Commercial	$2,999,000	Wider CBD	2.97%	$245
Commercial	$2,999,000	Ward	1.64%	$136
Accommodation	$2,860,000	Wider CBD	2.22%	$286
Accommodation	$2,860,000	Ward	1.07%	$137
M/U Accommodation	$1,720,000	Wider CBD	2.41%	$125
M/U Accommodation	$1,720,000	Ward	0.69%	$36
Primary Industry	$5,750,000	Ward	1.19%	$56
Country Dwelling	$3,281,000	Ward	1.01%	$39
Vacant	$1,086,000	Wider CBD	2.51%	$76
Vacant	$1,086,000	Ward	0.65%	$20
M/U Commercial	$1,565,000	Wider CBD	2.34%	$107
M/U Commercial	$1,565,000	Ward	0.56%	$26

QT Town Centre Street Upgrades Project from 2024-2025	
	$000'S
Total Capital Cost	69,034
LESS:	
Crown Subsidy	35,000
Development Contribution (DC) Funding	8,168
Three Waters Rates	5,949
Balance to fund - Roading Rates	**19,917**
Wider CBD Share 65%	12,946
Balance of Ward 35%	6,971

QT Town Centre Street Upgrades Actual Impact 2024-2025				
	Annual Cost	Total Cost to Recover	Interest Rate	Term (Years)
Wider CBD Share	842,146	12,945,853	5.00%	30
Balance of Ward Share	453,463	6,970,844	5.00%	30

[49] Capital Value

1B) TARGETED RATE ON QUEENSTOWN TOWN CENTRE PROPERTIES (ARTERIALS FROM 2025-2026)

Impact on rates

The increases for properties within the wider town centre area are significant in some instances depending on the capital value and use. Residential properties show increases of between 3.4% to 8.3%, commercial from 3.1% to 5.4%, and accommodation from 3.4% to 3.9%. The impact is reduced for properties outside of the wider town centre area.

Option 1: Targeted Rate 65% from wider CBD balance from existing ward based rate (35%)

The rates impact of each option is shown below. Please note, this analysis covers cost recovery for the Town Centre Arterial Road (stage 1). It does not include the impact of cost recovery for the Town Centre Street Upgrades project. The following table illustrates the rates impact on different types of property (median values) including both those within the wider CBD and those in the balance of the ward. The analysis is based on the impact of the increased costs on rates for the current 2023-2024 year. Further analysis of low and high value properties is available at **letstalk.qldc.govt.nz/Long-Term-Plan-2024-2034**

Summary of Indicative Total Rate Movements - QT Arterials				
Median values			**Rates**	**Rates**
Property type	**CV**	**Location**	**%**	**$**
Residential	$1,390,000	Wider CBD	4.62%	$180
Residential	$1,390,000	Ward	0.56%	$22
Commercial	$2,999,000	Wider CBD	5.55%	$459
Commercial	$2,999,000	Ward	1.98%	$164
Accommodation	$2,860,000	Wider CBD	3.93%	$505
Accommodation	$2,860,000	Ward	1.40%	$180
M/U Accommodation	$1,720,000	Wider CBD	4.67%	$243
M/U Accommodation	$1,720,000	Ward	0.91%	$47
Primary Industry	$5,750,000	Ward	1.56%	$73
Country Dwelling	$3,281,000	Ward	1.32%	$51
Vacant	$1,086,000	Wider CBD	4.94%	$149
Vacant	$1,086,000	Ward	0.85%	$26
M/U Commercial	$1,565,000	Wider CBD	4.64%	$212
M/U Commercial	$1,565,000	Ward	0.74%	$34

Rating Impact - QT Arterials Project from 2025-2026	
	$000'S
Total Estimated Capital Cost	128,867
LESS:	
Crown Subsidy	50,000
Development Contribution (DC) Funding	34,701
Three Waters Rates	8,833
Balance to fund - Roading Rates	**35,332**
Wider CBD Share 65%	22,966
Balance of Ward 35%	12,366

QT Arterials Forecast Impact 2025-2026				
	Annual Cost	Total Cost to Recover	Interest Rate	Term (Years)
Town Centre Share	1,493,976	22,966,070	5.00%	30
Balance of Ward Share	804,449	12,366,346	5.00%	30

Option 2: 100% from existing ward based rate

Summary of Indicative Total Rate Movements - QT Arterials				
Median values			**Rates**	**Rates**
Property type	**CV**	**Location**	**%**	**$**
Residential	$1,390,000	Wider CBD	1.60%	$62
Residential	$1,390,000	Ward	1.60%	$62
Commercial	$2,999,000	Wider CBD	4.07%	$336
Commercial	$2,999,000	Ward	4.07%	$336
Accommodation	$2,860,000	Wider CBD	3.99%	$513
Accommodation	$2,860,000	Ward	3.99%	$513
M/U Accommodation	$1,720,000	Wider CBD	2.59%	$135
M/U Accommodation	$1,720,000	Ward	2.59%	$135
Primary Industry	$5,750,000	Ward	4.45%	$209
Country Dwelling	$3,281,000	Ward	3.76%	$147
Vacant	$1,086,000	Wider CBD	2.42%	$73
Vacant	$1,086,000	Ward	2.42%	$73
M/U Commercial	$1,565,000	Wider CBD	2.11%	$96
M/U Commercial	$1,565,000	Ward	2.11%	$96

Rating Impact - QT Arterials Project from 2025-2026	
	$000'S
Total Estimated Capital Cost	128,867
LESS:	
Crown Subsidy	50,000
Development Contribution (DC) Funding	34,701
Three Waters Rates	8,833
Balance to fund - Roading Rates	**35,332**
Whakatipu/Kawarau/Arrowtown ward 100%	35,332

QT Arterials Forecast Impact 2025-2026				
	Annual Cost	Total Cost to Recover	Interest Rate	Term (Years)
Ward Share	2,298,424	35,332,416	5.00%	30

Proposed rates and charges for 2024/25

The rating system used by Council is based on Capital Value. Property valuations produced by Quotable Value as at 1 September 2021 are to be used for the 2024/25 rating year. All proposed rates in the section that follows are inclusive of GST.

Uniform annual general charge

Pursuant to sections 15 of the Local Government (Rating) Act 2002 (the Act), Council proposes to set a uniform annual general charge of $210.00 on each separately used of inhabited part of every rating unit in the district.

The uniform annual general charge revenue ($7,029,839) will be used to fund the costs associated with the following activities:

- Cemeteries.
- Community development and grants
- Property including housing, Wānaka airport and 50% of costs to defend legal claims related to alleged building defects
- A general contribution to the promotion of the district.

Sports, halls and libraries annual charge

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted annual charge on each separately used or inhabited part of every rating unit in the district as follows:		
1.	Residential	$502.00
2.	Residence plus Flat	$703.00
3.	Vacant Sections	$502.00
4.	Primary Industry	$502.00
5.	Country Dwelling	$502.00
6.	Country Dwelling plus Flat	$703.00
7.	Mixed Use Apportioned	$502.00

The targeted sports, halls and libraries charge revenue ($14,010,407) will be used to fund the costs associated with the following activities:

- Community grants (for recreational activities)
- District library services
- Public halls and other community facilities
- Active recreation facilities including sportsfields and community swimming pools (excludes Alpine Aqualand and Wānaka Aquatic Centre).

Governance rate

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted differential governance rate based on land use on the rateable capital value of all property within the Queenstown Lakes District as follows:		
1.	Residential	0.00018600 cents in the $
2.	Residence plus Flat	0.0001860 cents in the $
3.	Hydro Electric/Utilities	0.00009300 cents in the $
4.	Vacant Sections	0.00018600 cents in the $
5.	Accommodation	0.00018600 cents in the $
6.	CBD Accommodation	0.00018600 cents in the $
7.	Commercial	0.00018600 cents in the $
8.	CBD Commercial	0.00018600 cents in the $
9.	Primary Industry	0.00014000 cents in the $
10.	Country Dwelling	0.00018600 cents in the $
11.	Country Dwelling plus Flat	0.00018600 cents in the $
12.	Other	0.00018600 cents in the $
13.	Mixed Use Apportioned	See note (i)

Note (i): The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential (or plus Flat) or Country Dwelling (or plus Flat) as appropriate.

The governance rate revenue ($10,777,709) will be used to fund 80% of the costs associated with the following activities:

> Cost of democratic functions including Council and standing committees

> Cost of communications and management of Council including corporate, financial and rating administration services.

Regulatory rate

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted differential regulatory rate based on land use on the rateable capital value of all property within the Queenstown Lakes District as follows:		
1.	Residential	0.00024400 cents in the $
2.	Residence plus Flat	0.00024400 cents in the $
3.	Hydro Electric/Utilities	0.00012800 cents in the $
4.	Vacant Sections	0.00024400 cents in the $
5.	Accommodation	0.00025600 cents in the $
6.	CBD Accommodation	0.00025600 cents in the $
7.	Commercial	0.00025600 cents in the $
8.	CBD Commercial	0.00025600 cents in the $
9.	Primary Industry	0.00018300 cents in the $
10.	Country Dwelling	0.00024400 cents in the $
11.	Country Dwelling plus Flat	0.00024400 cents in the $
12.	Other	0.00024400 cents in the $
13.	Mixed Use Apportioned	See note (i)

Note (i): The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential (or plus Flat) or Country Dwelling (or plus Flat) as appropriate.

The regulatory rate revenue ($14,261,172) will be used to fund 80% of the costs associated with the following activities:

> Regulatory and advisory services relating to planning and resource management, the District Plan, building control, dog control and health and liquor licensing 50% of costs to defend legal claims related to alleged building defects.

Governance and regulatory charge

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted governance and regulatory charge on each separately used or inhabited part of every rating unit in the district as follows:		
1.	Residential	$179.00
2.	Residence plus Flat	$251.00
3.	Hydro Electric/Utilities	$340.00
4.	Vacant Sections	$179.00
5.	Accommodation	$242.00
6.	CBD Accommodation	$242.00
7.	Commercial	$340.00
8.	CBD Commercial	$340.00
9.	Primary Industry	$358.00
10.	Country Dwelling	$179.00
11.	Country Dwelling plus Flat	$251.00
12.	Other	$179.00
13.	Mixed Use Apportioned	See note (i)

Note (i): The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential (or plus Flat) or Country Dwelling (or plus Flat) as appropriate.

The governance and regulatory charge revenue ($6,318,703) will be used to fund 20% of the costs associated with the following activities:

> Cost of democratic functions including Council and standing committees

> Cost of communications and management of Council including corporate, financial and rating administration services

> Regulatory and advisory services relating to planning and resource management, the district plan, building control, dog control and health and liquor licensing.

Recreation and events rate

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted differential recreation and events rate based on land use on the rateable capital value of all property within the Queenstown Lakes District as follows:		
1.	Residential	0.00026500 cents in the $
2.	Residence plus Flat	0.00026800 cents in the $
3.	Hydro Electric/Utilities	0.00013300 cents in the $
4.	Vacant Sections	0.00026500 cents in the $
5.	Accommodation	0.00106000 cents in the $
6.	CBD Accommodation	0.00106000 cents in the $
7.	Commercial	0.00026500 cents in the $
8.	CBD Commercial	0.00026500 cents in the $
9.	Primary Industry	0.00005300 cents in the $
10.	Country Dwelling	0.00015900 cents in the $
11.	Country Dwelling plus Flat	0.00015900 cents in the $
12.	Other	0.00026500 cents in the $
13.	Mixed Use Apportioned	See note (i)

Note (i): The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential (or plus Flat) or Country Dwelling (or plus Flat) as appropriate.

The recreation and events rate revenue ($18,295,648) will be used to fund 80% of the costs associated with the following activities:

> Passive recreation areas, gardens, walkways and reserves

> The provision on public toilets

> Provision of events and facilitation events

> Contribution to the operating shortfall of Alpine Aqualand attributable to non-residents.

Recreation and events charge

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a new targeted recreation and events charge on each separately used or inhabited part of every rating unit in the district as follows:		
1.	Residential	$113.00
2.	Residence plus Flat	$158.00
3.	Hydro Electric/Utilities	$113.00
4.	Vacant Sections	$113.00
5.	Accommodation	$452.00
6.	CBD Accommodation	$452.00
7.	Commercial	$113.00
8.	CBD Commercial	$113.00
9.	Primary Industry	$90.00
10.	Country Dwelling	$90.00
11.	Country Dwelling plus Flat	$126.00
12.	Other	$113.00
13.	Mixed Use Apportioned	See note (i)

Note (i): The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential (or plus Flat) or Country Dwelling (or plus Flat) as appropriate.

The recreation and events charge revenue ($4,573,912) will be used to fund 20% of the costs associated with the following activities:

> Passive recreation areas, gardens, walkways and reserves

> The provision on public toilets

> Provision of events and facilitation events

> Contribution to the operating shortfall of Alpine Aqualand attributable to non residents.

General rate

Pursuant to Sections 13 and 14 of the Act, Council proposes to set a differential general rate based on land use on the rateable capital value of all property within the Queenstown Lakes District as follows:		
1.	Residential	0.00002900 cents in the $
2.	Residence plus Flat	0.00002900 cents in the $
3.	Hydro Electric/Utilities	0.00001500 cents in the $
4.	Vacant Sections	0.00002900 cents in the $
5.	Accommodation	0.00003500 cents in the $
6.	CBD Accommodation	0.00003500 cents in the $
7.	Commercial	0.00002900 cents in the $
8.	CBD Commercial	0.00002900 cents in the $
9.	Primary Industry	0.00003500 cents in the $
10.	Country Dwelling	0.00003500 cents in the $
11.	Country Dwelling plus Flat	0.00003500 cents in the $
12.	Other	0.00002900 cents in the $
13.	Mixed Use Apportioned	See note (i)

Note (i): The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential (or plus Flat) or Country Dwelling (or plus Flat) as appropriate.

The general rate revenue ($1,831,601) will be used to fund the costs associated with the following activities:

> Provision of emergency services (civil defence and rural fire)

> Waste management including landfill establishment

> Forestry including wilding pine control.

Roading rate (Wānaka)

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted differential roading rate based on land use on the rateable capital value of all property within the Wānaka ward (note ii) on the Queenstown Lakes District as follows:		
1.	Residential	0.00026100 cents in the $
2.	Residence plus Flat	0.00026100 cents in the $
3.	Hydro Electric/Utilities	0.00006500 cents in the $
4.	Vacant Sections	0.00039200 cents in the $
5.	Accommodation	0.00104400 cents in the $
6.	CBD Accommodation	0.00104400 cents in the $
7.	Commercial	0.00065300 cents in the $
8.	CBD Commercial	0.00065300 cents in the $
9.	Primary Industry	0.00021100 cents in the $
10.	Country Dwelling	0.00026100 cents in the $
11.	Country Dwelling plus Flat	0.00026100 cents in the $
12.	Other	0.00026100 cents in the $
13.	Mixed Use Apportioned	See note (i)

Note (i): The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential (or plus Flat) or Country Dwelling (or plus Flat) as appropriate.

Note (ii): As a result of the 2021 Representation Review, the ward structure in the district changes on the date of the local body elections (8 October 2022). From this date, the Wānaka ward is replaced by the Wānaka-Upper Clutha ward with no change to overall ward boundaries.

The Wānaka roading rate revenue ($6,667,819) will be used to fund the costs associated with the following activities:

> Wānaka wards roading network, which includes footpaths and other amenities within the road reserve

> The development of town centre areas

> The maintenance and upgrading of roading drainage systems.

Roading rate (Whakatipu)

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted differential roading rate based on land use on the rateable capital value of all property within the Queenstown/Whakatipu and Arrowtown wards (note ii) of the Queenstown Lakes District as follows:		
1.	Residential	0.00028000 cents in the $
2.	Residence plus Flat	0.00028000 cents in the $
3.	Hydro Electric/Utilities	0.00007000 cents in the $
4.	Vacant Sections	0.00042000 cents in the $
5.	Accommodation	0.00112000 cents in the $
6.	CBD Accommodation	0.00112000 cents in the $
7.	Commercial	0.00070000 cents in the $
8.	CBD Commercial	0.00070000 cents in the $
9.	Primary Industry	0.00022700 cents in the $
10.	Country Dwelling	0.00028000 cents in the $
11.	Country Dwelling plus Flat	0.00028000 cents in the $
12.	Other	0.00028000 cents in the $
13.	Mixed Use Apportioned	See note (i)

Note (i) The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential (or plus Flat) or Country Dwelling (or plus Flat) as appropriate.

Note (ii) As a result of the 2021 Representation Review, the ward structure in the district changes on the date of the local body elections (8 October 2022). From this date, the Queenstown/Whakatipu and Arrowtown wards are replaced by the Queenstown-Whakatipu ward and the Arrowtown-Kawarau ward with no change to the overall combined ward area.

The Whakatipu roading rate revenue ($17,108,687) will be used to fund the costs associated with the following activities:

> Whakatipu/Arrowtown ward's roading network, which includes footpaths and other amenities within the road reserve

> Transport projects included in the Queenstown Integrated Transport Strategy (QITS) (35%)

> The maintenance and upgrading of roading drainage systems.

Queenstown CBD transport rate

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted differential roading rate based on land use on the rateable capital value of all property within the wider Queenstown CBD (note ii) of the Queenstown Lakes District as follows:		
1.	Residential	0.00005000 cents in the $
2.	Residence plus Flat	0.00005000 cents in the $
3.	Hydro Electric/Utilities	0.00001300 cents in the $
4.	Vacant Sections	0.00007500 cents in the $
5.	Accommodation	0.00020000 cents in the $
6.	CBD Accommodation	0.00020000 cents in the $
7.	Commercial	0.00012500 cents in the $
8.	CBD Commercial	0.00012500 cents in the $
9.	Primary Industry	0.00004100 cents in the $
10.	Country Dwelling	0.00005000 cents in the $
11.	Country Dwelling plus Flat	0.00005000 cents in the $
12.	Other	0.00005000 cents in the $
13.	Mixed Use Apportioned	See note (i)

Note (i): The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential (or plus Flat) or Country Dwelling (or plus Flat) as appropriate.

Note (ii): The wider Queenstown CBD is the area including the town centre zone and surrounding high density zone which has been identified as the prime area of benefit for the Queenstown Integrated Transport Strategy (QITS).

The Whakatipu roading rate revenue ($783,714) will be used to fund the costs associated with the following activities:

> Transport projects included in the Queenstown Integrated Transport Strategy (QITS) (65%).

Stormwater rate (Wānaka)

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted stormwater rate based on land use of the rateable capital value of the following categories of property within the Wānaka ward (note ii) of the Queenstown Lakes District as follows:		
1.	Residential	0.00013500 cents in the $
2.	Residence plus Flat	0.00013500 cents in the $
3.	Hydro Electric/Utilities	0.00003400 cents in the $
4.	Vacant Sections	0.00013500 cents in the $
5.	Accommodation	0.00013500 cents in the $
6.	CBD Accommodation	0.00013500 cents in the $
7.	Commercial	0.00013500 cents in the $
8.	CBD Commercial	0.00013500 cents in the $
9.	Other	0.00013500 cents in the $
10.	Mixed Use Apportioned	See note (i)

Note (i): The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential (or plus Flat) or Country Dwelling (or plus Flat) as appropriate.

Note (ii): As a result of the 2021 Representation review, the ward structure in the district changes on the date of the local body elections (8 October 2022). From this date, the Wānaka ward is replaced by the Wānaka-Upper Clutha ward with no change to overall ward boundaries.

The Wānaka stormwater rate revenue ($2,191,968) will be used to fund the costs associated with the following activities:

> The maintenance and upgrading of stormwater reticulation systems.

Stormwater rate (Whakatipu)

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted stormwater rate based on land use of the rateable capital value of the following categories of property within the Queenstown/Whakatipu and Arrowtown wards (note iii) of the Queenstown Lakes district as follows:		
1.	Residential (ii)	0.00015100 cents in the $
2.	Residence plus Flat (ii)	0.00015100 cents in the $
3.	Hydro Electric/Utilities	0.00003800 cents in the $
4.	Vacant Sections (ii)	0.00015100 cents in the $
5.	Accommodation	0.00015100 cents in the $
6.	CBD Accommodation	0.00015100 cents in the $
7.	Commercial	0.00015100 cents in the $
8.	CBD Commercial	0.00015100 cents in the $
9.	Other	0.00015100 cents in the $
10.	Mixed Use Apportioned	See note (i)

Note (i): The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential (or plus Flat) or Country Dwelling (or plus Flat) as appropriate.

Note (ii): Excludes property within the Jacks Point Special Zone.

Note (iii): As a result of the 2021 Representation review, the ward structure in the district changes on the date of the local body elections (8 October 2022). From this date, the Queenstown/Whakatipu and Arrowtown wards are replaced by the Queenstown-Whakatipu ward and the Arrowtown-Kawarau ward with no change to the overall combined ward area.

The Whakatipu/Arrowtown stormwater rate revenue ($4,292,326) will be used to fund the costs associated with the following activities:

> The maintenance and upgrading of stormwater reticulation systems.

Tourism promotion rate (Wānaka)

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted tourism promotion rate based on land use on the rateable capital value of the following categories of property within the Wānaka ward (note ii) of the Queenstown Lakes district as follows:		
1.	Accommodation	0.00062600 cents in the $
2.	CBD Accommodation	0.00062600 cents in the $
3.	Commercial	0.00062600 cents in the $
4.	CBD Commercial	0.00062600 cents in the $
5.	Hydro Electric/Utilities	0.00015700 cents in the $
6.	Mixed Use Apportioned	See note (i)

Note (i): The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential (or plus Flat) or Country Dwelling (or plus Flat) as appropriate.

Note (ii): As a result of the 2021 Representation review, the ward structure in the district changes on the date of the local body elections (8 October 2022). From this date, the Wānaka ward is replaced by the Wānaka-Upper Clutha ward with no change to overall ward boundaries.

The Wānaka tourism promotion rate revenue ($1,450,095) will be used to fund the costs associated with the following activities:

> To finance promotional activities of Lake Wānaka Tourism.

Tourism promotion rate (Whakatipu)

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted tourism promotion rate based on land use on the rateable capital value of the following categories of property within the Queenstown/Whakatipu Wards (note ii) of the Queenstown Lakes District as follows:		
1.	Accommodation	0.00061500 cents in the $
2.	CBD Accommodation	0.00061500 cents in the $
3.	Commercial	0.00061500 cents in the $
4.	CBD Commercial	0.00061500 cents in the $
5.	Hydro Electric/Utilities	0.00015400 cents in the $
6.	Mixed Use Apportioned	See note (i)

Note (i): The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential (or plus Flat) or Country Dwelling (or plus Flat) as appropriate.

Note (ii): As a result of the 2021 Representation Review, the ward structure in the district changes on the date of the local body elections (8 October 2022). From this date, the Queenstown/Whakatipu and Arrowtown wards are replaced by the Queenstown-Whakatipu ward and the Arrowtown-Kawarau ward with no change to the overall combined ward area. From 8 October, 2022, this rate will apply to the same geographic area as before, i.e. the combined Queenstown-Whakatipu ward and the Arrowtown-Kawarau ward less the area represented by the former Arrowtown ward.

The Whakatipu tourism promotion rate revenue ($5,680,842) will be used to fund the costs associated with the following activities:

> To finance promotional activities of Destination Queenstown.

Tourism promotion rate (Arrowtown)

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted tourism promotion rate based on land use on the rateable capital value of the following categories of property within the Arrowtown Ward (note ii) of the Queenstown Lakes District as follows:		
1.	Accommodation	0.00048700 cents in the $
2.	CBD Accommodation	0.00048700 cents in the $
3.	Commercial	0.00048700 cents in the $
4.	CBD Commercial	0.00048700 cents in the $
5.	Hydro Electric/Utilities	0.00012200 cents in the $
6.	Mixed Use Apportioned	See note (i)

Note (i): The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential (or plus Flat) or Country Dwelling (or plus Flat) as appropriate.

Note (ii): As a result of the 2021 Representation Review, the ward structure in the district changes on the date of the local body elections (8 October 2022). From this date, the Queenstown/Whakatipu and Arrowtown wards are replaced by the Queenstown-Whakatipu ward and the Arrowtown-Kawarau ward with no change to the overall combined ward area. From 8 October 2022, this rate will apply to the same geographic area as before, i.e. the former Arrowtown ward.

The Arrowtown tourism promotion rate revenue ($252,438) will be used to fund the costs associated with financing the following activities:

> To finance promotional activities of the Arrowtown Promotion Association.

Waste management charges

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted waste management charge on each separately used or inhabited part of every rating unit in the district, as follows:		
1.	Residential	$389.00
2.	Residence plus Flat	$545.00
3.	Hydro Electric/Utilities	$176.00
4.	Vacant Sections	$176.00
5.	Accommodation	$176.00
6.	CBD Accommodation	$176.00
7.	Commercial	$176.00
8.	CBD Commercial	$176.00
9.	Primary Industry	$389.00
10.	Country Dwelling	$389.00
11.	Country Dwelling plus Flat	$545.00
12.	Other	$176.00
13.	Mixed Use Apportioned	$389.00

The waste management charge revenue ($10,771,088) will be used to fund the costs associated with the following activities:

> To fund the operating deficit of the transfer stations and the recycling initiatives proposed in the Waste Management Strategy.

Aquatic Centre charge (Whakatipu)

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted Aquatic Centre charge on each separately used or inhabited part of every rating unit with a residential component in the Queenstown / Whakatipu and Arrowtown Wards (note i), as follows:		
1.	Residential	$195.00
2.	Residence plus Flat	$273.00
3.	Vacant Sections	$195.00
4.	Primary Industry	$195.00
5.	Country Dwelling	$195.00
6.	Country Dwelling plus Flat	$273.00
7.	Mixed Use Apportioned	$195.00

Note (i): As a result of the 2021 Representation review, the ward structure in the district changes on the date of the local body elections (8 October 2022). From this date, the Queenstown/Whakatipu and Arrowtown wards are replaced by the Queenstown-Whakatipu ward and the Arrowtown-Kawarau ward with no change to the overall combined ward area.

The Aquatic Centre charge revenue ($3,280,120) will be used to fund the costs associated with the following activities:

> To fund the operating shortfall of Alpine Aqualand attributable to residents.

Aquatic Centre charge (Wānaka)

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted Aquatic Centre charge on each separately used or inhabited part of every rating unit with a residential component in the Wānaka Ward (note i), as follows:		
1.	Residential	$181.00
2.	Residence plus Flat	$253.00
3.	Vacant Sections	$181.00
4.	Primary Industry	$181.00
5.	Country Dwelling	$181.00
6.	Country Dwelling plus Flat	$253.00
7.	Mixed Use Apportioned	$181.00

Note (i): As a result of the 2021 Representation Review, the ward structure in the district changes on the date of the local body elections (8 October 2022). From this date, the Wānaka ward is replaced by the Wānaka-Upper Clutha ward with no change to overall ward boundaries.

The Aquatic Centre charge revenue ($2,003,152) will be used to fund the costs associated with the following activities:

> To fund the operating shortfall of Wānaka Aquatic Centre attributable to residents.

Water supply rates

QUEENSTOWN AND DISTRICT WATER SUPPLY, ARROWTOWN WATER SUPPLY AND WĀNAKA WATER SUPPLY

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted rate for water supply on each separately used of inhabited part of every connected or serviceable rating unit within the respective water supply areas as follows:	
Queenstown and District water supply	$310.00
Arrowtown water supply	$280.00
Wānaka and District water supply	$240.00
Arthurs Point water supply	$340.00
Glenorchy water supply	$560.00
Hāwea water supply	$250.00

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted Aquatic Centre charge on each separately used or inhabited part of every rating unit with a residential component in the Wānaka Ward (note i), as follows:								
		Queenstown (cents in the $)	Arrowtown (cents in the $)	Wānaka (cents in the $)	Arthurs Point (cents in the $)	Glenorchy (cents in the $)	Hāwea (cents in the $)	Note (i): The mixed use apportioned properties will be treated as 25% Commercial or Accommodation and 75% Residential (or plus Flat) or Country Dwelling (or plus Flat) as appropriate. Note (ii): Those properties comprising a Residence plus Flat and Country Dwelling plus Flat will be charged the targeted rate at a factor of 1.5.
1.	Residential	0.00016200	0.00023000	0.00017000	0.00021900	0.00069400	0.00029500	
2.	Residential plus Flat	0.00016200	0.00023000	0.00017000	0.00021900	0.00069400	0.00029500	
3.	Accommodation	0.00029200	0.00041400	0.00030600	0.00039400	0.00124900	0.00053100	
4.	CBD Accommodation	0.00029200	0.00041400	0.00030600	-	-	-	
5.	Commercial	0.00025900	0.00036800	0.00027200	0.00035000	0.0011100	0.00047200	
6.	CBD Commercial	0.00025900	0.00036800	0.00027200	-	-	-	
7.	Primary Industry	0.00012000	0.00017000	0.00012600	0.00016200	0.00051400	0.00021800	
8.	Country Dwelling	0.00013300	0.00018900	0.00013900	0.00018000	0.00056900	0.00024200	
9.	Country Dwelling plus Flat	0.00013300	0.00018900	0.00013900	0.00018000	0.00056900	0.00024200	
10.	Other	0.00016200	0.00023000	0.00017000	0.00021900	0.00069400	0.00029500	
11.	Mixed Use Apportioned	See note (i)	See note (i)	See note (i)	See note (i)	See note (i)	See note (i)	

OTHER WATER SUPPLIES

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted rate for water supply on each separately used or inhabited part of every rating unit connected to the respective scheme, and a half charge on each separately used or inhabited part of every serviceable rating unit.			
Water Supply	Full Charge ($)	Half Charge ($)	The targeted water supply rates revenue ($16,695,724) will be used to fund the costs associated with the following activities: > To provide supplies of potable (drinkable) water to the above communities > Properties outside of the Mount Cardrona Station development may connect to the water supply scheme by application. Those properties not electing to connect will not be charged an availability charge. Note (i) those properties comprising a Residence plus Flat and Country Dwelling plus Flat will be charged the targeted rate at a factor of 1.5.
Lake Hayes	670.00	335.00	
Luggate	760.00	380.00	
Cardrona (note ii)	800.00	400.00	

Water supply scheme loan rates

(i) CARDRONA WATER SUPPLY AREA (CAPITAL RATE)

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted water supply scheme loan rate on every serviceable rating unit within the Cardrona water supply scheme area, on the basis of one charge per connection capable of being connected of $1,100.00 and $550.00 for each subsequent connection.

Note:

- The targeted water supply scheme loan rate will not apply to those properties in respect of which the ratepayer has already paid a full development contribution for Cardrona water supply; and
- The targeted water supply scheme loan rate will not apply to those properties that have not elected to connect to the Cardrona water supply
- Every rating unit used exclusively or principally as a residence of not more than one household is deemed to have not more than one connection
- Those properties comprising a Residence plus Flat and Country Dwelling plus Flat will be charged the targeted rate at a factor of 1.5.

The targeted water supply scheme loan rates revenue ($56,100) will be used to fund the costs associated with the following activities:

- Revenue sought by way of annual loan charges is to cover the costs of financing loans raised to pay for the capital cost of water supply schemes.

Sewerage rates

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted sewerage rate on every rating unit connected to a district sewerage scheme, on the basis on one full charge per first pan or urinal connected, with a discounted charge on every subsequent pan or urinal connected. A half charge will apply to every serviceable rating unit. The charges for each scheme are set out in the schedule below.

Note (i): Every rating unit used exclusively or principally as a residence of not more than one household is deemed to have not more than one connection.

Note (ii): Those properties comprising a Residence plus Flat and Country Dwelling plus Flat will charged the targeted rate a factor of 1.5.

Sewerage Scheme	Charge for 1st pan connected ($)	Half Charge capable of connection ($)	Charge per pan after 1 connected ($)
Wānaka/Albert Town	868.00	434.00	434.00
Cardrona	800.00	400.00	400.00
Arrowtown	880.00	440.00	440.00
Arthurs Point	740.00	370.00	532.80
Hāwea	580.00	290.00	290.00
Lake Hayes	786.00	393.00	393.00
Luggate	900.00	450.00	450.00
Queenstown	778.00	389.00	389.00

The targeted sewerage rates revenue ($23,180,341) will be used to fund the costs associated with providing public sewerage services to the above communities.

Sewerage scheme loan rates

(ii) CARDRONA SEWERAGE AREA (CAPITAL RATE)

Pursuant to sections 16, 17 and 18 of the Act, Council proposes to set a targeted sewerage scheme loan rate on every serviceable rating unit within the Cardrona Sewerage scheme area, on the basis of one charge per pan or urinal connected or per connection capable of being connected of $1,054.00, on the first pan or urinal, and $527.00 for each subsequent pan or urinal.

Note:

- The targeted sewerage scheme loan rate will not apply to those properties in respect of which the ratepayer has already paid a full development contribution for Cardrona wastewater; and
- Every rating unit used exclusively or principally as a residence of not more than one household is deemed to have not more than one connection.
- Those properties comprising a Residence plus Flat and Country Dwelling plus Flat will be charged the targeted rate at a factor of 1.5.

The targeted sewerage scheme loan rates revenue ($100,130) will be used to fund the costs associated with the following activities:

- Revenue sought by way of annual loan charges is to cover the costs of financing loans raised to pay for the capital cost of sewerage schemes.

Due dates for payments

The Council proposes that the above rates and charges for the financial year commencing on the 1st day of July 2024 are payable in four instalments, the due dates and last days for payment without penalty being as follows:

	Instalment date	Last day for payment (without penalty)
Instalment One	19 September 2024	18 October 2024
Instalment Two	1 November 2024	13 December 2024
Instalment Three	10 January 2025	21 February 2025
Instalment Four	11 April 2025	23 May 2025

Payment of rates

Rates payments can be made during normal office hours at:

- Civic Centre, 10 Gorge Road, Queenstown
- Wānaka Service Centre, Ardmore Street, Wānaka
- Arrowtown Public Library, Buckingham Street, Arrowtown

Or by direct debit and internet banking.

Additional charges (penalties)

Pursuant to Sections 24, 57 and 58 of the Act, Council proposes that the following penalties will apply under delegated authority to the Rating Administrator:

- A penalty of 5% will be added to the rates and charges levied in each instalment which remains unpaid on the day after the last day for payment date as shown above (i.e. the penalty will be added on 19 Octoberr 2024, 14 December 2024, 22 February 2025 and 24 May 2025 respectively)
- A penalty of 10% will be added to the amount of rates or instalments (including penalties) levied in any previous financial year and remaining unpaid on 30 September 2024
- A second penalty of 10% will be added to the amount of rates or instalments (including penalties) levied in any previous financial year which remains unpaid on 31 March 2025.

Differential matters used to define categories of rateable land

Where Council's propose to assess rates on a differential basis they are limited to the list of matters specified in Schedule Two of the Local Government (Rating) Act 2002. Council is required to state which matters will be used for what purpose, and the category or categories of any differentials.

DIFFERENTIALS BY LAND USE

The categories are:

1. Residential
All rating units which are used exclusively or principally for residential purposes, but excluding properties categorised as pursuant to clause 9 (Primary Industry), clause 10 (Country Dwelling) or to clause 13 (Mixed Use Apportioned).

2. Residential Plus Flat
All rating units comprising a single dwelling and a residential flat which are used exclusively or principally for residential purposes, but excluding properties categorised as clause 11 (Country Dwelling plus Flat).

3. Hydro Electric/Utilities
All rating units on which there are structures used exclusively or principally for, or in connection with, the generation of hydro-electric power, including structures used to control the flow of water to other structures used for generating hydro-electric power and all rating units used exclusively or principally for network utility services including water supply, wastewater, stormwater, electricity, gas and telecommunications.

4. Vacant Sections
All rating units which are vacant properties and suitable for development.

5. Accommodation
All rating units used exclusively or principally for the accommodation of paying guests on a short term basis (nightly, weekly or for periods up to a month) including hotels, motels, houses and flats used for such purposes, commercial time share units, managed apartments, bed and breakfast properties, motor camps and home stay properties; but excluding properties categorised as pursuant to clause 13 (Mixed Use Apportioned) or clause 6 (CBD Accommodation).

6. CBD Accommodation
All rating units used exclusively or principally for the accommodation of paying guests on a short term basis including hotels, motels, houses and flats used for such purposes, commercial time share units, managed apartments, bed and breakfast properties, motor camps and home stay properties located within the Town Centre Zones contained in the Queenstown Lakes District Council's District Plan as at 1 July of the current rating year; but excluding properties categorised as pursuant to clause 13 (Mixed Use Apportioned).

7. Commercial
All rating units used exclusively or principally for commercial activities including industrial, retail, transport, utility services, storage, recreation and tourist operations, offices or rest homes; but excluding properties categorised as Hydro-Electric Power, Accommodation, CBD Accommodation, Primary Industry or pursuant to clause 13 (Mixed Use Apportioned) or clause 8 (CBD Commercial).

8. CBD Commercial
All rating units used exclusively or principally for commercial activities including industrial, retail, transport, utility services, storage, recreation and tourist operations, offices or rest homes located within the Town Centre Zones contained in the Queenstown Lakes District Council's District Plan as at 1 July of the current rating year; but excluding properties categorised as CBD Accommodation or pursuant to clause 13 (Mixed Use Apportioned).

9. Primary Industry
All rating units:
Used exclusively or principally for agricultural or horticultural purposes including dairying, stock fattening, arable farming, sheep, market gardens, vineyards, orchards, specialist livestock, forestry or other similar uses, or which are ten hectares or more in area and located in any of the Rural or Special Zones contained in the Queenstown Lakes District Council's District Plan as at 1 July of the current rating year.

10. Country Dwelling
All rating units of less than 10 hectares, located in any of the Rural Zones (except for the land zoned as Rural Residential north of Wānaka township in the vicinity of Beacon Point Road bounded by the low density residential zone to the south, Penrith Park zone to the north and Peninsula Bay to the east and the land zoned as Rural General off Mt Iron Drive comprising of Liverpool Way; Cascade Drive; Bevan Place and Islington Place) or Special Zones (excluding

Penrith Park; Remarkables Park; Quail Rise; Woodbury Park; Lake Hayes Estate; Shotover Country; Jacks Point; Peninsula Bay; and Meadow Park) as shown in the Queenstown Lakes District Council's District Plan, which are used exclusively for Residential purposes.

11. Country Dwelling Plus Flat
All rating units comprising a single dwelling pursuant to clause 10 and a residential flat which are used exclusively or principally for residential purposes.

12. Other
Any rating unit not classified under any of the other categories.

13. Mixed Use Apportioned
All rating units which are used in part, but not exclusively, for residential purposes, and in part, but not principally, for commercial or accommodation purposes. Usage in part may be determined by:

a. The physical portion of the rating unit used for the purpose, or
b. The amount of time (on an annual basis) that the rating unit is used for the purpose.

Note: The Mixed Use Apportioned classification will not be applied to residential rating units used for accommodation purposes for a single period of up to 28 consecutive days in any rating year.

These categories are used to differentiate the following rates:

General rate, targeted rates: sports halls and libraries charge; governance rate; regulatory rate; recreation and events rate; governance and regulatory charge; recreation and events charge; roading rate; stormwater rate; tourism promotion rates; waste management charge; aquatic centre charges; water supply rates.

Targeted rates based on location

The categories are:

1. **Location within the Wānaka ward.**

2. **Location within the Queenstown/Whakatipu ward or the Arrowtown ward.**

These categories are used to differentiate the following targeted rates:

> Roading rate; stormwater rate; tourism promotion rates; aquatic centre charge.

Targeted rates based on availability of service

The categories are:

1. **Connected**
   Any rating unit that is connected to a council operated water scheme or is connected to a public sewerage drain

2. **Serviceable**
   Any rating unit within the area of service that is not connected to a Council operated water scheme but is within 100 metres of any part of the waterworks and to which water can be supplied. Any rating unit within the area of service, that is not connected to a public sewerage drain, but is within 30 metres of such a drain, and is capable of being connected.

These categories are used to differentiate the following targeted rates:

> Water supply rates; water scheme loan rates; sewerage rates; sewerage scheme loan rates.

Definition of “separately used or inhabited parts of a rating unit”

Where rates are calculated on each separately used or inhabited part of a rating unit, the following definitions will apply:

> Any part of a rating unit that is used or occupied by any person, other than the ratepayer, having a right to use or inhabit that part by virtue of a tenancy, lease, licence or other agreement

> Any part or parts of a rating unit that is used or occupied by the ratepayer for more than one single use.

The following are considered to be separately used parts of a rating unit:

> Individual flats or apartments

> Separately leased commercial areas which are leased on a rating unit basis

> Vacant rating units

> Single rating units which contain multiple uses such as a shop with a dwelling or commercial activity with a dwelling

> A residential building or part of a residential building that is used, or can be used as an independent residence.

An independent residence is defined as a liveable space with its own kitchen, living and toilet/bathroom facilities that can be deemed to be a secondary unit to the main residence. Note: the definition of a kitchen comes from the District Plan.

The following are not considered to be separately used parts of a rating unit:

> A residential sleep-out or granny flat that does not meet the definition of an independent residence

> A hotel room with or without kitchen facilities

> A motel room with or without kitchen facilities

> Individual storage garages/sheds/portioned areas of a warehouse

> Individual offices or premises of business partners.

District Plan definition of a kitchen:
Means any space, facilities and surfaces for the storage, rinsing, preparation and/or cooking of food, the washing of utensils and the disposal of waste water, including a food preparation bench, sink, oven, stove, hot-plate or separate hob, refrigerator, dishwasher and other kitchen appliances.

Significant forecasting assumptions

Pūmāramarama matapae matua

An important part of preparing the Long Term Plan is making assumptions about the future. The Local Government Act 2002 requires that we identify the significant forecasting assumptions and risks underlying the Long Term Plan. For each assumption, we need to outline the level of uncertainty associated with it, the risks this uncertainty poses to the plan and the steps we are taking to mitigate these risks. These should be read in conjunction with the financial statements.

Significant forecasting assumption	Risk underlying the financial estimates	Level of uncertainty	Potential effects of uncertainty on financial estimates
Budgeted pricing for carbon credits will be consistent with current market prices.	The risk is that the targets for waste diversion that are set within the Waste Minimisation Strategy are not met, increasing the value of carbon credits due. Given proposed changes to the auction system within the Emissions Trading Scheme (ETS) and the forthcoming gas capture and destruction facility at the landfill site, there is a medium level of uncertainty around this assumption.	High	If carbon credits increase and/or decrease in value then budget can be adjusted accordingly. The risk factors remain the same in relation to the carbon credit cost. The risk associated with the total cost of the carbon credits have been mitigated to a large extent following the implementation of the gas capturing at the landfill site. ETF change from 0.95 to 0.27.
The effects of climate change will become increasingly pronounced across the period of the Long Term Plan, but will remain within the projections of regional climate model (RCM) simulations and the projected changes within the High Intensity Rainfall Design System (HIRDS). The anticipated changes across climate variables have been factored into the long-term infrastructure strategy and asset management programme, as well as being a key driver within emergency management planning, spatial planning, land-use policy planning, economic diversification planning, insurance management and community resilience development. Climate modelling data has also been utilised extensively within specific natural hazard projects across the district that are focussed on flooding risk (Glenorchy/Head of Lake Whakatipu), wildfire (Mt Iron and Ben Lomond Reserves) and debris flow. Although the projected impacts of climate change are expected to increase throughout this century, the rate of change across the next ten years is expected to remain within the scientific projections, and the impacts are assumed to not exceed those outlined in key studies such as *Bodeker Scientific - Climate change implications for the Queenstown Lakes District* or the Otago Climate Change Risk Assessment.	The risk is that the impacts of climate change significantly exceed the rate of resiliency investments (e.g. wildfire risk mitigations, flood risk investments, stormwater capacity upgrades, erosion protection, wharf refurbishments) or response capacity of Council (e.g. Emergency Operations Centre, Incident Management teams, Business Continuity teams). This may leave Council exposed to increased need for unbudgeted financial expenditure and a reduction or prolonged outage in levels of service.	High	If the impacts of climate change (either disruptive shocks or long-term stresses) significantly exceed projections then Council may be exposed to the following: > Increased levels of expenditure on council assets to counter the impacts of climate stress (e.g. increasing levels of heat, rainfall, erosion, snow loading) to maintain levels of service > Unbudgeted costs to repair or restore Council assets after are damaged from severe weather events > Unbudgeted operational expenditure to support the response and recovery from major emergency weather events > Reductions in council revenues from decreased or disrupted economic activity > Increased levels of expenditure to support increasingly complex land-use planning processes, including managed retreat from hazard prone or severely affected land.

Significant forecasting assumption	Risk underlying the financial estimates	Level of uncertainty	Potential effects of uncertainty on financial estimates
The region's unique ecosystems, characterised by alpine environments, lakes and native flora and fauna, are particularly vulnerable to the impacts of a changing climate. It is accepted that with a changing climate these local biodiversity and eco-systems will continue to be negatively impacted across the period of the Long Term Plan. However it is assumed that these negative biodiversity trends will not significantly exceed the projections within the Aoteraoa New Zealand Biodiversity Strategy- Te Mana o te Taiao or the Otago Climate Change Risk Assessment.	The risk is that an increasing rate of climate change will induce significant changes to the health of our environmental ecosystems. Healthy ecosystems provide a range of ecological benefits (e.g. supporting biodiversity, regulating and purifying our water system, sequestering carbon, cooling temperatures, nutrient cycling) as well as contributing to the economic productivity of a wide range of industries and sectors (e.g. farming, viticulture, tourism, environmental services).	High	The potential decline of iconic species, disruptions in local ecosystems, and the loss of biodiversity could result in economic losses to a wide range of businesses that are dependent on the unique natural environment of the Queenstown Lakes district. These losses would have a cascading impact on Council revenues and could also result in unforecasted expenditure associated with adaptive environmental measures (e.g. pest and predator control, reforestation investments) or significant environmental remediation responses.
It is assumed that the commitment to emissions reduction targets at both a national level (Climate Change Response (Zero Carbon) Amendment Act 2019) and a local level (44% reduction by 2030 against a 2019 baseline) will remain at a similar level throughout the duration of this Long Term Plan.	There is a risk that either a significant increase or decrease to these emissions targets would require a reprioritisation of emissions reduction investment programmes.	High	A major reprioritisation of emissions reduction investments would drive changes to the timing and scale of the capital and operational expenditure that is associated with the delivery of these programmes.
Demand projections are prepared by Council officers alongside external experts. They are assumed to be accurate as they are regularly reviewed and updated using the most current information. These projections are published on the QLDC website.[50]	Demand projections are used to inform revenue forecasts as well as planning for future services and infrastructure needed to support changing population needs over the term of the LTP. Therefore, the risk is that population and rating unit growth occurs at a higher or lower rate than the demand projections, impacting the deliverability of the CAPEX and OPEX programmes.	High	A significant or consistently higher rate may adversely affect the ability of the Council to deliver some services to existing service levels. A significant or consistently lower rate may adversely affect the ability of the Council to set rates at a level that is affordable to the community.

[50] https://www.qldc.govt.nz/community/population-and-demand/

Significant forecasting assumption	Risk underlying the financial estimates	Level of uncertainty	Potential effects of uncertainty on financial estimates
Demand projections are consistently applied across QLDC to inform all budgets and projects reliant or dependent on growth within this LTP.	If budgets for service delivery and infrastructure that are reliant or dependent on growth are not informed by demand projections, then these budgets are likely to plan for service delivery or infrastructure investment at levels that either over or under-supply the community.	Medium	Financial estimate accuracy likely to be adversely affected if budgets reliant or dependent on growth are not informed by demand projections.
The Council will retain a level of credit rating to allow access to the levels of borrowing needed to fund the LTP capital programme as it has been issued an AA- credit rating from Fitch Ratings. The level of this rating enables the Council to access more favourable borrowing terms (including a higher debt limit) with the LGFA.	The risk is that the Fitch rating is downgraded below the level required to maintain this higher level of debt.	Medium	This may result in the Council reaching its borrowing limits from the LGFA. A breach may require restructuring of debt and/or the repayment of debt.
The forecast receipts of dividends from Queenstown Airport Corporation are in line with the corporation's projections and dividend policy.	The risk is that the dividend receipts are not received as forecast.	Medium	This may result in reduced debt repayment as forecast, which may require restructuring of debt and/or the repayment of debt. Medium risk as QAC about to embark on a capex investment programme.
The Council requires a provision for the potential net settlement of all known claims where the Council is able to reliably measure its liability as a result of being a party to several claims arising from alleged building defects, including weathertightness issues. Any weathertightness claims received subsequent to 30 June 2009 are not covered by insurance. Other claims covered by insurance are subject to a cap as to the level of cover provided. It is assumed that there will be no further significant settlement obligations for weathertightness claims that have not been assessed at the time of preparing this LTP.	The risk is that the Council may be found liable in relation to future claims.	High	This could be significant and may adversely affect the ability of the Council to set rates at a level that is affordable to the community for that period.

Significant forecasting assumption	Risk underlying the financial estimates	Level of uncertainty	Potential effects of uncertainty on financial estimates
A major source of funding for our transportation network comes from NZ Transport Agency (NZTA) Waka Kotahi. It is assumed that a baseline level of funding will be subsidised by NZTA Waka Kotahi at a Funding Assistance Rate (FAR) of 51% for Years 1 to 3 for the operation, maintenance, and renewal of the existing roading network. Funding requests have been submitted for improvements that meet the national outcome priorities. This co-investment makes up a significant proportion of Council's overall transport programme. Co-investment is conditional on the planned transportation activities delivering national priorities and criteria. It is very important we work collaboratively with NZTA Waka Kotahi to deliver these national priorities. These are set every 3 years through the Government Policy Statement on Land Transport.	The risk is that there is reduced funding from NZTA Waka Kotahi due to unaligned priorities or that NZTA Waka Kotahi has insufficient funds to meet the council's request for funding.	High	Council would be required to reduce the transport programme due to insufficient funding.
Council is able to identify any local specific cost changes as inflation is included in financial forecasts and Council can therefore reprioritise the work programme if required to maintain consistency in levels of service. This is based on the inflation rates for the periods from the beginning of 2024/25 taken from the Local Government Cost Index (LGCI) prepared by BERL Economics as at October 2023 (e.g. movement from July 24-June 25 applied to year 1 budgets to obtain year 2 inflated budgets).	The risk is that actual inflation significantly differs from forecast inflation.	Medium	This could result in a higher or lower cost for both operational and capital expenditure. This may also affect consistency of levels of service to the community.
The majority of debt funding will continue to be available through the Local Government Funding Agency (LGFA), with a cumulative balance of $1.22B net debt by year 10.	The risk is that the LGFA cannot meet its obligations to lenders as a result of a default by a borrowing local authority on interest or principal payments to the LGFA. The Council no longer qualifies for LGFA funding.	Medium	This may result in the Council reaching its borrowing limits from the LGFA. A breach may require restructuring of debt and/or the repayment of debt.
The useful lifecycle and the value of each asset is assumed to be accurate as they have been determined by experienced and qualified asset valuers. Asset lifecycles are outlined in the Asset Management Plans and each asset category is reflected in the Statement of Accounting Policies.	The risk is that an asset's useful life may differ from assumptions made.	Medium	There will be increased capital and operational costs if the asset does not perform for as long as expected.

Significant forecasting assumption	Risk underlying the financial estimates	Level of uncertainty	Potential effects of uncertainty on financial estimates
QLDC will continue to work with central Government to progress the legislation to enable a visitor levy to be introduced. However, due to the need for future central Government decisions as to whether and when to progress this matter, no revenue from any potential future visitor levy is assumed.	If the assumption is incorrect and legislation is enacted by central Government which enables a Visitor Levy is able to be introduced by QLDC, this presents the opportunity to QLDC of an alternate revenue stream which could make reductions to other revenue streams such as rates possible.	Medium	This will significantly affect the ability to deliver the modelled capital programme. It will impact the level of rates the Council needs to set to continue to provide services.
Development contributions will align with infrastructure investment. The Council expects to collect 100% of the revenue indicated in the Development Contributions and Financial Contributions Policy for 2023/2024.	The risk is that projected revenue from development contributions is not sufficient to fund the growth portion of the forecast capital programme.	Low	The growth portion of the forecast capital programme will need to be remodelled.
Interest rates are expected to be 4.75% for year 1, 4.5% for years 2-4, 4.75% for years 5-6 and 5% for years 7-10 in line with interest rate forecast analysis provided by Bancorp, QLDC's treasury advisors.	The risk is that the rate of interest changes throughout the Long Term Plan, resulting in increased or decreased operational costs.	High	A significant or consistently higher interest rate may adversely affect the ability of the Council to deliver some services to existing service levels.
Investment property is forecast to increase in line with BERL property CPI, which is re-valued annually.	The risk that valuations continue to exceed BERL predictions on a local level will place increased cost pressure on insurance, depreciation and affordability.	High	This could be significant and may adversely affect the ability of the Council to set rates at a level that is affordable to the community.
Agreements will be successfully entered into with lenders to provide the necessary financing in relation to all covenants.	The risk is that the Council's external funding requirements and covenants are not met.	Medium	This could result in changes to operational expenditure due to increased lending rates and/or complexities with third party arrangements.
It is assumed that Council will earn at least a positive return on investment, between 62-78%, across the ten years of the LTP.	The Council bases its returns at prudent levels and the risk of returns going well below the estimated prudent levels over the ten year period is considered low.	Low	The effect of the risk is that the Council would obtain a lower return on its commercial property investments.

Significant forecasting assumption	Risk underlying the financial estimates	Level of uncertainty	Potential effects of uncertainty on financial estimates
Estimates have been made in relation to the revaluation of infrastructural assets beginning in 2024 and continuing on a regular annual review basis. The revaluation amount is based on an adjustment made to asset values for movements in costs for opening infrastructural values and capital additions made during intervening years.	The risk is that there may be a difference between the Council's forecast future value of assets and the actual valuation in the future, which may impact on the assets' operating cost.	High	The BERL price adjustors are the preferred indicators of price through the ten year forecast process and used extensively as an indication of future infrastructure asset values. The Council will review its budget annually through the Long Term Plan/Annual Plan process and may adjust work programmes and budgets where necessary to smooth any fluctuations in the Long Term Plan revaluation amounts.
Infrastructural assets are forecast to increase in line with BERL infrastructure CPI, which is re-valued annually.	The risk that valuations continue to exceed BERL predictions on a local level will place increased cost pressure on insurance, depreciation and affordability.	High	This could be significant and may adversely affect the ability of the Council to set rates at a level that is affordable to the community.
Vested asset estimates, which are based on average values for the past ten years and adjusted for inflation annually, are assumed to be accurate.	The risk is that the value of assets vested with the Council are less than that forecast, resulting in reduced capital revenue.	Medium	This could be significant and may adversely affect the ability of the Council to set rates at a level that is affordable to the community.
The proposed capital expenditure programme is achievable across three waters, transport, waste minimisation and management.	There is a risk that the capital expenditure programme will not be achieved due to changes in priorities, market forces, labour availability, policy settings, regulation, funding or the ability to secure necessary land or planning permissions.	High	This may affect consistency of levels of service to the community or by needing to defer projects.

Significant forecasting assumption	Risk underlying the financial estimates	Level of uncertainty	Potential effects of uncertainty on financial estimates
A number of resource consents for discharge to the environment will expire during the life of the plan. It is assumed they will be re-consented and new consents will be obtained and conditions met. Planning authorisations for other projects, particularly new roads, will consist of successfully acquiring the necessary designations or consents if they don't currently exist.	The risk is that a resource consent is not obtained or renewed or conditions imposed are unacceptable.	Medium	Decline of a new resource consent or designation or non-renewal of an existing major resource consent would have significant impacts on costs and the ability for the Council to provide that activity. The non-renewal of a major resource consent may mean an entirely new approach to the activity would be required because the existing activity would no longer be authorised under the RMA 1991. The decline of a new resource consent may delay a project and may require consideration of alternative options.
It is assumed that any necessary stormwater infrastructure required to service development within the Southern Corridor will be developer designed, funded and delivered in accordance with QLDC standards and directives.	There is a risk that, as planning progresses for the Southern Corridor, the need for QLDC to fund/deliver support for stormwater infrastructure is identified. There is no current provision proposed for stormwater infrastructure for the Southern Corridor.	Medium	If arrangements for funding the required infrastructure cannot be agreed with development parties, QLDC may need to (a) reprioritise other expenditure provisions to meet the expense, or (b) delay development of the affected area beyond currently anticipated timeframes.
It is assumed that forecast expenditure will adequately satisfy incoming expectations/requirements associated with Local Water Done Well, and for the purposes of planning, that QLDC will continue to deliver three waters services.	There is a risk that forecast expenditure is insufficient to meet new expectations/requirements, or that the service delivery model for three waters may change during the LTP period.	Medium	QLDC may need to adjust budget provisions to (a) ensure Local Water Done Well requirements are satisfied, or (b) reflect any agreed change to the three waters service delivery model.

Significant forecasting assumption	Risk underlying the financial estimates	Level of uncertainty	Potential effects of uncertainty on financial estimates
It is assumed that QLDC will continue to negotiate and enter into Development Agreements that provide for developer-delivered infrastructure assets necessary to (a) service growth, and (b) maintain/improve levels of service.	There is a risk that Agreements cannot be successfully negotiated within required timeframes. Conversely, there is an opportunity that Agreements for infrastructure QLDC presently plans to fund and deliver are negotiated successfully.	Medium	In the event anticipated Agreements cannot be negotiated, QLDC may need to (a) adjust budget provisions to enable assets to be funded and delivered by QLDC, or (b) accept impacts and risks associated with not providing the associated infrastructure. In the event unanticipated Agreements are negotiated, the budget provision associated with the corresponding infrastructure will no longer be required.
It is assumed that there is not a significant change in the way that people work and gather in the district.	The risk is that that new technologies or other factors will permanently disrupt established patterns for how people work and gather in the district.	Low	A significant change in the way people work or gather in the district would alter needs for infrastructure and services across the district.
Consent volumes will continue to increase proportionally with economic growth.	The risk is that resource and building consent volumes grow at a different rate than that assumed, resulting in over or understated operational revenue and expenditure.	Medium	If volumes grow more than expected, this may affect consistency of levels of service to the community.
Council will review its property portfolio to avoid holding unnecessary assets and where appropriate, some will be divested in some form during the period.	The risk is that the market may change resulting in any potential net gain being significantly less than expected. In this case we would not sell (waiting for a better time) and the asset would not realise the value expected.	Low	Low risk but a property downturn could lead to less return on disposal than anticipated.

Significant forecasting assumption	Risk underlying the financial estimates	Level of uncertainty	Potential effects of uncertainty on financial estimates
Relationships with key stakeholders such as international, national, central government, regional, local and industry groups, will be well maintained through robust management.	The risk is that key stakeholder relationships are eroded or not able to grow, inhibiting Council opportunity to access alternative delivery methods or funding streams, or work with developers to deliver on infrastructure needs in priority areas.	Medium	This could impact on the achievement of the LTP, particularly with regard to the Spatial Plan/FDS, or which projects and investments are given priority based on available and alternative funding or delivery options.
Any future government legislative, regulatory or policy changes will not significantly increase the Council's costs. All activities will be undertaken to comply with the legislation of the day.	The risk is that unforeseen legislation is introduced that significantly affects the Council's costs.	High	This could result in changes to assumptions for revenue, operational and capital expenditure. Where legislation requires Councils to provide additional services or increased levels of service, this may require cost recovery through increases to rates or user fees.
The electoral cycle will not influence the timing and prioritisation of decision making, because the Long Term Plan has been completed based on decisions already made.	The risk is that the electoral cycle generates change to capital and operational programmes, resulting in funding changes.	Low	This could result in changes to assumptions for revenue, operational and capital expenditure.
The electoral boundaries and numbers of elected members will be reviewed within the lifecycle of the plan, and there will be no change to electoral boundaries at a ward level or the boundaries of the district.	A change in size of the electoral boundaries and numbers of elected members may affect capital and operational programmes.	Low	Initiatives to either succeed parts of the district or to amalgamate with other districts driven locally or at a central government level could result in significant changes to CAPEX investment programmes, operating models, OPEX and levels of service.

Significant forecasting assumption	Risk underlying the financial estimates	Level of uncertainty	Potential effects of uncertainty on financial estimates
As a Tier 2 council, QLDC is committed to giving effect to the National Policy Statement on Urban Development (NPS-UD). Council has an existing Spatial Plan (QLSP) that was adopted by Council and endorsed by the Grow Well Whaiora Partnership in 2021. The QLSP is consistent with the 2021 housing and business development capacity assessment (HBA), having utilised the same growth assumptions. The QLSP responds to the 2021 HBA and the subsequent funding implications are reflected within the Long Term Plan 2024-2034. It should be noted that the QLSP is not a Future Development Strategy (FDS) as per the NPS-UD requirements. This is because the QLSP was prepared under the 2016 NPS-UDC. As such work is underway on the Spatial Plan Gen 2 (SPG2), which will be a compliant FDS. So, whilst the QLSP has informed the LTP, once the outcomes of the SPG2 are understood, any changes or additional requirements will be addressed through either the Annual Plan process or the 2027 LTP.	The QSLP/FDS is used to respond to growth and inform the LTP in order to plan and fund future services and infrastructure requirements to ensure that the infrastructure is in the right locations at the right times to achieve growth outcomes and create a well-functioning urban environment. The risks relating to being able to plan for growth, include: a) the impacts of growth are not understood b) inadequate planning c) higher than anticipated growth d) unexpected financial costs that impact budgets and other investment.	Low	The risks relating to not adequately planning for growth will, if realised, result in a lack of infrastructure servicing to the areas that need it, exacerbating issues relating to housing supply and affordability, as well as reducing employment opportunities and the ability to have a well-functioning urban environment.
QLDC will be able to employ the staff needed to meet business needs and service delivery.	The risk is that the Council will not be able to recruit and retain talent.	Medium	Increased reliance may be placed on contractors which may impact on operational expenditure.
There is sufficient capacity within the Council's workforce and the professional services and contractor market to undertake the capital programme.	There is a risk that a high level of forecast capital expenditure from other central and local government agencies in the upper North Island, which may place pressure on the professional services and contractor market availability in our district.	High	Impact could be high as budgets may not be sufficient to undertake the works as planned. The council has included a higher inflation rate in its budget (specifically forecast for the sub region by BERL) to mitigate this risk. Considerations such as natural disasters in other regions affects the supply and demand of professional services and contractors.

Significant forecasting assumption	Risk underlying the financial estimates	Level of uncertainty	Potential effects of uncertainty on financial estimates
Full Time Equivalent (FTE) employees are assumed to increase by 3.31% in year 1, 3.43% in year 2, and 1.22% in year 3. Growth of FTE numbers are assumed to align with Long Term Plan projections to year 10, with growth of 47.59 FTEs over the course of the whole 10 years.	The risk is that actual requirement for employees significantly differs from the forecast number of employees.	Medium	This would result in higher or lower cost for both operational and capital expenditure. This may affect consistency of levels of service to the community and may result in increased reliance on contractors which would also impact operational expenditure.
Capable staff may not always be readily available for employment, particularly in specialist roles. However, with effective recruitment and retention staff turnover will be maintained at under 20%.	The risk is that the Council will not be able to recruit and retain the right staff.	Medium	If the risk occurs then increased reliance may be placed on contractors which may impact on operational expenditure.
The Queenstown Lakes district has a highly active hazardscape making it vulnerable to a wide range of emergency events such as earthquakes, floods, wildfire or severe weather conditions. Although the frequency of severe weather emergency events is increasing with climate change, these events are not expected to exceed the capacity of Council to manage an effective response and recovery within the period of the Long Term Plan. However, the impact of a major earthquake e.g. Alpine Fault Magnitude 8 (AF8) would be catastrophic, and would likely overwhelm Council's response and recovery capacity due to the severe impacts on the community and the level of damage to all categories of infrastructure (roading, power, three waters, telecommunications, social) across the district. Although the projections for an AF8 event are high (75% probability within the next 50 years), it is assumed that this event will not occur within the ten years of the Long Term Plan. If it were to occur then it is assumed that a nationally coordinated multi-agency response would support the response and recovery for the district. It is also assumed that 60% of the cost associated with reinstating damage to Council's underground assets would be provided by the Government, with the remaining 40% covered by Council insurance.	There is a risk that if a major natural emergency event was to occur within the ten years of the plan, then Council would need to coordinate a significant reprioritisation of Council resourcing, operational expenditure and capital works planning, all within a significant constrained economic environment.	High	There is considerable uncertainty over the potential effects of a major natural emergency event on Council finances. It is accepted that a major event during the ten year plan period could lead to significant economic losses across a broad range of sectors which would heavily impact Council revenues. It is also accepted that a significant reprioritisation of Councils resourcing, operational expenditure and capital works programmes would need to be undertaken. Insurance claim management would be a critical area of focus. To ensure Council is well-informed on how much risk to transfer through insurance, loss modelling for the three waters network from a range of earthquake scenarios has been undertaken.

Section 5 – Our policies

Wāhaka 5 – Ō mātou kaupapa here

Introduction

Council is required by the Local Government Act 2002 (LGA) to review its Revenue and Financing Policy and its Significance and Engagement Policy and include them in its Long Term Plan.

The Revenue and Financing Policy sets out how Council will fund operating expenses and capital expenditure from listed sources (s.103(2) LGA).

The Significance and Engagement Policy outlines when and how Council will engage with communities, as well as how Council decides what is significant.

This section includes the policies that have guided our planning and decision-making as we developed this Long Term Plan.

Revenue and Financing Policy
Te Kaupapa Here Whiwhi Moni

Background

Section 102(4) (a) of the Local Government Act 2002 requires each Council to adopt a Revenue and Financing Policy, which must be adopted through the special consultation process.

Section 103 outlines that this policy must state the Council's policies in respect of the funding of both operating expenses and capital expenditure from listed sources, with the sources as outlined in section 103(2) being:

A General rates, including:
   i choice of valuation system;
   ii differential rating; and
   iii uniform annual general charges

B Targeted rates

C Fees and charges

D Interests and dividends from investments

E Borrowing

F Proceeds from asset sales

G Development contributions under the Local Government Act 2002

H Financial contributions under the Resource Management Act 1991

I Grants and subsidies

J Any other source.

Section 101(3) states that in identifying the appropriate sources, the Council must consider the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental and cultural wellbeing of the community. The Council must also consider with regards to each activity to be funded:

A The community outcomes to which the activity primarily contributes

B The distribution of benefits between the community as a whole, any identifiable part of the community and individuals

C The period in or over which those benefits are expected to occur

D The extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity

E The costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities.

The Council has undertaken several comprehensive reviews of its funding principles in the past through the development, adoption and review of its Revenue and Financing Policy.

[A] Funding sources - operational expenditure

The 'revenue' part of the title 'Revenue and Financing Policy' relates to funding of operating expenditure. The following sources of income are recognised in the operating statement:

RATES

A number of Council activities are funded by a combination of revenue types. The Council's practice is to initially account for income from fees and charges, and grants and subsidies, or other income sources. If the activity still requires additional funding, the remainder is funded by way of a rate which is applied to relevant properties within the district.

The Council will use a capital value rating system across the district. Capital value is preferred to land value because the Council believes that it generally provides a better surrogate for the allocation of cost for Council services. Rates are generally used where it is economically impractical to use fees and charges.

There are two classification types for rates:

> **General rates,** which include the uniform annual general charge (UAGC) and capital valued based rate

> **Targeted rates,** which include the capital value based roading rate, tourism promotion rate, governance rate, recreation and events rate, regulatory rate, water supply rate and stormwater rate, as well as fixed annual charges for sewerage, water supply, waste management, recreation and events, governance and regulatory, Queenstown Aquatic Centre, Wānaka Aquatic Centre, and sports, halls and libraries.

In the next section of the policy, 'Funding Operational Expenditure by Activity', the tables illustrate the outcome of the analysis undertaken by the Council in relation to Section 101 (3). The last table for each activity details how the activity is proposed to be funded. Generally, these tables show that where a private benefit exists, the cost of this is recovered by user fees or a targeted rate. The cost of public benefits is usually rate funded, with the general rate and a range of targeted capital value rates used to fund 'property'-related activities and the UAGC, fixed targeted annual charges and a range of targeted capital value rates used to fund 'people'-related activities.

FEES AND CHARGES

There is a wide range of revenue under this general title. Generally, the Council will look to use fees and charges to recover the 'private benefit' costs of a particular activity (see table on following page) if it is economically viable to do so.

GRANTS AND SUBSIDIES

Some activities of the Council qualify for a grant or subsidy from the Crown. In particular, the Council receives a subsidy from New Zealand Transport Agency Waka Kotahi (NZTA Waka Kotahi) for qualifying roading expenditure. Other smaller grants are also received from the Crown, for example the New Zealand Fire Service and Creative New Zealand.

INTEREST AND DIVIDENDS FROM INVESTMENTS

Interest income is recognised from all investment sources but is very minor. The majority of investment income is used to offset rates.

The Council receives a regular dividend from Queenstown Airport Corporation (QAC) via its 75.01% ownership stake. It is proposed to continue to utilise forecast dividends from QAC to repay generally-funded debt.

OTHER SOURCES OF INCOME

Other sources of income include parking infringement fines, petrol tax, rates penalties and concession income. Council is open to considering all alternative funding options/tools that may become available. This is a catch-all classification and the income is treated in the same way as fees and charges.

Council will also complete an annual user fees pricing review for consumer price index (CPI) adjustments and any other appropriate benchmarks.

FUNDING OPERATIONAL EXPENDITURE BY ACTIVITY

The tables in the following section illustrate the outcome of the analysis undertaken by the Council in relation to Section 101 (3). The first table in each activity analysis labelled ‘Community outcome’ shows the community outcomes to which each activity primarily contributes, and thereby satisfies the requirement of Section 101(3) (a) referred to in the background section. This table shows only the primary contributions, and it is acknowledged that some activities contribute to more outcomes than those shown.

The second table in each activity analysis labelled ‘Funding principles’ shows how the funding principles in Section 101(3) b) to e) above relate to the activity. This analysis assists the Council in determining which funding mechanisms are appropriate for each activity. Generally, those activities which score lower for user pays or for cost/benefit of separate funding are best funded by general rates, while those which score higher in those areas are best funded by user charges or targeted rates. The low/medium/high rating relates to the degree by which each activity conforms to the following economic principles:

1. Distribution of benefit – the degree to which benefits can be attributed to individuals/ groups rather than community as a whole
2. Period of benefit – the degree to which benefits can be attributed to future period
3. Extent of action/inaction – the degree to which action or inaction of group or individuals give rise to need for expenditure
4. Cost/benefit of separate funding – the degree to which cost and benefits justify separate funding of this activity.

The third table in each activity details how each activity is proposed to be funded. Generally, this table shows that where a private benefit exists, the cost of this is recovered by user fees or a targeted rate. The cost of public benefits is usually general rate funded, with the capital value rate used to fund ‘property’ related activities and the UAGC used to fund ‘people’ related activities.

GOVERNANCE

COMMUNITY LEADERSHIP

The community outcomes that this activity primarily contributes to:

- Thriving people | Whakapuāwai Hapori
- Living Te Ao Māori | Whakatinana i te ao Māori
- Pride in sharing our places | Kia noho tahi tātou katoa

This activity includes strategic planning and the setting of the overall direction by the Council, Community Board and various committees. This also includes all activities undertaken in relation to public involvement in the democratic process including elections, the holding of public meetings as well as the preparation of the statutory plans and reports, including the Council Community Plan, Annual Plan and Annual Report.

FUNDING PRINCIPLES				
Activity	**Distribution of Benefit (User Pays)**	**Period of Benefit (Intergenerational Equity)**	**Extent of Action/Inaction (Exacerbator Pays)**	**Cost/Benefit of Separate Funding**
Community Leadership	Low	Med	Low	Low

This activity is completely public good with no scope for user charges and will therefore be funded 80% from the district-wide targeted capital value based governance rate and 20% from the governance and regulatory charge.

Activity	**Economic Benefit Assessment**			**Funding Targets**		**Funding Mechanism**	
	Private	**Public**	**Exacerbator**	**Private**	**Public**	**Private**	**Public**
Community Leadership	0%	100%	0%	0%	100%	-	Gov Rate (80%)/Gov and Reg Chg (20%)

GOVERNANCE

COMMUNICATIONS

The community outcomes that this activity primarily contributes to:

- Thriving people | Whakapuāwai Hapori
- Living Te Ao Māori | Whakatinana i te ao Māori
- Disaster-defying resilience | He Hapori Aumangea
- Pride in sharing our places | Kia noho tahi tātou katoa

The purpose of this activity is to provide for the distribution of information to residents and ratepayers. It is also designed to help keep residents informed via social media, the Council newsletter 'Scuttlebutt' and the website.

FUNDING PRINCIPLES				
Activity	**Distribution of Benefit (User Pays)**	**Period of Benefit (Intergenerational Equity)**	**Extent of Action/Inaction (Exacerbator Pays)**	**Cost/Benefit of Separate Funding**
Community Development	Low	Low	Low	Low

This activity is largely public good and will therefore be funded 99% from the district-wide targeted capital value based governance rate and the governance and regulatory charge with the remainder provided by cost recoveries.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	**Public**	**Exacerbator**	**Private**	**Public**	**Private**	**Public**
Community Development	0%	100%	0%	1%	99%	Fees and Charges	Gov Rate (80%)/Gov and Reg Chg (20%)

ECONOMIC DEVELOPMENT

TOURISM PROMOTION

The community outcomes that this activity primarily contributes to:

- Thriving people | Whakapuāwai Hapori
- Opportunities for all | He ōhaka taurikura
- Pride in sharing our places | Kia noho tahi tātou katoa

The Council makes grants to ward-based promotion organisations which market the district as a visitor destination and therefore increase the economic benefits to the district from its major industry.

FUNDING PRINCIPLES				
Activity	**Distribution of Benefit (User Pays)**	**Period of Benefit (Intergenerational Equity)**	**Extent of Action/Inaction (Exacerbator Pays)**	**Cost/Benefit of Separate Funding**
Tourism Marketing	Low	Low	Low	Low

This activity exhibits a large degree of private benefit with a distinct group of beneficiaries and will be funded 95% from the targeted rate for rourism promotion based on capital value and applied on a ward basis, and 5% from the uniform annual general charge.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	**Public**	**Exacerbator**	**Private**	**Public**	**Private**	**Public**
Tourism Marketing	95%	5%	0%	95%	5%	Targeted CV Rate (Tourism Promotion)	UAGC

ECONOMIC DEVELOPMENT

COMMUNITY ASSETS

The community outcomes that this activity primarily contributes to:

Thriving people | Whakapuāwai Hapori

The Council is involved in these activities to provide the maximum possible return from the assets involved. This activity includes residential and commercial subdivisions, Queenstown Lakeview Holiday Park, leased camping grounds, Wānaka Airport, forests, rental housing, elderly person housing and road closing/legalisation. This activity also includes any undeveloped areas of land which will be maintained at a minimum level until decisions about their final use is made.

FUNDING PRINCIPLES				
Activity	Distribution of Benefit (User Pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Separate Funding
Community Assets	High	High	Low	High

This activity almost exclusively provides private goods to clearly distinct groups of beneficiaries and will be funded by user charges with any surplus derived used to reduce general rate requirement.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Community Assets	100%	0%	0%	100%	0%	Fees and Charges	-

COMMUNITY

LIBRARY SERVICES

The community outcomes that this activity primarily contributes to:

- Thriving people | Whakapuāwai Hapori
- Living Te Ao Māori | Whakatinana i te ao Māori
- Breathtaking creativity | Whakaohooho Auahataka

The purpose of this activity is to help meet the information, cultural, educational and recreational needs of its users in a timely, convenient and cost-effective manner. This is achieved through the joint management of libraries with the Central Otago district. There are seven libraries within the district: at Queenstown, Frankton, Arrowtown, Wānaka, Hāwea, Kingston and Glenorchy. The services include book and magazine loans, a reference and information service, compact disc and video rentals, and research. Other specialist services include a local history collection and special needs services, including large print and talking books and foreign language text. The libraries also hold community information and contact names and addresses.

FUNDING PRINCIPLES				
Activity	**Distribution of Benefit (User Pays)**	**Period of Benefit (Intergenerational Equity)**	**Extent of Action/Inaction (Exacerbator Pays)**	**Cost/Benefit of Separate Funding**
Library Services	Med	Low	Low	Low

This activity provides a relatively high degree of private good but there is also a significant element of public good. The Council wishes to encourage the use of library facilities and will therefore limit the user charge element to the minimum. The activity will therefore be funded 98% from the district-wide targeted fixed sports, halls and libraries charge and 2% from user charges for some specialised or high-demand services. The sports, halls and libraries charge will be targeted at properties with a residential component and not at businesses.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	**Public**	**Exacerbator**	**Private**	**Public**	**Private**	**Public**
Library Services	65%	35%	0%	2%	98%	Fees, Charges and Fines	Fixed Sports, Halls and Libraries Charge

COMMUNITY

COMMUNITY DEVELOPMENT

The community outcomes that this activity primarily contributes to:

- Thriving people | Whakapuāwai Hapori
- Opportunities for all | He ōhaka taurikura
- Breathtaking creativity | Whakaohooho Auahataka
- Pride in sharing our places | Kia noho tahi tātou katoa

The purpose of this activity is to promote economic development in the district by supporting a diverse and sustainable economy. This activity also helps keep residents informed of the recreational, social and cultural opportunities in the area and to assist groups in maximising the benefits they provide to the community. Assistance will also be provided to those seeking financial support from organisations other than the Council. This activity promotes a balanced portfolio of sporting, arts and cultural events that meet community objectives for the district. The Council is also directly involved in events, including programmes at New Year and the annual Christmas Show.

FUNDING PRINCIPLES				
Activity	**Distribution of Benefit (User Pays)**	**Period of Benefit (Intergenerational Equity)**	**Extent of Action/Inaction (Exacerbator Pays)**	**Cost/Benefit of Separate Funding**
Community Development	Low	Low	Low	Low

This activity is largely public good with for the recreational and cultural activities, and will therefore be funded 94% from the district-wide targeted capital value based recreation and recreation and events charge with the remainder provided by cost recoveries.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Community Development	0%	100%	0%	6%	94%	Fees and Charges	Rec and Events Rate (80%)/ Rec and Events Chg (20%)

COMMUNITY

COMMUNITY GRANTS

The community outcomes that this activity primarily contributes to:

Breathtaking creativity | Whakaohooho Auahataka

The purpose of this activity is the provision of grants to assist community groups to provide a range of activities and services in the district. These include the Lakes District Museum, Aspiring Arts Trust, Sports Central, the Whakatipu Trails Trust and various community associations.

FUNDING PRINCIPLES				
Activity	Distribution of Benefit (User Pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Separate Funding
Community Grants	Low	Low	Low	Low

This activity is largely public good with no scope for user charges and will therefore be 74% funded from the uniform annual general charge and 14% funded from the district-wide targeted capital value based recreation and events rate and recreation and events charge for the grants made to organisations for recreational purposes. This analysis relates to the cost of the activity after allowing for the receipt of grants by the Council in its role as agent.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Community Grants	0%	100%	0%	12%	88%	Crown Grants	Rec and Events Rate (11.2%)/ Rec and Events Chg (2.8%)/ UAGC (74%)

COMMUNITY

PUBLIC TOILETS

The community outcomes that this activity primarily contributes to:

- Thriving people | Whakapuāwai Hapori
- Disaster-defying resilience | He Hapori Aumangea

The purpose of this activity is to provide a range of public toilets throughout the district to meet the needs of locals and visitors. The principal objective is to protect the public environment through the provision of clean, accessible and conveniently-located public toilets.

FUNDING PRINCIPLES				
Activity	**Distribution of Benefit (User Pays)**	**Period of Benefit (Intergenerational Equity)**	**Extent of Action/Inaction (Exacerbator Pays)**	**Cost/Benefit of Separate Funding**
Public Toilets	Med	Med	Low	Low

This activity provides a relatively high degree of private good but there is also a significant element of public good. Council recognises that these facilities are used to a large degree by visitors to the district, and has considered the option of user charges but rejected this on the basis of efficiency. The activity will therefore be funded 100% from the district-wide targeted capital value based recreation and events rate and the recreation and events charge.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	**Public**	**Exacerbator**	**Private**	**Public**	**Private**	**Public**
Public Toilets	80%	20%	0%	0%	100%	-	Rec and Events Rate (80%)/ Rec and Events Chg (20%)

COMMUNITY

CEMETERIES

The community outcomes that this activity primarily contributes to:

Thriving people | Whakapuāwai Hapori

The purpose of this activity is to provide for cemeteries throughout the district. Services provided by the Council include areas for the burial of human remains, interment of human ashes, the maintenance of burial records and the maintenance of grounds.

FUNDING PRINCIPLES				
Activity	**Distribution of Benefit (User Pays)**	**Period of Benefit (Intergenerational Equity)**	**Extent of Action/Inaction (Exacerbator Pays)**	**Cost/Benefit of Separate Funding**
Cemeteries	High	Med	Low	Med

This activity provides a relatively high degree of private good but there is also a significant element of public good. This activity will therefore be funded 60% from user charges in the form of plot sales and burial fees, with the balance of 40% coming from the uniform annual general charge.

Activity	**Economic Benefit Assessment**			**Funding Targets**		**Funding Mechanism**	
	Private	**Public**	**Exacerbator**	**Private**	**Public**	**Private**	**Public**
Cemeteries	60%	40%	0%	60%	40%	Fees and Charges	UAGC

COMMUNITY

COMMUNITY FACILITIES

The community outcomes that this activity primarily contributes to:

- Thriving people | Whakapuāwai Hapori
- Breathtaking creativity | Whakaohooho Auahataka

The purpose of this activity is to help provide community halls, community swimming pools and other multi-use indoor facilities for the district. This includes the facilities at the Queenstown Events Centre, Wānaka Recreation Centre, Lake Wānaka Centre, Memorial Hall, Lake Hayes Pavilion, Arrowtown Hall, Arrowtown Pool and Wānaka Community Pool. The Queenstown and Wānaka Aquatic Centres are included in a separate activity – Aquatics (see below).

FUNDING PRINCIPLES				
Activity	**Distribution of Benefit (User Pays)**	**Period of Benefit (Intergenerational Equity)**	**Extent of Action/Inaction (Exacerbator Pays)**	**Cost/Benefit of Separate Funding**
Community Facilities	High	Med	Low	Med

This activity provides a relatively high degree of private good but there is also a significant element of public good. Council wishes to encourage the use of community facilities and will therefore limit the user charge element to 40%. The Council has also determined that it will not seek to fund the depreciation expense associated with these assets. The activity will therefore be funded 60% from the district-wide targeted fixed sports, halls and libraries charge and 40% from user charges. The sports, halls and libraries charge will be targeted at properties with a residential component and not at businesses.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	**Public**	**Exacerbator**	**Private**	**Public**	**Private**	**Public**
Community Facilities	70%	30%	0%	40%	60%	Fees and Charges	Fixed Sports, Halls and Libraries Charge

COMMUNITY

AQUATICS

The community outcomes that this activity primarily contributes to:

Thriving people | Whakapuāwai Hapori

The purpose of this activity is to help provide indoor aquatic facilities for the district. This includes the Queenstown Aquatic Centre (Alpine Aqualand) and the new Wānaka Aquatic Centre.

FUNDING PRINCIPLES				
Activity	**Distribution of Benefit (User Pays)**	**Period of Benefit (Intergenerational Equity)**	**Extent of Action/Inaction (Exacerbator Pays)**	**Cost/Benefit of Separate Funding**
Aquatics	High	High	Low	Med

This activity provides a relatively high degree of private good but there is also a significant element of public good. The Council wishes to encourage the use of aquatic facilities and will therefore limit the user charge element to 45%. This is lower than the original feasibility report which indicated that 60% of operational costs should be recovered from users directly. The Council has also determined that it will not seek to fund the depreciation expense associated with these assets.

This activity will therefore be funded 55% from the ward-based aquatic centre charges only and 45% from user charges. The aquatic centre charge will be targeted at properties with a residential component and not at businesses.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	**Public**	**Exacerbator**	**Private**	**Public**	**Private**	**Public**
Aquatics	70%	30%	0%	45%	55%	Fees and Charges	Fixed Aquatics Charge (100%)

COMMUNITY

WATERWAYS FACILITIES

The community outcomes that this activity primarily contributes to:

Thriving people | Whakapuāwai Hapori

The purpose of this activity is to help provide affordable and accessible water-based recreation facilities throughout the district that may also be used by commercial operators. This activity includes the maintenance and development of Council-owned waterways facilities including ramps, jetties and marinas. This does not include facilities which are attached to Council land but owned by other organisations, i.e. yacht clubs, individuals or companies, nor does it include facilities that are leased out, such as the Queenstown Main Town Pier.

FUNDING PRINCIPLES				
Activity	**Distribution of Benefit (User Pays)**	**Period of Benefit (Intergenerational Equity)**	**Extent of Action/Inaction (Exacerbator Pays)**	**Cost/Benefit of Separate Funding**
Waterways Facilities	High	Med	Low	Med

It is recognised that there are real difficulties in terms of designing an effective and efficient regime for the collection of boating user fees and that we must rely on our local bylaw for fees. Accordingly, this activity will be funded 10% from user charges with the balance of 90% coming from the revenue generated from waterways-based concessions.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	**Public**	**Exacerbator**	**Private**	**Public**	**Private**	**Public**
Waterways Facilities	90%	10%	0%	10%	90%	Fees and Charges	Waterways Concession

COMMUNITY

PARKS AND RECREATION FACILITIES

The community outcomes that this activity primarily contributes to:

- Thriving people | Whakapuāwai Hapori
- Breathtaking creativity | Whakaohooho Auahataka
- Deafening dawn chorus | Waraki

The purpose of the activity is to help provide affordable and accessible recreation facilities throughout the district. This includes the maintenance and development of primarily outdoor recreation facilities that are owned by the Council. This activity includes most items that are traditionally called parks and reserves and covers the maintenance and development of outdoor passive recreation areas, as well as sports fields, playgrounds and the trail network.

This activity does not include facilities which are on Council land, but are owned by other organisations, i.e. some bowling, tennis and golf clubs. Multi-use indoor facilities are covered in the Community Facilities activity.

FUNDING PRINCIPLES				
Activity	**Distribution of Benefit (User Pays)**	**Period of Benefit (Intergenerational Equity)**	**Extent of Action/Inaction (Exacerbator Pays)**	**Cost/Benefit of Separate Funding**
Parks and Recreation Facilities	Low	Med	Low	Low

The analysis delivers a funding target of 2% for user fees with the balance of 18% (for the private funding target) being met from commercial lease income derived from reserves. This leaves 80% recovered from the district-wide targeted fixed sports, halls and libraries charge: 30% for sports fields and 50% from the district-wide targeted capital value based recreation and events rate and the recreation and events charge.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	**Public**	**Exacerbator**	**Private**	**Public**	**Private**	**Public**
Parks and Recreation Facilities	35%	65%	0%	20%	80%	Lease Income (18%) / Fees and Charges (2%)	Fixed Sports, Halls and Libraries Charge (30%) / Rec and Events Rate (40%) / Rec and Events Chg (10%)

ENVIRONMENTAL MANAGEMENT

DISTRICT PLAN

The community outcomes that this activity primarily contributes to:

- Living Te Ao Māori | Whakatinana i te ao Māori
- Deafening dawn chorus | Waraki

This activity includes work on the development, adoption and refinement of the District Plan. (Note that processing of resource consents is covered under Regulatory Services.) The objectives of the District Plan are set out in the Resource Management Act: “The establishment, implementation and review of the objectives, policies and methods of achieving integrated management of the effects of the use, development or management of land and associated natural and physical resources of the district.”

FUNDING PRINCIPLES				
Activity	**Distribution of Benefit (User Pays)**	**Period of Benefit (Intergenerational Equity)**	**Extent of Action/Inaction (Exacerbator Pays)**	**Cost/Benefit of Separate Funding**
District Plan	Low	High	Med	Low

This activity is largely public good with some scope for user charges (private plan changes and District Plan sales). The balance of the cost of this activity will be funded from the proposed district-wide targeted capital value based regulatory rate and the governance and regulatory charge.

Activity	**Economic Benefit Assessment**			**Funding Targets**		**Funding Mechanism**	
	Private	**Public**	**Exacerbator**	**Private**	**Public**	**Private**	**Public**
District Plan	5%	95%	0%	5%	95%	Fees and Charges	Regulatory CV Rate / Reg Chg

ENVIRONMENTAL MANAGEMENT

RESOURCE CONSENT ADMINISTRATION

The community outcomes that this activity primarily contributes to:

- Deafening dawn chorus | Waraki
- Zero carbon communities | Parakore hapori

This activity includes all aspects of the resource consent process, including receiving and processing the applications, managing files, monitoring consents and responding to public enquiries.

FUNDING PRINCIPLES				
Activity	**Distribution of Benefit (User Pays)**	**Period of Benefit (Intergenerational Equity)**	**Extent of Action/Inaction (Exacerbator Pays)**	**Cost/Benefit of Separate Funding**
Resource Consent Administration	Low	High	Med	Low

The private benefit element of resource consent processing activities (assessed at 80%) will be funded from user charges, with the public element funded from the proposed district-wide targeted capital value based regulatory rate and the governance and regulatory charge.

Activity	**Economic Benefit Assessment**			**Funding Targets**		**Funding Mechanism**	
	Private	**Public**	**Exacerbator**	**Private**	**Public**	**Private**	**Public**
Resource Consent Administration	80%	20%	0%	80%	20%	Fees and Charges	Regulatory CV Rate / Reg Chg

ENVIRONMENTAL MANAGEMENT

BUILDING CONSENT ADMINISTRATION

The community outcomes that this activity primarily contributes to:

- Thriving people | Whakapuāwai Hapori
- Zero carbon communities | Parakore hapori

This activity includes all aspects of the building consent process, including receiving and processing applications, managing files, inspecting building work, issuing PIMS and LIMs, and responding to public enquiries.

FUNDING PRINCIPLES				
Activity	**Distribution of Benefit (User Pays)**	**Period of Benefit (Intergenerational Equity)**	**Extent of Action/Inaction (Exacerbator Pays)**	**Cost/Benefit of Separate Funding**
Building Consent Administration	High	Med	Med	High

The private benefit element of building consent processing activities (assessed at 80%) will be funded from user charges, with the public element funded from the proposed district-wide targeted capital value based regulatory rate and the governance and regulatory charge. The exacerbator factor reflects the time and cost incurred in managing weather-tightness claims.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	**Public**	**Exacerbator**	**Private**	**Public**	**Private**	**Public**
Building Consent Administration	80%	5%	15%	80%	20%	Application Fees and Hourly Charges	Regulatory CV Rate / Reg Chg

ENVIRONMENTAL MANAGEMENT

BYLAW AND GENERAL ENFORCEMENT

The community outcomes that this activity primarily contributes to:

- Thriving people | Whakapuāwai Hapori
- Deafening dawn chorus | Waraki

This activity includes the management and enforcement of the Council bylaws, managing files, issuing permits and responding to public enquiries.

FUNDING PRINCIPLES				
Activity	**Distribution of Benefit (User Pays)**	**Period of Benefit (Intergenerational Equity)**	**Extent of Action/Inaction (Exacerbator Pays)**	**Cost/Benefit of Separate Funding**
Bylaw and General Enforcement	High	Low	High	Med

This activity provides some degree of private good but there is also a significant element of public good and exacerbator factor. The private benefit element of bylaw and enforcement activities (assessed at 40%) will be funded from user charges, with the public element funded from the proposed district-wide targeted capital value based regulatory rate and the governance and regulatory charge.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Bylaw and General Enforcement	25%	50%	25%	40%	60%	Permit Fees and Hourly Charges	Reg Rate (80%)/Reg Chg (20%)

ENVIRONMENTAL MANAGEMENT

PARKING ADMINISTRATION

The community outcomes that this activity primarily contributes to:

Thriving people | Whakapuāwai Hapori

This activity includes the patrolling of all designated, time-restricted and metered areas in Queenstown, Wānaka and Arrowtown and other general patrolling, managing files, issuing and processing of parking infringement notices, and responding to public enquiries.

FUNDING PRINCIPLES				
Activity	**Distribution of Benefit (User Pays)**	**Period of Benefit (Intergenerational Equity)**	**Extent of Action/Inaction (Exacerbator Pays)**	**Cost/Benefit of Separate Funding**
Parking Administration	Med	Low	High	Med

The private benefit element of parking administration activities (assessed at 100%) will be funded from infringement fees and user charges.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	**Public**	**Exacerbator**	**Private**	**Public**	**Private**	**Public**
Parking Administration	15%	15%	70%	100%	0%	Infringement Fines and Rental Charges	N/A

ENVIRONMENTAL MANAGEMENT

ENVIRONMENTAL HEALTH

The community outcomes that this activity primarily contributes to:

Thriving people | Whakapuāwai Hapori

This activity includes the inspection and licensing of premises involved in the manufacture, preparation and sale of food, as well as hairdressers, mortuaries, camping grounds, winemakers etc. It also involves managing files, the investigation and enforcement of public health issues, and responding to public enquiries.

FUNDING PRINCIPLES				
Activity	**Distribution of Benefit (User Pays)**	**Period of Benefit (Intergenerational Equity)**	**Extent of Action/Inaction (Exacerbator Pays)**	**Cost/Benefit of Separate Funding**
Environmental Health	High	Low	Med	High

This activity provides some degree of private good but there is also a significant element of public good. Environmental Health will therefore be funded 70% from user charges and 30% from the district-wide targeted capital value based regulatory rate and the governance and regulatory charge.

Activity	**Economic Benefit Assessment**			**Funding Targets**		**Funding Mechanism**	
	Private	**Public**	**Exacerbator**	**Private**	**Public**	**Private**	**Public**
Environmental Health	60%	30%	10%	70%	30%	Certification Fees and Hourly Charges	Reg Rate (80%) / Reg Chg (20%)

ENVIRONMENTAL MANAGEMENT

LIQUOR LICENSING

The community outcomes that this activity primarily contributes to:

Thriving people | Whakapuāwai Hapori

This activity includes the inspection, monitoring and licensing of premises involved in the sale of liquor, managing files, the issuing and renewal of licences and certificates, and responding to public enquiries.

FUNDING PRINCIPLES				
Activity	Distribution of Benefit (User Pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Separate Funding
Liquor Licensing	High	Low	Med	High

This activity provides some degree of private good but there is also an element of public good and exacerbator factor. Liquor licensing will therefore be funded 70% from user charges and 30% from the district-wide targeted capital value based regulatory rate and the governance and regulatory charge.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Liquor Licensing	60%	30%	10%	70%	30%	Licensing and Certification Fees and Hourly Charges	Reg Rate (80%) / Reg Chg (20%)

ENVIRONMENTAL MANAGEMENT

ANIMAL CONTROL

The community outcomes that this activity primarily contributes to:

- Thriving people | Whakapuāwai Hapori
- Pride in sharing our places | Kia noho tahi tātou katoa

This activity includes provision of animal ranger services including impounding, managing files, the disposal of animals and responding to public enquiries.

FUNDING PRINCIPLES				
Activity	**Distribution of Benefit (User Pays)**	**Period of Benefit (Intergenerational Equity)**	**Extent of Action/Inaction (Exacerbator Pays)**	**Cost/Benefit of Separate Funding**
Animal Control	Med	Low	High	High

This activity provides some degree of private good but there is also a significant element of public good and a significant exacerbator factor. Animal Control will therefore be funded 70% from registration fees and impounding charges and 30% from the district-wide targeted capital value based regulatory rate and the governance and regulatory charge.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	**Public**	**Exacerbator**	**Private**	**Public**	**Private**	**Public**
Animal Control	10%	30%	60%	70%	30%	Registration and Impound Fees	Reg Rate (80%) / Reg Chg (20%)

ENVIRONMENTAL MANAGEMENT

WATERWAYS CONTROL

The community outcomes that this activity primarily contributes to:

Deafening dawn chorus | Waraki

The purpose of this activity is to control waterway-based activities in the district. This is achieved under the Waterways Bylaw through the activities of the Harbourmaster in the inspection, enforcement and promotion of the safe use of local waterways.

FUNDING PRINCIPLES				
Activity	Distribution of Benefit (User Pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Separate Funding
Waterways Control	Med	Low	Med	Med

This activity provides some degree of private good but there is also a significant element of public good. Waterways Control will therefore be funded from user charges under the bylaw as far as practicable (estimated at 6%), and thereafter from the revenue generated from waterways-based concessions.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Waterways Control	35%	65%	0%	6%	94%	Fees and Charges	Waterways Concession

ENVIRONMENTAL MANAGEMENT

EMERGENCY MANAGEMENT

The community outcomes that this activity primarily contributes to:

Disaster-defying resilience | He Hapori Aumangea

The purpose of this activity is to ensure the district is prepared to respond appropriately to civil defence emergencies by having appropriate plans and procedures in place. This is primarily achieved by the development of a Civil Defence Plan and the establishment and maintenance of required communications and other infrastructure. There are also arrangements in place to ensure additional trained resources are available when required.

FUNDING PRINCIPLES				
Activity	Distribution of Benefit (User Pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Separate Funding
Emergency Management	Low	Low	Med	Low

This activity is largely public good with no scope for user charges and will therefore be funded by the capital value based general rate. This analysis relates to the cost of the activity after allowing for any central government subsidies in this area (estimated at 30%).

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Emergency Management	0%	100%	0%	0%	100%	-	General CV Rate (70%) / Grants (30%)

ENVIRONMENTAL MANAGEMENT

LANDFILL PROVISION AND MANAGEMENT

The community outcomes that this activity primarily contributes to:

- Deafening dawn chorus | Waraki
- Zero carbon communities | Parakore hapori

The purpose of this activity is to provide facilities for recycling and disposing of solid waste and the provision of hazardous waste facilities for the district in accordance with Otago Regional Council and environmental requirements. This activity includes the operation of one sanitary landfill, and transfer stations in Queenstown and Wānaka. In addition, the Council is required to monitor and rehabilitate its disused landfill sites at Hāwea, Tuckers Beach, Wānaka, Kingston, Glenorchy and Makarora.

FUNDING PRINCIPLES				
Activity	**Distribution of Benefit (User Pays)**	**Period of Benefit (Intergenerational Equity)**	**Extent of Action/Inaction (Exacerbator Pays)**	**Cost/Benefit of Separate Funding**
Landfill Provision and Management	Med	High	High	Med

This activity provides some degree of private good but there is also a significant element of public good and exacerbator factor. This activity will therefore be funded 75% from user charges in the form of transfer station fees and disposal fees (excluding landfill levy), with 25% coming from the targeted fixed waste nanagement charge.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Landfill Provision and Management	70%	20%	10%	75%	25%	Fees and Charges	Waste Management Charge (25%)

ENVIRONMENTAL MANAGEMENT

REFUSE COLLECTION

The community outcomes that this activity primarily contributes to:

- Deafening dawn chorus | Waraki
- Zero carbon communities | Parakore hapori

The purpose of this activity is to provide a kerbside recycling and residual waste collection service for residential properties in Queenstown, Arrowtown, Glenorchy, Kingston, Wānaka, Hāwea, Albert Town, Luggate and Makarora.

FUNDING PRINCIPLES				
Activity	**Distribution of Benefit (User Pays)**	**Period of Benefit (Intergenerational Equity)**	**Extent of Action/Inaction (Exacerbator Pays)**	**Cost/Benefit of Separate Funding**
Refuse Collection	High	Low	Med	High

This activity is largely private good but is provided through a rate-funded universal contract and will therefore be funded 100% from the waste management charge.

Activity	**Economic Benefit Assessment**			**Funding Targets**		**Funding Mechanism**	
	Private	**Public**	**Exacerbator**	**Private**	**Public**	**Private**	**Public**
Refuse Collection	90%	10%	0%	100%	0%	Waste Management Charge	-

UTILITIES

WATER SUPPLY

The community outcomes that this activity primarily contributes to:

- Deafening dawn chorus | Waraki
- Disaster-defying resilience | He Hapori Aumangea

The purpose of this activity is to provide reliable, high quality water supplies for domestic and commercial consumers and for firefighting purposes. The Council has provided water schemes in Queenstown, Arrowtown, Glenorchy, Lake Hayes, Arthurs Point, Wānaka, Hāwea, Albert Town, Cardrona, Luggate and Kingston.

FUNDING PRINCIPLES				
Activity	Distribution of Benefit (User Pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Separate Funding
Water Supply	High	High	Med	High

This activity is largely private good in nature and the Council recognises that the best way of recovering cost would be via volumetric charges and water meters. However, the costs of introducing such a system are seen as prohibitive at present. This activity will therefore be funded 40% from the targeted uniform rate (water) which will be charged to all serviceable properties in the nature of a supply charge, and 60% from a targeted water rate based on capital value and applied on a scheme basis to all properties connected to the public water supply.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Water Supply	90%	10%	0%	100%	0%	Targeted Uniform Rate (water) / Targeted CV Rate (water)	-

UTILITIES

STORMWATER

The community outcomes that this activity primarily contributes to:

Deafening dawn chorus | Waraki
Disaster-defying resilience | He Hapori Aumangea

The primary purpose is to provide reliable and efficient stormwater collection and disposal systems from buildings and land in Queenstown, Arrowtown, Glenorchy, Wānaka, Hāwea, Albert Town and Kingston.

FUNDING PRINCIPLES				
Activity	**Distribution of Benefit (User Pays)**	**Period of Benefit (Intergenerational Equity)**	**Extent of Action/Inaction (Exacerbator Pays)**	**Cost/Benefit of Separate Funding**
Stormwater	Low	Med	Med	Med

This activity is largely public good in nature and will therefore be funded 100% from a targeted stormwater rate based on capital value and applied on a ward basis to all urban properties.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	**Public**	**Exacerbator**	**Private**	**Public**	**Private**	**Public**
Stormwater	0%	100%	0%	0%	100%	-	Stormwater CV Rate/ Waterways concession

UTILITIES

WASTEWATER

The community outcomes that this activity primarily contributes to:

- Deafening dawn chorus | Waraki
- Disaster-defying resilience | He Hapori Aumangea

The primary purpose is to provide reliable and efficient sewage collection, treatment and disposal systems that meet all discharge consent conditions. Sewerage schemes are provided in Queenstown, Arrowtown, Arthurs Point, Wānaka, Hāwea, Albert Town, Cardrona, Luggate Lake Hayes and Kingston, with feasibility studies underway for Glenorchy.

FUNDING PRINCIPLES				
Activity	Distribution of Benefit (User Pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Separate Funding
Wastewater	High	High	Med	High

This activity is largely private good and the operational costs will therefore be funded by a targeted uniform sewerage charge, which is charged out on the basis of the number of connected pans/urinals within the property. A rating unit used primarily as a residence for one household shall be deemed to have not more than one pan/urinal in accordance with the Local Government (Rating) Act 2002. Remission policies have been developed in relation to the application of this rate to businesses with multiple connections and to various non-profit organisations.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Wastewater	90%	10%	0%	100%	0%	Sewerage Charge	-

ROADING AND FOOTPATHS

TOWN CENTRES

The community outcomes that this activity primarily contributes to:

- Thriving people | Whakapuāwai Hapori
- Zero carbon communities | Parakore hapori

The purpose of this activity is to provide attractive and safe town centres that are well maintained and developed to meet the changing needs of the district. This includes the maintenance and development of street furniture, specialised lighting, signage and other facilities that contribute to the atmosphere of the town centres. It also includes street cleaning in these areas. This is considered a separate activity as the requirements of these areas are significantly different to those of an urban street.

FUNDING PRINCIPLES				
Activity	**Distribution of Benefit (User Pays)**	**Period of Benefit (Intergenerational Equity)**	**Extent of Action/Inaction (Exacerbator Pays)**	**Cost/Benefit of Separate Funding**
Town Centres	Med	Med	High	Med

This activity provides some degree of private good but there is also a significant element of public good. After allowing for any New Zealand Transport Agency Waka Kotahi subsidy, this activity will be funded 100% from a targeted roading rate based on capital value and applied on a ward basis to all properties.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	**Public**	**Exacerbator**	**Private**	**Public**	**Private**	**Public**
Town Centres	50%	50%	0%	50%	50%	Roading CV Rate	Roading CV Rate

ROADING AND FOOTPATHS

PARKING FACILITIES

The community outcomes that this activity primarily contributes to:

Thriving people
| Whakapuāwai Hapori

The objective of this activity is to provide a range of on- and off-street parking in the town centres of the district. The enforcement of parking and other restrictions is covered as a separate activity within Regulatory Services.

FUNDING PRINCIPLES				
Activity	**Distribution of Benefit (User Pays)**	**Period of Benefit (Intergenerational Equity)**	**Extent of Action/Inaction (Exacerbator Pays)**	**Cost/Benefit of Separate Funding**
Parking Facilities	High	Med	Med	High

This activity provides a large degree of private good but there is also a minor element of public good. This activity will therefore be funded 100% from user charges.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	**Public**	**Exacerbator**	**Private**	**Public**	**Private**	**Public**
Parking Facilities	80%	20%	0%	100%	0%	Fees and Charges	-

ROADING AND FOOTPATHS

ROADING

The community outcomes that this activity primarily contributes to:

- Thriving people | Whakapuāwai Hapori
- Zero carbon communities | Parakore hapori

The purpose of this activity is to provide a reliable, efficient and safe roading network that is well maintained and developed to meet the changing needs of the district. This covers all the requirements of a ‘boundary to boundary’ corridor and includes pavement, footpath and bridge maintenance and development. It also includes traffic safety services such as road marking, sign posting, street lighting and accident response. It does not include the items covered under the town centre activity.

FUNDING PRINCIPLES				
Activity	Distribution of Benefit (User Pays)	Period of Benefit (Intergenerational Equity)	Extent of Action/Inaction (Exacerbator Pays)	Cost/Benefit of Separate Funding
Roading	Low	Med	High	Med

This activity provides some degree of private good but there is also a significant element of public good and exacerbator factor. After allowing for any New Zealand Transport Agency Waka Kotahi subsidy and petrol tax (estimated at 45%), this activity will be funded from a targeted roading rate based on capital value and applied on a ward basis to all properties.

Activity	Economic Benefit Assessment			Funding Targets		Funding Mechanism	
	Private	Public	Exacerbator	Private	Public	Private	Public
Roading	50%	20%	30%	45%	55%	NZTA Subsidy / Petrol Tax	Roading CV Rate

[B] Funding sources - capital expenditure

Funding to pay for new assets will come from a mix of borrowing, development or financial contributions, grants and subsidies, capital revenue, and reserves and asset sales. Generally, the costs of new assets will not be met from rates, however a portion of the costs of servicing loans will be funded from rates.

Funding for new capital works will depend on the nature of the work, in particular the reasons (cost drivers) which have made the work necessary. There are three main cost drivers recognised by Council:

> Growth

> Level of service shift

> Renewal.

[A] CAPITAL EXPENDITURE DUE TO GROWTH

The Queenstown Lakes district has experienced significant growth in its resident population, visitors, housing and commercial development, and local economy. This growth generates high levels of subdivision and development activity which place increasing pressure on the assets and services provided by Council. Significant investment in additional assets and services is therefore required to meet the demands of growth. The Council intends to fund the portion of capital expenditure that is attributable to growth from development contributions wherever it is reasonable to do so. In cases where Council is unable to fund the construction of new infrastructure to support growth within optimal timeframes, Council will look to accelerate the delivery through the use of third-party financing, as provided for under new legislation Infrastructure Funding and Financing Act (IFFA).

The Council considers that development contributions are the best mechanism available to ensure the cost of growth (net of any external funding) is funded by those who have created the need for that cost. The Council considers it inappropriate to burden the community as a whole, by way of rating or other payment means, to meet the cost of growth. The Council has adopted a Policy on Development Contributions (DC Policy) as part of the Ten Year Plan since 2004. This is updated on a three-yearly basis.

The types of assets included in the DC Policy are:

> network infrastructure for water supplies, wastewater, stormwater and roading

> community infrastructure, including the development and acquisition of reserve land to use as reserve and the facilities needed on that reserve; and other public amenities such as halls, libraries, public toilets, parking facilities and the like.

Section 101(3) of the LGA 2002 requires that the following be considered:

The funding needs of the local authority must be met from those sources that the local authority determines to be appropriate, following consideration of:

(i) the community outcomes to which the activity primarily contributes

(ii) the distribution of benefits between the community as a whole, any identifiable part of the community and individuals

(iii) the period in or over which those benefits are expected to occur

(iv) the extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity

(v) the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities

(vi) the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental and cultural wellbeing of the community.

Responses to these requirements in relation to the Development Contributions and Financial Contributions Policy are:

(i) Community outcomes

This policy contributes to:

- sustainable growth management
- the protection of world class landscapes
- appropriate public access
- effective and efficient infrastructure
- effective and efficient community facilities
- quality built environments that meet local needs and respect the local character.

(ii) Distribution of benefits

The Council apportions all capital expenditure into the classifications of growth, renewal, level of service and statutory obligations by the geographic areas of benefit. This apportionment represents the distribution of benefit to the community as a whole, to identifiable parts of the community and to individuals.

(iii) Period over which the benefits are expected to occur

Once a development or financial contribution has been paid in relation to a subdivision or development, the benefits of the asset, service or environmental enhancement shall occur indefinitely (at a set level of service for that asset, service or environmental enhancement as defined at any one time).

(iv) Action or inaction that contributes to the need for this activity

The provision of assets, services or environmental standards that promote the community outcomes may not be willingly provided by the development community. In addition, the Council is often the only viable supplier (often legally required to provide services) of these services, and therefore Council has a moral and legal obligation to supply additional assets and services to meet new community needs.

(v) Costs and benefits of funding this activity (development and financial contributions)

The benefits to the existing community are significantly greater than the cost of policy making, calculations, collection, accounting and distribution of funding for development and financial contributions.

(iv) Allocation of liability for revenue needs

The liability for revenue falls directly with the development community. At the effective date of this Policy, the Council does not perceive any impact on the social, economic, environmental and cultural wellbeing of this particular sector of the community. At any stage in the future where there may be impacts of this nature, the Council may revisit this policy.

The types of assets included in the Development Contribution Policy are:

- network infrastructure for water supplies, wastewater, stormwater and roading
- reserve land
- community infrastructure, including the development and acquisition of reserve land to use as reserve and the facilities needed on that reserve; and other public amenities such as halls, libraries, public toilets, parking facilities and the like.

Funding sources for growth capital expenditure in order of priority:

i. Development contributions or, where appropriate, IFFA
ii. Capital grants and subsidies attributable to growth portion
iii. Borrowing.

[B] CAPITAL EXPENDITURE DUE TO SHIFTS IN LEVELS OF SERVICE, STATUTORY REQUIREMENTS OR OTHER REASONS BUT NOT INCLUDING GROWTH OR RENEWALS

The cost driver for a significant portion of capital works within the Queenstown Lakes district relates to increasing levels of service for the community. Sometimes these improvements to levels of service are required because of changes to legislation or resource consent conditions, which means that there is often little discretion with regard to the decision. An example of this would be the requirement to provide additional water treatment facilities as a result of the introduction of new water treatment standards.

In other cases, the increase in level of service is a community-driven decision. An example of this would be the construction of aquatic centres. The Council's approach to funding for this type of capital expenditure is to initially apply for grants from national and local funding organisations, and to apply the proceeds of land sales from the Commonage in Queenstown or Scurr Heights in Wānaka.

Funding from the Commonage in Queenstown is restricted by statute to be applied for the benefit of the Old Queenstown Borough for the purposes of water and sewerage upgrades. Proceeds from Scurr Heights land in Wānaka are restricted for use to the Wānaka ward and can be applied to variety of infrastructure purposes including water, wastewater, roading or community (recreational) purposes.

Funding sources for other capital expenditure in order of priority:

i. Capital grants and subsidies or where appropriate IFFA
ii. Capital revenues and asset sale proceeds
iii. Capital reserves
iv. Borrowing
v. Rates.

[C] CAPITAL EXPENDITURE DUE TO RENEWALS

Renewal capital works are those capital expenditure costs that are incurred in restoring an asset to previous service levels, usually reflected in the amount that an asset has depreciated. Therefore, by using those depreciation funds, the Council is attempting to maintain infrastructural networks to at least their existing service level.

The funding of depreciation is an implied requirement of the 'balanced budget' provision of the Local Government Act. It requires that the Council fully fund all operating costs, including reductions in the useful life or quality of assets. The requirement arises from Government concern that some local authorities were not adequately maintaining infrastructural assets. In instances where this occurred, current ratepayers were paying too little and leaving a major financial burden for future generations.

The Council has provided adequately for asset renewal in recent years. A major effort has been made over the past decade or so to address deferred maintenance and the budgets have provided appropriately for the renewal of infrastructure. The Council now has far more reliable asset information and a much better understanding of the life cycle of its assets. The Act provides a more flexible approach in the requirement to fully fund depreciation. This has allowed some flexibility which the Council has taken advantage of in four key areas in preparing the Long Term Plan.

The new Act provides a more flexible approach in the requirement to fully fund depreciation. The revised interpretation has allowed Council flexibility in four key areas which we have taken advantage of in preparing these budgets:

i. The Council needs to fund depreciation only on its share of roading expenditure. The component attributable to NZTA should not be funded as the NZTA subsidy funds this. Allowing for all subsidisable costs, 33% of roading depreciation will be funded in 2024/25 (2021/22 - 32%). This increases to around 49% by year 10. There is no impact on current levels of service from this approach, as the cash collected over the 10 years will fully fund the local share of renewal programmes.

ii. Depreciation on community facilities may not need to be funded as they are often funded by non-Council sources and will never be replaced in the same form at the end of their useful life. Depreciation on halls, libraries, and other facilities (including the Queenstown Events Centre and Wānaka Recreation Centre) will therefore not be funded.

iii. The Council has accepted that it is not reasonable to fund depreciation where a community has funded a water or sewerage scheme, by lump sum contributions or loan charges. That community ends up paying twice, for loan charges and depreciation.

iv. Because we have generally maintained the value of our infrastructure the Council will use funded depreciation to finance renewal projects and repay loans. It cannot be used to fund new assets or asset improvements.

Funding sources renewal capital expenditure in order of priority:

i. Depreciation reserves or where appropriate IFFA

ii. Borrowing

iii. Rates.

FUNDING IMPACT STATEMENT - WHOLE COUNCIL ($'000)

ANNUAL PLAN 2023/24		TEN YEAR PLAN 2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Sources of operating funding										
7,692	General rates, uniform annual general charge, rates penalties	8,706	11,647	12,621	15,908	22,513	24,243	20,492	19,442	19,871	23,576
118,104	Targeted rates	141,704	164,095	187,927	210,299	239,259	262,244	284,031	306,398	324,530	337,899
44,992	Fees & charges	48,504	50,222	52,132	54,303	56,096	57,807	59,450	61,227	62,885	64,712
7,757	Subsidies & grants for operating expenditure	7,169	7,482	7,411	7,800	8,119	8,424	8,720	9,015	9,317	9,612
8,123	Interest and dividends from investments	11,437	13,209	13,452	9,907	10,100	10,288	10,471	10,656	10,845	11,028
9,854	Fuel tax, fines, infringement fees & other receipts	10,580	11,195	12,170	12,949	13,451	14,103	14,584	17,005	17,490	17,974
196,523	**Total sources of operating funding**	**228,101**	**257,851**	**285,712**	**311,166**	**349,539**	**377,109**	**397,747**	**423,743**	**444,940**	**464,801**
	Applications of operating funding										
151,601	Payments to staff and suppliers	165,470	175,102	181,660	191,044	196,609	203,276	209,207	217,718	224,984	229,544
23,126	Borrowing Costs	30,002	29,652	32,220	36,438	43,591	47,886	53,633	56,294	58,103	59,085
174,727	**Total applications of operating funding**	**195,472**	**204,754**	**213,880**	**227,482**	**240,200**	**251,162**	**262,840**	**274,013**	**283,087**	**288,628**
21,796	**Surplus/(deficit) of operating funding**	**32,628**	**53,097**	**71,832**	**83,685**	**109,338**	**125,947**	**134,907**	**149,731**	**161,853**	**176,173**
	Sources of capital funding										
40,256	Subsidies & grants for capital expenditure	16,386	18,519	19,147	22,697	21,497	23,469	24,109	14,923	26,154	34,957
20,645	Development & financial contributions	39,314	33,026	33,910	33,753	34,639	37,409	36,477	36,940	36,924	37,555
3,142	Gross proceeds from sale of assets	-	1,481	-	(1,561)	7,388	8,660	4,047	3,517	-	21,054
112,636	Increase/(decrease) in debt	42,864	39,351	64,291	97,362	80,751	54,970	25,280	32,749	(11,704)	(9,371)
-	Lump sum contributions	-	-	-	-	-	-	-	-	-	-
-	Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
176,680	**Total sources of capital funding**	**98,564**	**92,377**	**117,349**	**152,251**	**144,275**	**124,509**	**89,913**	**88,129**	**51,374**	**84,195**
	Applications of capital funding										
	Capital expenditure										
93,936	- to meet additional demand	51,132	65,563	69,084	90,153	103,715	118,393	103,215	128,291	95,869	153,691
36,654	- to replace existing assets	38,967	43,845	56,030	57,602	54,917	44,396	47,281	45,326	44,568	40,234
72,150	- to improve the level of service	56,637	54,334	85,720	113,284	124,931	121,435	110,228	101,432	113,723	111,059
(4,266)	Increase/(decrease) in reserves	(15,543)	(18,268)	(21,654)	(25,105)	(29,950)	(33,768)	(35,903)	(37,190)	(40,933)	(44,616)
-	Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-
198,474	**Total applications of capital funding**	**131,193**	**145,474**	**189,180**	**235,935**	**253,613**	**250,456**	**224,821**	**237,859**	**213,227**	**260,368**
(21,794)	**Surplus/(deficit) of capital funding**	**(32,628)**	**(53,097)**	**(71,832)**	**(83,684)**	**(109,338)**	**(125,947)**	**(134,908)**	**(149,730)**	**(161,853)**	**(176,173)**
-	**Funding balance**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Reconciliation of Funding Impact Statement to Statement of Financial Performance

ANNUAL 2023/24		TEN YEAR PLAN 2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	INCOME										
	Statement of Financial Performance										
282,869	**Total operating income**	**315,838**	**343,142**	**371,977**	**400,085**	**447,829**	**482,186**	**498,627**	**516,122**	**545,716**	**596,835**
	Funding Impact Statement:										
196,523	Total sources of operating funding	228,101	257,851	285,712	311,166	349,539	377,109	397,747	423,743	444,940	464,801
	Plus sources of capital funding:										
40,256	Subsidies & grants for capital expenditure	16,386	18,519	19,147	22,697	21,497	23,469	24,109	14,923	26,154	34,957
20,645	Development & financial contributions	39,314	33,026	33,910	33,753	34,639	37,409	36,477	36,940	36,924	37,555
-	Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
-	Gross proceeds from sale of assets	-	1,481	-	(1,561)	7,388	8,660	4,047	3,517	-	21,054
-	Less cost of property sales	-	-	-	-	-	-	-	-	-	-
	Plus non-cash items:										
20,673	Vested assets	30,235	30,942	31,723	32,513	33,287	34,028	34,777	35,500	36,247	36,989
1,630	Revaluation - non-current assets	1,801	1,323	1,484	1,517	1,480	1,511	1,469	1,498	1,452	1,479
279,727	**Total income**	**315,838**	**343,142**	**371,977**	**400,085**	**447,829**	**482,186**	**498,627**	**516,122**	**545,716**	**596,835**
	EXPENDITURE										
	Statement of Comprehensive Income:										
229,445	**Total operating expenditure**	**261,484**	**273,557**	**288,648**	**308,342**	**318,224**	**334,530**	**352,240**	**368,851**	**386,141**	**398,972**
	Funding Impact Statement:										
174,727	Total applications of operating funding	195,472	204,754	213,880	227,482	240,200	251,162	262,840	274,013	283,087	288,628
	Plus non-cash items:										
55,537	Depreciation	66,012	68,803	74,768	80,860	78,024	83,368	89,400	94,838	103,055	110,344
230,264	**Total expenditure**	**261,484**	**273,557**	**288,648**	**308,342**	**318,224**	**334,530**	**352,240**	**368,851**	**386,141**	**398,972**

Rates Remission and Postponement Policy

Te Kaupapa Here hei Tinakuhia i kā Rēti

These policies are prepared pursuant to Sections 102, 109 and 110 of the Local Government Act 2002.

Remission policies

COMMUNITY, SPORTING AND OTHER ORGANISATIONS

Objective

To facilitate the ongoing provision of community services or recreational opportunities for the residents of the Queenstown Lakes District Council.

The purpose of granting rates remission to an organisation is to:

> assist the organisation's survival

> make membership of the organisation more accessible to the general public, particularly children, youth, young families, aged people and economically disadvantaged people.

Conditions and criteria

The land must be owned by the Council or owned, occupied or leased by an organisation (with liability for rates), and used exclusively or principally for sporting, recreation or community purposes. The organisation must not operate for private pecuniary profit. The application for rate remission must be made to the council prior to 15 July of the rating year in question. New applications received during a rating year will be applicable from the commencement of the following year. Applications will not be backdated.

Organisations making application should include the following documents in support of their application:

> Statement of objectives

> Full financial accounts

> Details of any leases (where applicable)

> Information on activities and programmes

> Details of membership or clients.

Application

Generally, the policy will not apply to groups or organisations whose primary purpose is to address the needs of adult members (over 18 years) for entertainment or social interaction, or who engage in recreational, sporting or community services as a secondary purpose only.

Remissions to any qualifying organisation shall be on the basis of 100% reduction in rates and charges except that no remission will be granted on targeted rates/ charges for water supply, sewerage disposal or refuse collection or areas used for bars.

The policy shall apply to the ratepayers who meet the relevant criteria as jointly approved by the Chair of the Community and Services Committee and the Finance Manager.

LAND PROTECTED FOR NATURAL, HISTORIC OR CULTURAL CONSERVATION PURPOSES

Objective

To preserve and promote natural resources and heritage, to encourage the protection of land for natural, historic or cultural purposes.

Conditions and criteria

Ratepayers with rating units which have some feature of cultural, natural or historic heritage which is voluntarily protected may qualify for remission of rates under this part of the policy. Land that is non-rateable under Section 8 of the Local Government (Rating) Act 2002 and is liable only for targeted rates covering water supply, sewage disposal or refuse collection will not qualify for remission under this part of the policy.

Application

Applications must be in writing and should be supported by documentary evidence of the protected status of the rating unit, e.g. a copy of the covenant or other legal mechanism. This may include areas of land protected under the District Plan as significant indigenous vegetation or heritage buildings classified as QLDC Category 1.

In considering any application for remission of rates under this part of the policy the Council will consider the following criteria:

> The extent to which the preservation of natural, cultural and historic heritage will be promoted by granting remission of rates on the rating unit

> The degree to which features of natural, cultural or historic heritage are present on the land

> The degree to which features of natural, cultural or historic heritage inhibit the economic utilisation of the land.

The extent of any remission shall be determined by the Community and Services Committee on a case-by-case basis.

If an application is approved, the Council may direct its valuation service provider to inspect the rating unit and prepare a valuation that will take into account any restrictions on the use that may be made of the land imposed by the protection mechanism. Ratepayers should note that the valuation service provider's decision is final as there are no statutory rights of objection or appeal for valuations of this nature.

In granting remissions under this part of the policy, the Council may specify certain conditions before remission will be granted. Applicants will be required to agree in writing to these conditions and to pay any remitted rates if the conditions are violated.

LAND AFFECTED BY NATURAL CALAMITY

Objective

To enable rate relief to be provided where the use that may be made of any land has been detrimentally affected by natural calamity.

Conditions and criteria

The Council may remit wholly or in part, any rate or charge made and levied in respect of the land, where it considers it to be fair and reasonable to do so.

Application

The extent of any remission shall be determined by the Community and Services Committee on a case-by-case basis.

If an application is approved the council may direct its valuation service provider to inspect the rating unit and prepare a valuation that will take into account any restrictions on the use that may be made of the land as a result of the natural calamity. Ratepayers should note that the valuation service provider's decision is final as there are no statutory rights of objection or appeal, for valuations of this nature.

UNIFORM ANNUAL CHARGES AND TARGETED RATES ON CONTIGUOUS RATING UNITS IN SEPARATE OWNERSHIP, USED JOINTLY AS A SINGLE ENTITY

Objective

To limit the incidence of multiple charges where a farming or other business entity consists of a number of contiguous rating units with different owners.

Conditions and criteria

Each rating unit must be leased to the operator for a term not less than five years. The operator must provide the Council with a statutory declaration confirming that each unit will be operated as part of the entity. The ratepayer will remain liable for at least one uniform annual general charge and one set of each type of targeted rate calculated as a fixed amount per rating unit.

Application

The policy shall apply to the ratepayers who meet the relevant criteria as approved by the Finance Manager.

RATE PENALTIES

Objective

To enable the Council to remit penalties where:

> payment has not been received by the penalty date, due to circumstances outside the ratepayer's control; or

> it is deemed equitable to remit the penalty for other reasons.

Conditions and criteria

Each application will be considered on its merits and remission may be granted where it is considered just an equitable to do so.

The Council will consider remission of rate penalties where an application is made and meets any of the following criteria:

> Payment has been late due to significant family disruption [significant family disruption would include death, illness, or accident]; or

> The ratepayer is able to provide evidence that their payment has gone astray in the post, or the late payment has otherwise resulted from matters outside their control; or

> Penalties have arisen through processing errors in the Council's records or an outstanding balance has arisen as a result of a shortfall caused by the operation of an agreed payment plan; or

> The ratepayer provides a reasonable explanation of the circumstances which caused the late payment, and this is the first occasion on which late payment has occurred; or

> The ratepayer has history of regular punctual payment over the previous 12 months and payment is made within a reasonable time of the ratepayer being made aware of the non-payment; or

> The rates instalment was issued in the name of a previous property owner; or

> The full payment of arrears of rates is made in accordance with an agreed repayment programme.

Application

The policy shall apply to the ratepayers who meet the relevant criteria as approved by the Finance Manager.

SUNDRY REMISSIONS

Objective

To remit rates and charges that are the result of fundamental errors; or where the balance owing is considered uneconomic to recover; or where the amount levied is unable to be recovered pursuant to Sections 67-76 of the Local Government (Rating) Act 2002, or where the Council or its delegated officer(s) consider the levy impractical to recover.

Conditions and criteria

The policy shall apply to the ratepayers who meet the relevant criteria as approved by the Financial Services Team Leader or Finance Manager.

Application

The policy shall apply to the ratepayers who meet the relevant criteria as jointly approved by the Financial Services Team Leader or Finance Manager.

POLICY FOR REMISSION AND POSTPONEMENT OF RATES ON MĀORI FREEHOLD LAND

Section 102(4)(f) of the Local Government Act 2002 requires the council to adopt a policy on the remission and postponement of rates on Māori freehold land; section 108 and Schedule 11 set out the matters to be considered.

Objective

To recognise that certain Māori freehold land may have particular conditions, features, ownership structures or other circumstances that make it appropriate to provide for remission from certain rates and to avoid further alienation of Māori freehold land.

Conditions and criteria

Māori freehold land is defined in the Local Government (Rating) Act 2002 as land whose beneficial ownership has been determined by a freehold order issued by the Māori Land Court. Only land that is subject of such an order may qualify for remission under this policy. Council will consider remission of rates on land that comes within the following criteria:

- The land is unoccupied and no income is derived from that land; and/or
- The land is better set aside for non-use (whenua rāhui) because of its natural features; and/or
- The land is inaccessible and unoccupied.

Application

The policy shall apply to ratepayers who meet the relevant criteria as approved by the Finance Manager.

REMISSION OF POSTPONED RATES

Objective

The Council has adopted a number of policy statements that grant a postponement of rates to ratepayers under certain circumstances. A number of these policies contain a provision that allow the postponed rates to be written off or remitted after a predetermined period, subject to the terms and conditions of the policy being complied with. This policy statement provides the power for those postponements to be remitted in accordance with the postponement policies.

Conditions and criteria

1. The conditions that gave rise to the postponement of the rates must have been fully complied with over the term of the postponement period.
2. Subject to the conditions and criteria being complied with as set out in (1) above, Council will remit the applicable postponed rates without any further applications being required from the ratepayer.
3. This policy statement will only apply to those rate postponement policy statements that provide for the rates to be remitted after a predetermined period of time.

Application

The policy shall apply to the ratepayers who meet the relevant criteria as approved by the Finance Manager.

REMISSION OF RATES ON LAND THAT HAS MADE LUMP SUM CONTRIBUTIONS

Objective

A number of water and sewerage schemes have been developed using loans. In certain cases the ratepayers were offered the opportunity to make a lump sum contribution rather than paying an annual loan rate. Because some ratepayers made the lump sum contributions it would be inappropriate to charge them any costs relating to these loans. The most appropriate solution to resolving this problem would be to offer these ratepayers a remission of rates equal to the amount of the rate that they were previously exempt from paying. This policy statement provides the authority to make the necessary remissions.

Conditions and criteria

1. Rating unit must have previously paid a lump sum contribution in lieu of paying a loan rate.
2. The amount of the remission must not exceed the amount of the exemption from paying the loan rate.
3. The remission will only apply for so long as the underlying loan which gave rise to the loan rate remains in existence.

Application

The policy shall apply to the ratepayers who meet the relevant criteria as approved by the Finance Manager.

RATING OF SEPARATELY USED OR INHABITED PARTS OF A RATING UNIT

Objective

To limit the incidence of multiple charges on a property containing separate uses or separate inhabitants, where it is equitable to do so.

Conditions and criteria

Where rates are calculated on each separately used or inhabited part of a rating unit, the following definitions will apply:

> Any part of a rating unit that is used or occupied by any person, other than the ratepayer, having a right to use or inhabit that part by virtue of a tenancy, lease, licence, or other agreement

> Any part or parts of a rating unit that is used or occupied by the ratepayer for more than one single use.

The following are considered to be separately used parts of a rating unit:

> Individual flats or apartments

> Separately leased commercial areas which are leased on a rating unit basis

> Vacant rating units

> Single rating units which contain multiple uses such as a shop with a dwelling or commercial activity with a dwelling

> A residential building or part of a residential building that is used, or can be used, as an independent residence.

An independent residence is defined as a liveable space with its own kitchen, living and toilet/ bathroom/laundry facilities that can be deemed to be a secondary unit to the main residence. Note: the definition of a kitchen comes from the District Plan.

The following are not considered to be separately used parts of a rating unit:

> A residential sleep-out or granny flat that does not meet the definition of an independent residence

> A hotel room with or without kitchen facilities

> A motel room with or without kitchen facilities

> Individual storage garages/ sheds/portioned areas of a warehouse

> Individual offices or premises of business partners.

District Plan definition of a kitchen:

Means any space, facilities and surfaces for the storage, rinsing preparation and/ or cooking food, the washing of utensils and the disposal of wastewater, including a food preparation bench, sink, oven, stove, hot-plate or separate hob, refrigerator, dishwasher and other kitchen appliances.

Application

The policy shall apply to the ratepayers who meet the relevant criteria as approved by the Finance Manager.

Postponement policies

RESIDENTIAL LAND SUBJECT TO ZONE CHANGES

Objective

To ensure that owners of residential rating units which are rezoned are not unduly penalised by an increase in rates as a result of the zone change.

Conditions and criteria

To qualify for postponement under this part of the policy, the rating unit must:

> be situated within the area of land that has been rezoned

> be listed as a 'residential' property for differential rating purposes.

In addition, the ratepayer must:

> have been the property owner prior to the zone change being initiated

- reside permanently in the rating unit
- not have actively sought rezoning.

Postponement of rates will apply to the change in land value only of the property as a result of zoning changes.

Any postponed rates will be postponed until:

- the death of ratepayer(s); or
- until the ratepayer(s) ceases to be the owner or occupier of the rating unit; or
- until the ratepayer(s) ceases to use the property as his/her residence; or
- until a date determined by the Council in any particular case.

At any time, the applicant may elect to postpone the payment of a lesser sum than that which they would be entitled to have postponed per this policy by paying the postponed rates or any part thereof.

Postponed rates will be registered as a Statutory Land Charge on the rating unit's title.

The Council will add to the postponed rates all financial and administrative costs to ensure neutrality. The financial cost will be the interest the Council will incur at the rate of Council's cost of borrowing for funding rates postponed, plus a margin to cover other costs (these will include the Council's own in-house administrative costs).

Application

The application for rate postponement must be made to the council prior to 15 July of the rating year in question. New applications received during a rating year will be applicable from the commencement of the following year. Applications will not be backdated. If an application is approved the Council will direct its valuation service provider to inspect the rating unit and prepare a valuation that will treat the rating unit as if it were a comparable rating unit elsewhere in the district. Ratepayers should note that the valuation service provider's decision is final as there are no statutory rights of objection or appeal, for valuations of this nature.

The policy shall apply to the ratepayers who meet the relevant criteria as approved by the Finance Manager. The extent of any postponement will be based on valuations supplied by its valuation service provider.

POSTPONEMENT POLICY – EXTREME FINANCIAL HARDSHIP

Objective

To assist ratepayers experiencing extreme financial hardship.

Conditions and criteria

The ratepayer must make written application to the Council.

When considering whether extreme financial circumstances exist, all of the ratepayer's personal circumstances will be relevant.

The Council must postpone rates in accordance with the policy where the application meets all of the following criteria:

- The ratepayer must be the current owner of the rating unit
- Generally, this policy will apply to rating units used for residential purposes
- The Council must be satisfied that the ratepayer is unlikely to have sufficient funds left over after the payment of rates, for normal health care, appropriate provision for maintenance of his/her home and chattels at an adequate standard, as well as making provision for normal day-to-day living expenses
- The ratepayer must not own any other rating units or investment properties or other realisable assets
- The ratepayer must make acceptable arrangements for payment of future rates, for example by setting up a system for regular payments.

The Council may add a postponement fee to the rating year in which the application is made although the council may consider backdating past the rating year in which the application is made depending on the circumstances.

Any postponed rates will be postponed until:

- the death of ratepayer(s); or
- until the ratepayer(s) ceases to be the owner or occupier of the rating unit; or
- until the ratepayer(s) ceases to use the property as his/her residence; or
- until a date determined by the Council in any particular case.

At any time, the applicant may elect to postpone the payment of a lesser sum than that which they would be entitled to have postponed to this policy by paying the postponed rates or any part thereof.

Application

Postponed rates will be registered as a Statutory Land Charge on the rating unit's title. The policy shall apply to the ratepayers who meet the relevant criteria as jointly approved by the Chair of the Community and Services Committee and the Finance Manager.

POLICY FOR RATE POSTPONEMENT FOR FARMLAND

Objective

To ensure that owners of rural rating units used as farmland but with the potential for non-farming development are not unduly penalised by rating valuations which reflect in some measure the potential use to which the land may be put.

Conditions and criteria

The policy will apply to the rating units that are:

- actively farmed by the ratepayer as an economic farming unit and be the primary source of income for the property owner
- ten hectares in area or more
- farmland whose rateable value in some measure is attributed to the potential use to which the land may be put for residential, commercial, industrial, or other non-farming development.

The application for rate postponement must be made to the Council prior to 15 July of the rating year in question.

New applications received during a rating year will be applicable from the commencement of the following year. Applications will not be backdated.

Ratepayers making application should include the following documents in support of their application:

- Details of ownership of the rating unit
- Full financial accounts
- Information on the farming activities.

Application

If an application is approved, the Council will request its Valuation Service Provider to determine a rates-postponement value of the land. The purpose of this requirement is to exclude any potential value that, at the date of valuation, the land may have for residential purposes, or for commercial, industrial or other non-farming use in order to preserve uniformity and equitable relativity with comparable parcels of farmland whose valuation do not contain any such potential value.

The rates postponed for any rating period will be an amount equal to the difference between the amount of the rates for that period calculated according to the rateable land value of the property and the amount of the rates that would be payable for that period if the rates postponement land value of the property were its rateable land value.

No objection to the amount of any rate-postponement value determined by the Council and its Valuation Service Provider will be upheld.

All rates whose payment has been postponed and which have not been written off become due and payable immediately on:

- the land ceasing to be farmland
- the land being subdivided

- the value of the land ceasing to include a portion of its value attributable to the potential use to which the land may be put for residential, commercial, industrial, or other non-farming development
- the interest of the person who was the ratepayer at the date on which the rates postponement land value was entered on the council's Rating Information Database becoming vested in another person other than the ratepayer's spouse, the executor/administrator of the ratepayer's estate, or where the ratepayer was the proprietor of the interest as a trustee or a new trustee under the trust.

Postponed rates may be registered as a charge against the land so that in the event that the property is sold, the Council has first call against any of the proceeds of that sale.

The policy shall apply to the ratepayers who meet the relevant criteria as approved by the Finance Manager.

POLICY FOR RATE POSTPONEMENT FOR ELDERLY

Objective

To give ratepayers 65 years of age and over a choice between paying rates now or later subject to the full cost of postponement being met by that ratepayer and Council being satisfied that the risk of loss in any case is minimal.

General approach

Only rating units defined as residential or country dwelling and resided in permanently by the applicant(s) will be eligible for consideration of rates postponement under the criteria and conditions of this policy.

Current and all future rates may be postponed indefinitely if at least one ratepayer (or, if the ratepayer is a family trust, at least one named occupier) is 65 years of age or older, until one of the conditions A-C (under Conditions) becomes applicable.

Owners of units in retirement villages will be eligible provided that the Council is satisfied payment of postponed rates can be adequately secured.

The Council will add to the postponed rates all financial and administrative costs to ensure neutrality.

The Council will establish a reserve fund out of which to meet any shortfall between the net realisation on sale of a property and the amount outstanding for postponed rates and accrued charges, at the time of sale. This will ensure, that neither the ratepayer(s) nor the ratepayer(s') estate will be liable for any shortfall.

Conditions and criteria

A. Eligibility

Ratepayers are eligible for postponement provided that the following criteria are met by the ratepayer(s):

- Be at least 65 years of age
- Reside permanently in the residence and use for personal residential purposes
- Be a New Zealand citizen
- Own no other property
- The rateable property must be classified as 'residential' or 'country dwelling' in the council's rates database.

B. Risk

The Council must be satisfied, on reasonable assumptions, that the risk of any shortfall when postponed rates and accrued charges are ultimately paid is negligible. To determine this, a financial model has been developed that will forecast expected equity when the payment falls due. Eligibility for full postponement is dependent upon remaining equity forecast by this model being acceptable to the council. If it is not, the Council will adjust its postponement offer to bring it within an acceptable level.

C. Insurance

The property must be insured for its full value and evidence of this produced annually.

Conditions

Any postponed rates (under this policy) will be postponed until:

A. the death of the ratepayer(s) or named individual or couple; or

B. until the ratepayer(s) ceases to be the owner or occupier of the rating unit (if the ratepayer sells the property in order to purchase another within the Council's district, Council will consider transferring the outstanding balance, or as much as is needed, to facilitate the purchase, provided it is satisfied that there is adequate security in the new property for eventual repayment); or

C. until the ratepayer(s) ceases to use the property as his/her residence.

The Council will charge an annual fee on postponed rates for the period between the due date and the date they are paid. This fee is designed to cover Council's administrative and financial costs and may vary from year to year.

The financial cost will be the interest the Council will incur at the rate of the Council's cost of borrowing for funding rates postponed, plus a margin to cover other costs (these will include the Council's own in-house costs, a 1% p.a. levy on outstanding balances to cover external management and promotion costs, and a reserve fund levy of 0.25% p.a., and a contribution to cover the cost of counselling).

To protect the Council against any suggestion of undue influence, applicants will be asked to obtain advice from an appropriately qualified and trained counsellor.

A counsellor's certificate confirming this will be required before postponement is granted. This service will be provided by a council approved and suitably qualified organisation.

The postponed rates or any part thereof may be paid at any time. The applicant may elect to postpone the payment of a lesser sum than that which they would be entitled to have postponed pursuant to this policy.

Postponed rates will be registered as a statutory land charge on the rating unit title. This means that the council will have first call on the proceeds of any revenue from the sale or lease of the rating unit.

Review or suspension of policy

The policy is in place indefinitely and can be reviewed subject to the requirements of the Local Government Act 2002 at any time. Any resulting modifications will not change the entitlement of people already in the scheme. This includes the suspension while the ratepayers having to pay future rates but not previously postponed rates, until the ratepayer is required under conditions (A-C) to make payment.

The Council reserves the right not to postpone any further rates once the total of postponed rates and accrued charges exceeds 80% of the rateable value of the property as recorded in the Council's rating information database.

The policy consciously acknowledges that future changes in policy could include withdrawal of the postponement option.

Application

Applications for rate postponement must be made on the required application form which will be available from the QLDC offices.

The application must be made to the council prior to 15 July of the rating year in question. New applications received during a rating year will be applicable from the commencement of the following year. Applications will not be backdated.

Development Contribution Policy

Te Kaupapa Here Whakawhanake Hekeka Utu

Glossary of terms

Accommodation units [or Stay units]	Defined in section 197 of the LGA 2002 as: "…units, apartments, rooms in 1 or more buildings, or cabins or sites in camping grounds and holiday parks, for the purpose of providing overnight, temporary, or rental accommodation."
Activity	A grouping of council functions required for development contributions – listed in Section 1.1.4.
Allotment [or Lot]	Defined in section 218 of the RMA 1991 as: "a) any parcel of land under the Land Transfer Act 2017 that is a continuous area and whose boundaries are shown separately on a survey plan, whether or not: (i) the subdivision shown on the survey plan has been allowed, or subdivision approval has been granted, under another Act; or (ii) a subdivision consent for the subdivision shown on the survey plan has been granted under this Act; or b) any parcel of land or building or part of a building that is shown or identified separately; (i) on a survey plan; or (ii) on a licence within the meaning of subpart 6 of Part 3 of the Land Transfer Act 2017; or c) any unit on a unit plan; or d) any parcel of land not subject to the Land Transfer Act 2017"
Applicant	The person(s) applying for a resource consent, building consent, or service connection.
Bedroom	An area of a residential unit that is not: a) the kitchen, bathroom(s), laundry or toilet(s), b) the dining room or living room (but not both) whether open plan with the kitchen or not, c) entrance halls and passageways, d) garage, and e) any other room smaller than 6m^2.

Community Facilities	Defined in section 197 of the LGA 2002 as: means reserves, network infrastructure, or community infrastructure for which development contributions may be required in accordance with section 199.
Community Infrastructure	Defined in section 197 of the LGA 2002 as: (a) means land, or development assets on land, owned or controlled by the territorial authority for the purpose of providing public amenities; and (b) includes land that the territorial authority will acquire for that purpose
Contributing Area (See Development Contribution Supporting Documents for Contributing Area Maps)	A defined geographic area where development contributions are to be calculated by the method described herein and delivering a standard development contribution in terms of $/Dwelling Equivalent. Contributing areas take an integrated approach to the effects of land subdivision/development and associated physical resources and assesses the overall requirements of an identified geographic area. Contributing areas should enable standard development contributions to be determined efficiently and equitably. For any development that sits within both the Ladies Mile contributing area and another contributing area, then the Ladies Mile policy provisions shall apply.
Council	Queenstown Lakes District Council (QLDC)
Development	Defined in section 197 of the LGA 2002 as: "any subdivision, building (as defined in section 8 of the Building Act 2004), land use, or work that generates a demand for reserves, network infrastructure, or community infrastructure; but does not include the pipes or lines of a network utility operator."
Development Agreement	Defined in section 197 of the LGA 2002 as: "means a voluntary contractual agreement made under sections 207A to 207F between 1 or more developers and 1 or more territorial authorities for the provision, supply or exchange of infrastructure, land, or money to provide network infrastructure, community infrastructure, or reserves in 1 or more districts or part of a district."
Development contribution objection	Defined in section 197 of the LGA 2002 as: "means an objection lodged under clause 1 or Schedule 13A against a requirement to make a development contribution."
Dwelling Equivalent [or DE]	A typical residential dwelling, however representing a unit of demand for which non-residential land uses can be described by. Non-residential activities, such as visitor accommodation and business categories, can be converted into dwelling equivalents using land use differentials. Dwelling equivalents enable the demand of different land uses to be considered collectively.

Gross Floor Area [or GFA]	The sum of the gross area of all floors of all buildings on a site, measured from the exterior faces of the exterior walls, or from the centre line of walls separating two buildings. For the purpose of this policy this definition of GFA, excluding car parking areas, will be used.
Impervious Surface Area [or ISA]	Sealed area of a site or area that is not capable of absorbing rainwater.
Land Use Differentials	Factors which are used to convert non-residential properties into dwelling equivalents. Impact on, benefit from and consumption of assets by different land uses can be converted into, and described as dwelling equivalents. They have two functions 1) to determine the total dwelling equivalents for apportioning total CAPEX for growth to determine a standard development contribution and 2) enabling a new subdivision or development to be converted into dwelling equivalents, such that the development contributions can be calculated.
Lodged	The point in time at which an application that complies with all the requirements in section 88(2) of the Resource Management Act 1991 (RMA 1991) or section 45 of the Building Act 2004, has been received by Council and accepted as complete.
Network Infrastructure	Defined in section 197 of the LGA 2002 as: “the provision of roads and other transport, water, wastewater, and stormwater collection and management”
Reserves improvements	Recreation infrastructure on a reserve that enables the public to obtain the benefit and enjoyment of the reserve, excluding basic requirements for a reserve as required by the QLDC Land Development and Subdivision code of practice.
Service Connection	Defined in section 197 of the LGA 2002 as: “a physical connection to a service provided by, or on behalf of, a territorial authority”
Stay units [or Accommodation units]	Accommodation units defined in section 197 of the LGA 2002 as: “…units, apartments, rooms in 1 or more buildings, or cabins or sites in camping grounds and holiday parks, for the purpose of providing overnight, temporary, or rental accommodation.”
Long Term Plan [or LTP]	Refers to Queenstown Lakes District Council Long Term Plan 2024-34.
Whakatipu Area	Means Queenstown-Whakatipu ward and Arrowtown ward.
Wānaka Area	Means Wānaka ward.

Part 1: Introduction

1.1. PURPOSE OF THE POLICY

1.1.1. The Queenstown Lakes district has traditionally experienced significant growth in its population, visitors, development and the local economy[51]. Growth continues to generate high levels of subdivision and development which places increasing pressure on the assets and services provided by the Council. Investment in additional assets and services is accordingly required to meet the demands of growth.

1.1.2. The purpose of the policy is to ensure that a fair, equitable and proportionate share of the total cost of capital expenditure necessary to service growth over the long term is funded by development. Council may achieve this by using Development Contributions under the Local Government Act 2002 (LGA 2002).

1.1.3. Council considers that Development Contributions are the best mechanism available to ensure the cost of growth sits with those who have created the need for that cost. The Council considers it inappropriate to burden the community as a whole, by way of rating or other payment means, to meet the cost of growth.

1.1.4. Section 102(3A) of the Local Government Act 2002 provides that this policy must support the principles set out in the preamble to Te Ture Whenua Māori Act 1993.

These principles include recognition that land is a taonga tuku iho of special significance to Māori people, and to facilitate the occupation, development, and utilisation of that land for the benefit of its owners, their whānau and their hapū. Council considers that this policy supports those principles.

1.1.5. Development contributions can be collected for growth related projects for:

Reserves
Local and community parks
Sportsground parks
Reserve improvements

Network Infrastructure
Water
Wastewater
Stormwater
Roads and transportation

Community Infrastructure
Land, or development assets on land, owned or controlled by the territorial authority for the purpose of providing public amenities including but not limited to:

- public toilets
- libraries
- community centres and town halls
- event/recreation centres and recreation facilities
- swimming pools
- waterways

1.2. STATUTORY REQUIREMENT FOR THE POLICY

1.2.1. Council is required to have a policy on development contributions and financial contributions as a component of its funding and financial policies under section 102(2)(d) of the LGA 2002.

The policy meets this requirement.

[51] https://www.qldc.govt.nz/community/population-and-demand

1.3. COMMUNITY OUTCOMES

1.3.1. The policy contributes directly to the themes articulated in 'Vision Beyond 2050', thriving people, opportunities for all and disaster-defying resilience.

In particular the following community outcomes:

> Everyone can find a healthy home in a place they choose to be

> Our environments and services promote and support health, activity and wellbeing for all

> Our economy is strong and diverse with sustainable and inclusive growth

> Our infrastructure is a resilient as our people.

1.3.2. As a dedicated growth funding source development contributions provide a mechanism for funding water, wastewater, stormwater, roading, community infrastructure and reserves required to cater for growth in the District. This ensures QLDC's vision and outcomes extend to new communities as well as the existing population.

1.4. CHANGES TO DEVELOPMENT CONTRIBUTIONS POLICY 2024

1.4.1. Updates made to the Development Contributions Policy 2024 (in addition to the standard changes to capital costs and timing) are listed below:

> Updated land valuations for reserve land contributions

> Updated contributing area maps

> Additional definitions in the glossary

> Amended the differentials for Residential Flats and Multi Unit Residential developments. This policy now includes an option whereby the number of bedrooms may be used to assess the development contributions.

> Changing to the grouping of contributing areas in and around Queenstown to reflect how the areas are serviced for water supply and wastewater. Namely separating Southern Corridor and Ladies Mile to provide transparency on the costs required to provision these areas.

> Include a provision for QLDC to apply the highest development contribution for any development that fits into more than one land use category. e.g. visitor accommodation for any property that can be rented for visitor accommodation purposes for 180 or more days.

> Added a clause referencing Te Ture Whenua Māori Act 1993 requirements.

> Included clarity on the annual development contribution increase permitted under the LGA 2002.

1.4.2. This section will be updated with any changes made to the Development Contribution Policy following the consultation period.

1.4.3. These changes and the provisions of this policy will apply to any application for resource consent, building consent or application for service connection lodged on or after 1 October 2024.

1.4.4. QLDC may update this policy annually (before the next Long Term Plan) under the provisions of S106 2B of the LGA 2002. These charges may be adjusted for inflation annually in line with the Producers Price Index outputs for construction, as permitted by sections 106 (2B) and (2C) of the LGA 2002.

1.5. NAVIGATING THIS DOCUMENT

1.5.1. The policy outlines Council's approach to funding development infrastructure via development contributions under the LGA 2002.

1.5.2. The policy has four main parts:

> Part 1: Introduction

> Part 2: Administering the policy

> Part 3: The charges

> Part 4: Policy details

1.5.3. Supporting documents relating to this policy include:

> Contributing area maps

> Asset schedules

> Parks provision guidelines

Part 2: Administering the policy

2.1. WHAT ACTIVITIES ATTRACT DEVELOPMENT CONTRIBUTIONS?

2.1.1. Development contributions may be sought in respect of any development that generates a demand for reserves, network and community infrastructure. If subdividing, building, connecting to Council services, or otherwise undertaking development in the district, development contributions will need to be assessed. Development contributions apply to developments within the areas shown in the Contributing Area Maps (see supporting documents).

2.1.2. In some circumstances, development contributions may not apply or may be reduced. Further information on these circumstances can be found in the section: *2.2.7 Limitations; 3.8. Credits.*

2.1.3. Development of new infrastructure sometimes means that areas not previously liable for development contributions become so. For example, a bare section in a subdivision may be liable for development contributions whereas previously constructed houses on the same subdivision were not. The current Development Contributions Policy will reflect those changes. Council officers will be available to help resolve any uncertainty about development contribution liabilities.

2.2. WHEN AND HOW ARE DEVELOPMENT CONTRIBUTIONS LEVIED?

The usual steps for assessing and requiring payment of development contributions are:

TRIGGER – ASSESSMENT – NOTICE – INVOICE – PAYMENT

2.2.1. Trigger

Council can require development contributions for a development upon the granting of:

- a resource consent
- a building consent or certificate of acceptance
- an authorisation for a service connection for water, wastewater or stormwater services.

2.2.1.1. Residential development (excludes Visitor Accommodation)

For purely residential developments, QLDC shall assess the entire development contribution under the policy in place the time at which the subdivision consent application is lodged with all required information. Any residential development that does not require a subdivision consent (e.g. second residential units or additional residential flats) shall be assessed under the policy in place at the time the relevant building consent application is lodged with all required information.

2.2.1.2. Non-residential development (includes Visitor Accommodation)

For a non-residential subdivision, QLDC shall levy a portion of the development contribution based on the following table under the policy in place at the time the subdivision consent is lodged with all required information.

LAND USE	LOT SIZE	ESTIMATED GROSS FLOOR AREA (GFA)	IMPERVIOUS SURFACE AREA (ISA)
All land uses except Residential, Multi-unit residential and Residential flat	≤500m²	50m²	62.5m²
	>500m² ≤2000m²	100m²	125m²
	>2000m²	400m²	500m²

The remainder of the development contribution shall be assessed when the relevant building consent is lodged with all required information. The assessment will be undertaken in reference to the development contributions policy in place at that time. This provides the most accurate assessment once the final plans, gross floor areas and land use category of the development are confirmed.

In all cases, land use resource consents with no related building consents will be assessed under the policy in place the time at the land use resource consent is lodged.

2.2.2. Assessment

On receiving an application for resource consent, building consent, certificate of acceptance, or service connection, Council will check that:

(A) the development generates a demand for reserves, community infrastructure or network infrastructure; and

(B) the effect of that development (together with other developments) is to require new or additional assets or assets of increased capacity in terms of community facilities; and

(C) Council has incurred or will incur capital expenditure to provide appropriately for those assets. This includes capital expenditure already incurred by Council in anticipation of development.

Council has identified the assets and areas that are likely to meet the requirements of (B) and (C), and these are outlined in Schedule of Assets (see supporting documents) and Disclosure Tables (past and future assets funded by development contributions) and the Contributing Area Maps (see supporting documents). Where a development is within one of the areas covered by the Contributing Area Maps, development contributions will be assessed.

Should connection to Council's network occur for a development outside of the existing scheme boundary, then a bespoke development contribution may be negotiated, typically under a Private Development Agreement.

2.2.3. Notice

Under the LGA 2002 Section 198(1), a development contribution notice can be issued from the point at which a resource consent, building consent, certificate of acceptance, or service connection authorisation is granted. In some cases, the notice may be issued or re-issued later.

If multiple consents or authorisations are being issued for a single development, a development contributions notice may be issued for each consent or authorisation. However, where payments are made in relation to one of the notices, actual credits will be recognised for the remaining notices.

Development contribution notices will issued via email to the property owner, the consent applicant, and/or their representatives. Development contribution obligations remain with the land and/or property in the event of a change of ownership.

2.2.4. Invoice

An invoice for development contribution charges will be issued to provide an accounting record and to initiate the payment process.

If a development contribution required by Council is not invoiced as a result of an error or omission on the part of Council, the invoice will be issued when the error or omission is identified. The development contributions remain payable.

If there is a delay between when a notice is issued and when an invoice is issued, the Council may adjust the charges levied in the invoice to account for inflation[52] or changes in GST.

2.2.5. Payment

As set out at 2.2.3. above, under the LGA 2002 Section 198(1), a territorial authority may require a development contribution to be paid from the date of granting the related consent. Payment to Council must be made as follows:

- Resource consent (subdivision) – prior to the issue of S224c;
- Resource consent (change of land use) – on receipt of the development contributions notice or prior to the commencement of the resource consent[53], whichever is earlier;
- Building consent – prior to the issue of the code compliance certificate or certificate of acceptance;
- Service connection – prior to authorisation being granted.

2.2.6. Non-payment of Development Contributions

Until the development contributions have been paid in full, Council may (as applicable):

- Prevent the commencement of a resource consent;
- Withhold a certificate under Section 224(c) of the RMA 1991;
- Withhold a code compliance certificate under Section 95 of the Building Act 2004 or certificate of acceptance under section 99 of the Building Act 2004;
- Withhold a service connection to the development.

Where invoices remain unpaid beyond the payment terms Council will start debt collection proceedings, which may involve the use of a credit recovery agent. Council may also register the development contribution under the Land Transfer Act 2017, as a charge on the title of the land in respect of which the development contribution was required.

[52] https://www.qldc.govt.nz/community/population-and-demand

[53] The consent holder and property owner must contact Council if the resource consent is due to commence and no Development Contribution has been paid.

2.2.7. Limitations

Council is unable to require a development contribution in certain circumstances, as outlined in section 200 of the LGA 2002, if, and to the extent that:

> it has, under section 108(2)(a) of the RMA, imposed a condition on a resource consent in relation to the same development for the same purpose;

> the developer will fund or otherwise provide for the same reserve or network infrastructure;

> a third party has funded or provided, or undertaken to fund or provide, the same reserve or network infrastructure;

> the Council has already required a development contribution for the same purpose in respect of the same building work, whether on the granting of a building consent or a certificate of acceptance.

In addition, Council will not require a development contribution in any of the following cases:

> where, in relation to any dwelling, replacement development, repair or renovation work generates no additional demand for reserve or network infrastructure.

> the application for a resource or building consent, authorisation, or certificate of acceptance is made by the Crown.

2.2.8 Waivers and/or Reductions

Development contributions may be waived or reduced if:

> a resource consent or building consent does not generate additional demand for any community facilities (such as a minor boundary adjustment); or

> one of the circumstances outlined in section *2.2.7. Limitations* apply; or

> credits apply as outlined in section *3.8. Credits*.

If a subsequent resource consent (including a change to a condition of a resource consent), building consent, certificate of acceptance, or service connection is sought, a new assessment may be undertaken using the policy in force at that time. Any increase in the number of DEs, relative to the original assessment, will be calculated and the contributions adjusted to reflect this.

This means Council will require development contributions where additional units of demand are created.

Examples of where these would be needed, include:

> minimal development contributions have been levied on a commercial development at subdivision or land use consent stage as the type of development that will happen will only be known at building consent stage.

> the nature of use has changed, for example from a low infrastructure demand non-residential use to a high infrastructure demand non-residential use.

2.2.9. Development agreements

Council may enter into specific arrangements with a developer for the provision and funding of particular infrastructure under a development agreement, including the development contributions payable, as provided for under sections 207A-207F of the LGA 2002. For activities covered by a development agreement, the agreement overrides the development contributions normally assessed as payable under the policy.

Part 3: The charges

3.1. OVERVIEW OF CALCULATION METHODOLOGY

3.1.1. Growth capital expenditure

The key concept of the approach is to define the total cost of capital expenditure (CAPEX) for growth consumed by the growth in population over a set period of time. This consumption of CAPEX for growth is then apportioned among the increased number dwelling equivalents (DE) over the same time period. This defines the average cost per DE. This can be represented by the following formula.

$$\text{DE CONTRIBUTION} = \frac{\text{SUM OF GROWTH CAPEX}}{\text{SUM OF NEW DE}}$$

Capital expenditure for growth is based on financial reports (past expenditure) and Long Term Plan (LTP) budgets (projected expenditure).

Only growth capital expenditure is considered in the model. All operational expenditure is excluded, including internal overheads.

3.2. DETERMINING INFRASTRUCTURE IMPACT

The policy is centred around a dwelling equivalent (DE), in other words, an average household in a standard residential unit and the demands they typically place on community facilities. The basis of these are detailed in section *3.5 Basis of Differentials.*

The number of DEs charged is one per new residential allotment or residential unit created.

When calculating the number of DEs for a residential subdivision, Council will adjust the assessment to account for any:

- credits relating to the site (refer to the section *3.8. Credits*).
- allotment which, by agreement, is to be vested in Council for a public purpose.
- allotment required as a condition of consent to be amalgamated with another allotment.

3.3. SCHEDULE OF DEVELOPMENT CONTRIBUTIONS

3.3.1. For each infrastructure activity where development contributions are required, the development contribution payable is calculated by multiplying the number of DE generated through the development by the charge for that activity. This is then aggregated for all activities to give the total charge.

3.3.2. These charges may be adjusted for inflation annually in line with the Producers Price Index outputs for construction, as permitted by sections 106 (2B) and (2C) of the LGA 2002. The charge for a DE for each contributing area and activity is summarised below.

SCHEDULE OF DEVELOPMENT CONTRIBUTIONS PER DWELLING EQUIVALENT REQUIRED BY CONTRIBUTING AREA (EXCLUDING GST)										
Contributing area[54]	Water Supply	Wastewater	Stormwater	Reserve Improvements	Premier Sportsground - Reserve land contribution	Community Infrastructure	Transportation	Transportation - EAR[55]	Total Cash Contribution	Local/ Community Reserve Land
Queenstown	$5,192	$12,326	$4,808	$1,182	$500	$3,604	$5,339	$960	$33,911	17.5m^2/ DE in applicable areas[56]
Frankton Flats	$5,192	$12,326	$5,130	$1,182	$500	$3,604	$5,339	$960	$34,233	
Arrowtown	$6,303	$5,930	$266	$1,182	$500	$3,604	$5,339		$23,124	
Glenorchy	$14,494	^	$258	$1,182	$500	$3,604	$5,339		$25,377	
Lake Hayes	$5,192	$7,252		$1,182	$500	$3,604	$5,339		$23,069	
Shotover Country	$5,192	$5,468		$1,182	$500	$3,604	$5,339		$21,285	
Arthurs Point	$3,568	$12,326		$1,182	$500	$3,604	$5,339		$26,519	
Kingston Township # %	^	^	^	$1,182	$500	$3,604	$5,339		$10,625	
Kingston - KVL zone *%	$2,265	$3,115	$1,590	$1,182	$500	$3,604	$5,339		$17,594	
Ladies Mile	$10,958	$13,323	$15,642	$1,182	$500	$3,604	$5,339		$50,548	
Southern Corridor	$9,539	$9,721		$1,182	$500	$3,604	$5,339		$29,885	
Wānaka	$8,425	$13,047	$5,641	$2,232		$3,106	$2,444		$34,895	
Hāwea	$12,992	$20,395	$238	$2,232	$0	$3,106	$2,444		$41,407	
Albert Town	$8,425	$13,047	$236	$2,232	$0	$3,106	$2,444		$29,490	
Luggate	$14,476	$13,047	$224	$2,232	$0	$3,106	$2,444		$35,529	
Cardrona	$17,486 #	$16,820 #		$2,232	$0	$3,106	$2,444		$42,088	
Cardrona – MCS zone *	$24,990	$13,180		$2,232	$0	$3,106	$2,444		$45,952	
Other Whakatipu				$1,182	$500	$3,604	$5,339		$10,625	
Other Wānaka				$2,232		$3,106	$2,444		$7,782	

* Different contributions payable in Mount Cardona Station zone and Kingston Village Limited (KVL) zone as per PDA

% In Kingston a targeted rate of $1,601 will also be charged for all three waters. This will be indexed each year at 2.5%p.a.

Includes 20% funding from small townships scheme

^ Development contribution to be confirmed when final planning, design and costing has been completed

[54] Development in any area with funding assistance from the Housing Infrastructure Fund (HIF) may qualify for a reduced development contribution, e.g. Quail Rise

[55] The contributing area for the Eastern Access Road (EAR) is not the same as the contributing area for Frankton Flats Stormwater network. Refer to the Contributing Area Maps in the Development Contributions

[56] In accordance with part 3.6.5 of this policy and subject to parts 3.6.7. and 3.6.8. of this policy.

3.4. LAND USE DIFFERENTIALS AND CATEGORIES

Land use differentials enable all development and subdivision categories (residential and non-residential) to be considered in terms of a common unit of demand, which in this case is the dwelling equivalent (DE). The following table summarises the conversion factors or land use differentials used to convert all activity or development categories into dwelling equivalents based on gross floor area, number of bedrooms or per stay units for visitor accommodation.

If a development falls into more than one land use category, council will levy the highest development contribution to reflect the peak day or maximum demand created.

3.4.1. DWELLING EQUIVALENT CALCULATION TABLE

Units (per…) Land Use Category	Water supply	Wastewater	Stormwater (per 100m² ISA)	Transportation	Community infrastructure	Local/ community park reserve land	Premier Sportsground reserve land	Reserve improvements
DE per lot/house								
Residential	1.00	1.00	1.00 per lot/house	1.00	1.00	1.00	1.00	1.00
DE per stay unit								
Visitor Accommodation	0.33	0.50	0.38	0.33	0.33			
DE per retirement unit (apartment/villa/house)								
2 or more bedrooms	0.60	0.58	0.38	0.29	0.65	0.41		0.41
1 bedroom	0.40	0.38	0.38	0.19	0.43	0.27		0.27
the greater of DE per 100m² GFA or DE per bedroom								
Multi-Unit Residential and Residential Flat						0 for Res Flat	0 for Res Flat	
DE per 100m² GFA	0.56	0.56	0.38	0.56	0.56	0.56	0.56	0.56
DE per bedroom (b/r) for each unit	1 b/r = 0.5 2 b/r = 0.75 3+b/r = 1.0	1 b/r = 0.5 2 b/r = 0.75 3+b/r = 1.0	0.38	1 b/r = 0.5 2 b/r = 0.75 3+b/r = 1.0	1 b/r = 0.5 2 b/r = 0.75 3+b/r = 1.0	1 b/r = 0.5 2 b/r = 0.75 3+b/r = 1.0	1 b/r = 0.5 2 b/r = 0.75 3+b/r = 1.0	1 b/r = 0.5 2 b/r = 0.75 3+b/r = 1.0
DE per 100m² GFA								
MU-Visitor Accommodation	0.62	0.73	0.38	0.62	0.62			
MU-Commercial	0.46	0.47	0.38	0.92				
Industrial - dry	0.09	0.13	0.38	0.44				
Industrial - wet	0.30	0.41	0.38	1.00				
General Commercial	0.16	0.22	0.38	2.00				
Large Format Retail	0.09	0.13	0.38	1.33				
Restaurant/Bar	1.49	2.03	0.38	2.00				
Child-care Centres	0.55	0.74	0.38	3.58				
Other/unusual developments	To be individually assessed at the time of application							

3.4.2. LAND USE CATEGORIES

PDP Category	Definition	DC Land Use Category
Industrial Activity (includes Rural Industrial)	Means the use of land and buildings for the primary purpose of manufacturing, fabricating, processing, packing, or associated storage of goods.	Industrial - wet e.g. car wash facilities, laundromats, manufacturing, processing Industrial - Dry; Storage, warehouses
Day Care Facility	Means land and/or buildings used for the care during the day of elderly persons with disabilities and/or children, other than those residing on the site.	Child-care centres
Elderly Care Home	Means a facility providing rest home care within the meaning of the Health and Disability Services (Safety) Act (2001), or a home for the residential care of older persons and/or any land or buildings used for the care of older persons within a retirement village.	Retirement Units – either 1 bedroom unit 2 or more bedroom unit
Retirement Village	Means the residential units (either detached or attached) and associated facilities for the purpose of accommodating retired persons. This use includes as accessory to the principal use any services or amenities provided on the site such as shops, restaurants, medical facilities, swimming pools and recreational facilities and the like which are to be used exclusively by the retired persons using such accommodation.	
Office	Means any of the following: a. administrative offices where the administration of any entity, whether trading or not, and whether incorporated or not, is conducted; b. commercial offices being place where trade, other than that involving the immediately exchange for goods or the display or production of goods, is transacted; c. professional offices.	General Commercial
Commercial Recreational Activities	Means the commercial guiding, training, instructing, transportation or provision of recreation facilities to clients for recreational purposes including the use of any building or land associated with the activity, excluding ski area activities.	
Retail Sales / Retail / Retailing	Means the direct sale or hire to the public from any site, and/or the display or offering for sale or hire to the public on any site of goods, merchandise or equipment, but excludes recreational activities.	
Service Station	Means any site where the dominant activity is the retail sale of motor vehicle fuels, including petrol, LPG, CNG, and diesel, and may also include any one or more of the following: a. the sale of kerosene, alcohol based fuels, lubricating oils, tyres, batteries, vehicle spare parts and other accessories normally associated with motor vehicles; b. mechanical repair and servicing of motor vehicles, including motorcycles, caravans, boat motors, trailers, except in any Residential, Town Centre or Township Zone; c. inspection and/or certification of vehicles; d. the sale of other merchandise where this is an ancillary activity to the main use of the site. Excludes: panel beating, spray painting and heavy engineering such as engine reboring and crankshaft grinding, which are not included within mechanical repairs of moto.	
Showroom	Means any defined area of land or a building given over solely to the display of goods. No retailing is permitted unless otherwise specifically provided for in the zone in which the land or building is located.	

3.4.2. LAND USE CATEGORIES

PDP Category	Definition	DC Land Use Category
Residential Visitor Accommodation	Means the use of a residential unit including a residential flat by paying guests where the length of stay by any guest is less than 90 nights. Excludes: Visitor Accommodation and Homestays and any consent with visitor accommodation rights of 180 days or more.	Mixed Use Visitor Accommodation
Large Format Retail	Means any single retail tenancy which occupies 500m² or more of GFA. Refer definition of GFA.	Large Format Retail
Bar (Hotel or Tavern)	Means any part of a hotel or tavern which is used principally for the sale, supply or consumption of liquor on the premises. Bar area shall exclude areas used for storage, toilets or like facilities and space.	Restaurant/Bar
Restaurant	Means any land and/or buildings, or part of a building, in which meals are supplied for sale to the general public for consumption on the premises, including such premises which a licence has been granted pursuant to the Sale and Supply of Alcohol Act 2012	
Visitor Accommodation	Means the use of land or buildings to provide accommodation for paying guests where the length of stay for any guest is less than 90 nights; and i. Includes camping grounds, motor parks, hotels, motels, backpackers' accommodation, bunkhouses, tourist houses, lodges, timeshares and managed apartments; and ii. Includes services or facilities that are directly associated with, and ancillary to, the visitor accommodation, such as food preparation, dining and sanitary facilities, conference, bar recreational facilities and others of a similar nature if such facilities are associated with the visitor accommodation activity. The primary role of these facilities is to service the overnight guests of the accommodation however they can be used by persons not staying overnight on the site. iii. Includes onsite staff accommodation. iv. Excludes Residential Visitor Accommodation and Homestays Visitor accommodation developments will be assessed on a 'per stay unit' basis. That is, the DCN will be assessed based on the maximum number of stay units. Any property with visitor accommodation rights of 180 days or more per year will be assessed as Visitor Accommodation. This reflects the peak day demand that the council's infrastructure networks are designed to cater for.	Visitor Accommodation
Hotel	Means any premises used or intended to be in the course of business principally for the provision to the public of: a. lodging; b. liquor, meals and refreshments for consumption on the premises	
Camping Ground	Means any area of land used, or designed or intended to be used, for rent, hire, donation, or otherwise for reward, for the purposes of placing or erecting on the land temporary living places for occupation, or permanent tourist cabins, by 2 or more families or parties (whether consisting of 1 or more persons) living independently of each other, whether or not such families or parties enjoy the use in common of entrances, water supplies, cookhouses, sanitary fixtures, or other premises and equipment; and includes any area of land used as a camping ground immediately before the commencement of the Camping Ground Regulations 1985.	

3.4.2. LAND USE CATEGORIES

PDP Category	Definition	DC Land Use Category
Airport Activity	Means land used wholly or partly for the landing, departure, and surface movement of aircraft, including: terminal buildings, hangars, air traffic control facilities, flight information services, navigation and safety aids, rescue facilities, lighting, car parking, maintenance and service facilities, fuel storage and fuelling facilities and facilities for the handling and storage of hazardous substances	Other
Education Activity	Means the use of land and buildings for the primary purpose of regular instruction or training including early childhood education, primary, intermediate and secondary schools, tertiary education. It also includes ancillary administrative, cultural, recreational, health, social and medical services (including dental clinics and sick bays) and commercial facilities.	
Health Care Facility (includes Aged Care Facility)	Means land and/or buildings used for the provision of services relating to the physical and mental health of people and animals but excludes facilities used for the promotion of physical fitness or beauty such as gymnasia, weight control clinics or beauticians.	
Hospital	Means any building in which two or more persons are maintained for the purposes of receiving medical treatment; and where there are two or more buildings in the occupation of the same person and situated on the same piece of land they shall be deemed to constitute a single building.	
	A residential flat for the purposes of this policy is a residential building or part of a residential building that is used, or can be used as independent residence containing its own kitchen, living and toilet bathroom facilities that is secondary to the main residence. Note: The definition of a kitchen comes from the District Plan.	Residential Flat
	Any development that involves the development of three or more residential units/apartments within a single site, with at least one shared wall. This does not include additions, alterations or accessory buildings.	Multi-unit Residential
	Any development that involves the redevelopment of an existing residential dwelling unit, flat or multi-unit residential apartment that is converted to short or long term visitor accommodation. When assessing the number of dwelling equivalents for mixed use accommodation, the assessment will be done using the gross floor area of the development and the mixed use accommodation differentials shown in the dwelling equivalent calculation table. Credits will be based on the existing demand as per the table of credit types, however the conversion of residential dwellings will be based on the dwelling's GFA and calculated using the multi-unit residential land use differential - post demand will then be assessed using the mixed use accommodation differential. This method more clearly defines the impact of redevelopment from residential to visitor accommodation.	Mixed Use Accommodation

3.4.3. Non-residential subdivision

Subdivided lots zoned for Visitor Accommodation only shall be assessed under the Visitor Accommodation land use category. All other non- residential subdivisions shall be assessed under the General Commercial land use category at this stage.

3.4.4. Estimated gross floor area

Where the GFA is unknown, which is often the case for a non-residential subdivision, Development Contribution Officers will reference the table under *2.2.3. Non-residential development (includes Visitor Accommodation)* to estimate the future GFA of the development.

3.4.5. Special assessments

Developments sometimes generate a significantly different demand on infrastructure than can usually be expected under the relevant land use category. This may include a development that Council deems not to fit into the land use categories shown in *3.4.1. Dwelling Equivalent Calculation Table*. Council may decide to make a special assessment of the DEs applicable to the development. Council will evaluate the need for a special assessment for one or more activities where it considers that:

- the development is likely to have less than half or more than twice the demand[57] for an activity listed in *3.5.3. Water, 3.5.4. Wastewater 3.5.5. Transportation* for that development type; or
- a non-residential development does not fit into an Industrial - dry, Industrial – wet, General Commercial, Large Format Retail, Restaurant/Bar, Child-Care Centre or Visitor Accommodation, land use and must be considered under another category; or
- where the gross floor area of a non-residential development is less than 30% of the site area.

The demand measures in *3.5. Basis of Differentials* will be used to help guide special assessments.

[57] Excluding the peak factor multiple

If a special assessment is sought, Council may require the developer to provide information on the demand for community facilities generated by the development. Council may also carry out its own assessment for any development and may determine the applicable development contributions based on its estimates.

Where possible the development will be assessed as a building, as opposed to the initial business being operated from the building. The nature of businesses can change over time, often outside the triggers of the development contributions policy.

3.5. BASIS OF DIFFERENTIALS

3.5.1. The differentials reflect the demand of a development type relative to a residential dwelling. A standard residential allotment or dwelling is always assessed as 1 DE. The underlying assumptions and the source for the other differentials are outlined in the tables below.

3.5.2. The following land use categories are not included in the tables below as they are calculated based on other land use differential(s):

- Multi-unit Residential and Residential Flat – this shall be assessed as the greater of:
  - Dwelling equivalents converted on a GFA basis assuming the typical house is 180m². This figure is taken from the QLDC Rating Database.
  - Dwelling equivalents based on the number of bedrooms (b/r), where:

    1 b/r = 0.5 DE,

    2 b/r = 0.75 DE,

    3 or more b/r = 1 DE.

  This ensures the assessed demand is consistent with how other residential developments are assessed, and also consistent with the likely number of occupants.
- Mixed Use Visitor Accommodation and Mixed Use Commercial – these are based on 75% Residential and 25% Visitor Accommodation (40m² per stay unit) and General Commercial.

3.5.3. Water supply

<table>
<tr><th>LAND USE CATEGORY</th><th>DEMAND</th><th>LITRES PER DAY PER</th><th>SOURCE</th><th colspan="2">ASSUMPTIONS</th></tr>
<tr><td>Residential</td><td>1,500</td><td>house</td><td>NZS4404</td><td colspan="2">3 pax per house, 250L/day, Peak Factor = 2.0</td></tr>
<tr><td>Visitor Accommodation</td><td>500</td><td>stay unit</td><td>NZS4404</td><td colspan="2">2 pax per stay unit @250L/day</td></tr>
<tr><td>Retirement Units</td><td>600/900</td><td>1br/2br</td><td></td><td colspan="2">Previous policy based on historical special assessments</td></tr>
<tr><td>Industrial – dry</td><td>140</td><td>100m² GFA</td><td>NZS4404</td><td>Light industrial/commercial WW design flows</td><td rowspan="4">> 10% loss/ consumption
> 55% site coverage</td></tr>
<tr><td>Industrial - wet</td><td>450</td><td>100m² GFA</td><td>NZS4404</td><td>Heavy industrial/commercial WW design flows</td></tr>
<tr><td>General Commercial</td><td>240</td><td>100m² GFA</td><td>NZS4404</td><td>Medium industrial/commercial WW design flows</td></tr>
<tr><td>Large Format Retail</td><td>140</td><td>100m² GFA</td><td>NZS4404</td><td>Light industrial/commercial WW design flows</td></tr>
<tr><td>Restaurant/Bar</td><td>2,230</td><td>100m² GFA</td><td>Design reports</td><td colspan="2">Cardrona WS/WW design assumptions @16.5L/pax and 1.35 pax per m²</td></tr>
<tr><td>Child-Care Centres</td><td>825</td><td>100m² GFA</td><td></td><td colspan="2">Previous policy based on historical special assessments</td></tr>
</table>

3.5.4. Wastewater

<table>
<tr><th>LAND USE CATEGORY</th><th>DEMAND</th><th>LITRES PER DAY PER</th><th>SOURCE</th><th colspan="2">ASSUMPTIONS</th></tr>
<tr><td>Residential</td><td>1,000</td><td>house</td><td>NZS4404</td><td colspan="2">3 pax per house, 250L/day, Peak Factor = 1.3</td></tr>
<tr><td>Visitor Accommodation</td><td>500</td><td>stay unit</td><td>NZS4404</td><td colspan="2">2 pax per stay unit @250L/day</td></tr>
<tr><td>Retirement Units</td><td>385/580</td><td>1br/2br</td><td></td><td colspan="2">Previous policy based on historical special assessments</td></tr>
<tr><td>Industrial – dry</td><td>125</td><td>100m² GFA</td><td>NZS4404</td><td>Light industrial/commercial WW design flows (0.4L/s/Ha)</td><td rowspan="4">> Excluding diurnal peak hour factor (2.5)
> Excluding I&I peaking factor (2.0)
> 55% site coverage</td></tr>
<tr><td>Industrial – wet</td><td>410</td><td>100m² GFA</td><td>NZS4404</td><td>Heavy industrial/commercial WW design flows (1.3L/s/Ha)</td></tr>
<tr><td>General Commercial</td><td>220</td><td>100m² GFA</td><td>NZS4404</td><td>Medium industrial/commercial WW design flows (0.7L/s/Ha)</td></tr>
<tr><td>Large Format Retail</td><td>125</td><td>100m² GFA</td><td>NZS4404</td><td>Light industrial/commercial WW design flows (0.4L/s/Ha)</td></tr>
<tr><td>Restaurant/Bar</td><td>2,025</td><td>100m² GFA</td><td>Design reports</td><td colspan="2">Cardrona WS/WW design assumptions @16.5L/pax and 1.35 pax per m²</td></tr>
<tr><td>Child-care Centres</td><td>740</td><td>100m² GFA</td><td></td><td colspan="2">Previous policy based on historical special assessments</td></tr>
</table>

For the purpose of water supply and wastewater, QLDC retains the right to use the size of the lateral into a development for the purpose of a special assessment as shown below:

INTERNAL DIAMETER OF WATER CONNECTION (MM)	20	25	32	40	50	100	150
Dwelling equivalent – Water supply (DE)	1.00	1.56	2.56	4.00	6.25	25.00	56.25
Water demand@ 1,500L/DE	1,500	2,340	3,840	6,000	9,375	37,500	84,375
Wastewater demand@ 10% loss/ consumption		2,106	3,456	5,400	8,438	33,750	75,938
Dwelling equivalent – wastewater (DE) @1,000L/DE	1.00	2.10	3.50	5.40	8.40	33.80	75.90

If the dwelling equivalents under the lateral approach are greater than those calculate under the standard differential/GFA approach, then QLDC may levy the higher of the two.

3.5.5. Stormwater

Stormwater is based on the typical residential dwelling having 270m² of impermeable surface area.

Some sites within Council's stormwater reticulated contributing area also have a requirement to install on-site stormwater systems. This requirement does not preclude the land owner from paying stormwater development contributions. The Council downstream network that development contributions recoup costs for have been designed and installed to cater for large storm events. Therefore, the stormwater contribution is in addition to any costs associated with any on-site development undertaken.

3.5.6. Transportation

LAND USE CATEGORY	DEMAND	VEHICLE MOVEMENTS PER DAY (VPD) PER…	SOURCE	ASSUMPTIONS
Residential	9	House	Abley design paper[58]	
Visitor Accommodation	3	stay unit	Abley design paper	Visitor Accommodation
Retirement Units	1.7/2.6	1br/ 2br		Previous policy based on historical special assessments
Industrial – dry	4	100m² GFA	Abley design paper	Warehouses
Industrial – wet	9	100m² GFA	Abley design paper	Industrial
General Commercial	18	100m² GFA	Abley design paper	Commercial
Large Format Retail	12	100m² GFA	Abley design paper	Commercial - retail up to 10,000m²
Restaurant/Bar	18	100m² GFA	Abley design paper	Commercial
Child-care Centres	32	100m² GFA		Previous policy based on historical special assessments

3.5.7. Reserves and community infrastructure

For Visitor Accommodation the same differential as water supply and transportation has been applied; 0.33 DE per stay unit. These differentials are based on the number of people staying and the frequency of vehicles movements, therefore they provide a good proxy for the demand created by visitors on these recreational assets.

[58] Trip Generation Research and Household Unit Equivalent Units, Abley, July 2020

3.6. RESERVE LAND CONTRIBUTIONS

3.6.1. A portion of development contributions paid to the Council is utilised for the provision of reserve land within the Queenstown Lakes district. It is Council's aim to have an adequate provision of accessible reserve land of high quality 'to provide a rich and diverse network of open spaces valued by the community and protected and enhanced for future generations'[59].

3.6.2. The reserve land contribution for each dwelling equivalent across the Whakatipu area has been assessed at 22.5m². This consists of:

> 17.5m² Local and Community Park (charged as a cash and/or land contribution)

> 5m² Premier Sportsground Park (charged as a cash contribution).

3.6.3. The reserve land contribution for each dwelling equivalent across the Wānaka area has been assessed at 17.5m². This consists of:

> 17.5m² Local & Community Park (charged as a cash or land contribution)

3.6.4. Premier Sportsground Park cash contribution

All residential developments within the Whakatipu area are required to contribute reserve land cash contributions equivalent to 5m² per DE for Premier Sportsground Parks. This value is shown within *3.3.3 Schedule of Development Contributions*. The exception to this is Residential Flats.

Under Schedule 13 clause 1(2) of the LGA 2002, Council identifies the requirement for a Premier Sportsground Park within the Whakatipu Area that is outside of the period covered by the Long Term Plan. It is anticipated that this reserve will be purchased in years 11-12.

There is no requirement within the Wānaka area for Premier Sportsground Park cash contribution of 5m². Council has recently rezoned existing Council administered land through the District Plan as Open Space and Recreation with the intent to develop this as a Premier Sportsground Park. Therefore while there is the need to provide a new Premier Sportsground Park there is no need to acquire additional land.

3.6.5. Local/Community Park Reserve contribution requirement

For Residential Development (Residential, Multi-Unit Residential, Retirement Units)

(A) Local/community park reserve contributions are not required where sites:

> are located within Areas A designated by the Parks and Reserves Contributing Area Maps (see supporting documents).

Note: There is sufficient provision of Local/Community Park Reserve Land in mapped Area A, therefore no charge is required.

(B) Local/Community Park reserve contributions are required where sites:

> are located within Area B designated by the Parks and Reserves Contributing Area Maps (see supporting documents) and/or within Urban Growth Boundaries as defined by the District Plan.

Note: Areas designated as Area B, have been identified as high growth areas where there is insufficient provision of Local/ Community Park reserve land, therefore, a Development Contribution towards increasing this provision will be charged.

(C) Local/Community Park reserve contributions are required where sites:

> are located within Area C (neither Area A or B and/or within Urban Growth Boundaries) designated by the Parks and Reserves Contributing Area Maps (see supporting documents); and

> have residential development density <2000m²/DE post development.

[59] https://www.qldc.govt.nz/media/bdpmhqsj/item-3-attachment-a.pdf

Rural zone

Any lots that are zoned Rural are exempt from Local/Community Park reserve contributions should the lot remain zoned Rural post development and have a land area greater than or equal to 2000m². If any allotments within the rural zone, post development, have a land area less than 2000m², Local/Community Park reserve contributions are required (as detailed within Zones within Area C below). This is to ensure that adequate provision for Local/Community Parks are made in areas where there is potential demand on rural land for urban development.

This in no way suggests that any development will be approved in these areas – but provides Council with the adequate framework to collect contributions should any urban development occur in these areas.

Note that *some* zones below are specifically identified within Areas A and B. They are also listed below due to the evolving nature of the District Plan review and zone changes which may result in residential urban allotments outside of Areas A and B.

Zones within 'Area C' < 2000m²

Local/Community Parks reserve contributions **are** required.

> Rural

> Whakatipu Basin Rural Amenity Zone (new zone in the Whakatipu Basin that replaces the 'Rural' zone of the Operational District Plan (ODP))

> Gibbston Character Zone

> Rural Residential

> Rural Lifestyle

> Rural Visitor Zone

> Large Lot Residential A

> Large Lot Residential B (the min lot size is 4000m² – but it possible, though unlikely, that we will see subdivisions down to less than 2000m² on some of these sites due to 'unique circumstances')

> Any other zone that is not listed above but results in allotments that have been subdivided for residential purposes with an area of less than 2000m². The requirement will also apply to sites that have not been subdivided but the density per residential unit is greater than one unit per 2000m².

3.6.6. Local/Community Park-land contribution

At the Council's discretion the reserves land contribution relating to Local/Community Parks can be either land or cash or a combination of both. Consultation with Council is required prior to an application for an outline development plan, a plan change, a resource or building consent being lodged. In some instances, Council may accept or require a contribution to the equivalent value in the form of land.

Approval in writing must be provided from Council as to whether cash or land or both are appropriate in any given case. For example, to allow reserve assets to vest in the Council through the subdivision consent process, where they are considered of a suitable standard in terms of the Council's reserve requirements, and credit them against the contributions required.

Land offered to the Council in lieu of cash development contributions for reserve land acquisition must be of a suitable standard, size and purpose to be accepted by the Council. This shall be at the discretion of the Council and must adhere to the QLDC Future Parks and Reserves Provision Plan 2021.

3.6.7. Local/Community Park-Cash Contribution

Where a cash contribution is required for Local/Community Parks, the value of the land shall fall into

Whakatipu Area: Queenstown, Fernhill, Sunshine Bay, Kelvin Heights, Frankton, Arrowtown; Eastern Corridor and Southern Corridor; Glenorchy and Kingston; or

Wānaka Area: Wānaka; Hāwea and Albert Town; Luggate, Cardrona and Makarora. The median land values for these locations have been calculated as follows – values are GST exclusive:

Whakatipu Area:

> Queenstown, Fernhill, Sunshine Bay, Kelvin Heights, Frankton and Arrowtown 1,064/m^2

> Eastern Corridor[60] and Southern Corridor[61] $855/$m^2$

> Glenorchy and Kingston $423/$m^2$

Wānaka Area:

> Wānaka and Albert Town $881/$m^2$

> Luggate, Cardrona, Hāwea and Makarora $602/$m^2$

Note that where Local/Community Park reserve contributions are required outside of the valued areas in this section, the land value will be based on the valued area closest in distance to the development.

3.6.8. Maximum Development Contributions for Reserve Land Section 203 of the LGA 2002 prohibits Council from charging development contributions for reserves that exceed the greater of:

> 7.5% of the value of the additional lots created by a subdivision; and

> the value equivalent of 20m^2 of land for each additional household unit or accommodation unit created by the development.

3.7. RESERVE IMPROVEMENT CONTRIBUTIONS

A portion of development contributions paid to the Council is utilised for the improvement of reserve land within the Queenstown Lakes District. In some instances, Council may accept or require a contribution to the equivalent value in the form of infrastructure. Agreement and approval in writing must be provided from Council in respect of any Reserve Improvement infrastructure being provided, and evidence of expenditure for Reserve Improvements must be presented to Council to offset the development contributions levy for Reserve Improvements.

3.8. CREDITS

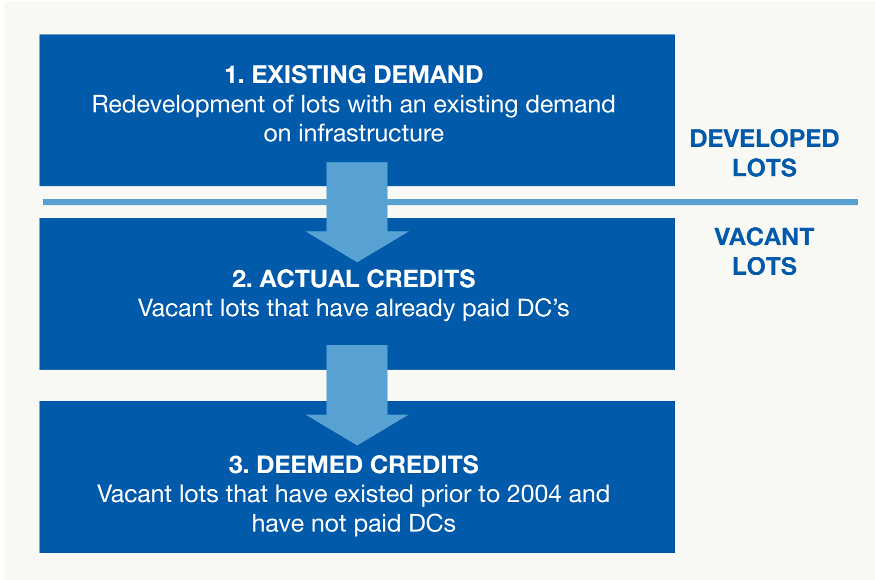
3.8.1. Considerations apply to all development contribution assessments:

> The existing demand of any lot that is to be developed will be converted to a DE credit when assessing development contributions. Development contributions payable therefore are solely for additional demand created by the new development.

> Credits will be specific to the activity for which they were paid (i.e. a water supply credit will not be able to offset a wastewater contribution).

> Credits are to be site specific (not transferable) and non-refundable unless the refund provisions of the Act apply (see 3.10.1. Refunds).

3.8.2. Three credit types that may be applied:



[60] Shotover Country, Lake Hayes Estate, Bridesdale & Ladies Mile
[61] All land between the new Kawarau Bridge and Lakeside Estate including Coneburn, Jacks Point, Homestead Bay, Hanley Farm

Existing credits: Redevelopment of lots with an existing demand on infrastructure.

Actual credits: Vacant lots that have already paid development contributions.

Deemed credits: Vacant lots that existed and had rights to develop prior to 1 July 2004 and have not paid DCs. Deemed credits do not apply to vacant lots where no right to build existed prior to 1 July 2004.

3.8.3. Deemed credits

Residential: Deemed credits where applicable will be calculated as 1DE per residential vacant lots.

Non-Residential: Deemed credits where applicable will be calculated as per *2.2.1.2. Non-residential development (includes Visitor Accommodation)* for non-residential vacant lots.

3.8.4. Amalgamated credits

Any credits that are identified as a result of an amalgamation of individual titles will accrue on the new amalgamated title. These will lapse if not utilised within a period of three years.

3.9. REVIEW PROCESS

Developers are entitled under the LGA 2002 to request a reconsideration or lodge a formal objection if they believe Council has made a mistake in assessing the level of development contributions for their development.

3.9.1. Reconsideration

Reconsideration requests are a process that formally requires Council to reconsider its assessment of the development contributions for a development. A request for reconsideration can be made where the developer has grounds to believe that:

> the development contribution was incorrectly calculated or assessed under the policy; or

> Council incorrectly applied the policy; or

> the information used to assess the development against the policy, or the way that Council has recorded or used that information when requiring a development contribution, was incomplete or contained errors.

To seek a reconsideration, the developer must:

> lodge the reconsideration request within 10 working days of receiving the development contribution notice.

> use the reconsideration form (found on https://www.qldc. govt. nz/do-it-online/submit-an-application/development- contribution-costs-request-for-reconsideration) and supply any supporting information with the form.

Applications with insufficient information will be returned to the applicant, with a request for additional information.

Once Council has received all required information, the request will be considered by an appropriate Council officer. Notice of Council's decision will be available within 15 working days from the date on which Council receives all required relevant information relating to the request.

3.9.2. Objection

Objections are a more formal process that allow developers to seek a review of the Council's decision. A panel of up to three independent commissioners will consider the objection. The decision of the commissioners is binding on the developer and Council, although either party may seek a judicial review of the decision.

Objections may only be made on the grounds that Council has:

> failed to properly take into account features of the development that, on their own or cumulatively with those of other developments, would substantially reduce the impact of the development on requirements for community facilities in the district or parts of the district; or

- required a development contribution for community facilities not required by, or related to, the development, whether on its own or cumulatively with other developments; or
- required a development contribution in breach of section 200 of the LGA 2002; or
- incorrectly applied the Policy to the development.

Schedule 13A of the LGA 2002 sets out the objection process. To pursue an objection, the developer must:

- lodge the request for an objection within 15 working days of receiving the outcome of any request for a reconsideration by emailing development.contributions@qldc.govt.nz; and
- supply any supporting information within the email.

Objectors are liable for all costs incurred in the objection process including staff arranging and administering the process, commissioner's time, and other costs incurred by Council associated with any hearings such as room hire and associated expenses, as provided by section 150A of LGA 2002. However, objectors are not liable for the fees and allowances costs associated with any Council witnesses.

OTHER MATTERS

3.9.3 Refunds

Sections 209 and 210 of the LGA 2002 state the circumstances where development contributions must be refunded, or land returned. In summary, Council will refund development contributions paid if:

- The resource consent:
  - lapses under section 125 of the RMA 1991; or
  - is surrendered under section 138 of the RMA 1991; or
- the building consent lapses under section 52 of the Building Act 2004; or
- the development or building in respect of which the resource consent or building consent was granted does not proceed; or
- Council does not provide the reserve or network infrastructure for which the development contributions were required.

Council may retain any portion of a development contribution referred to above of a value equivalent to the costs incurred by the Council in relation to the development or building and its discontinuance.

Council may retain a portion of a development contribution (or land) refunded of a value equivalent to:

- any administrative and legal costs it has incurred in assessing, imposing, and refunding a development contribution or returning land for network infrastructure or community infrastructure development contributions.
- any administrative and legal costs it has incurred in refunding a development contribution or returning land for reserve development contributions.

3.9.4 Postponements

Postponement of development contribution payment will only be permitted at Council's discretion. Where payment is postponed, Council will require a Statutory Land Charge equal in value to the payment owed.

Part 4: Policy details

4.1. CONTRIBUTING AREA DETERMINATION

4.1.1. Under the LGA 2002, Council has set charges based on geographical area. These grouping have been completed in a manner that balances practical and administrative efficiencies with considerations of fairness and equity.

4.1.2. The underlying approach groups development within each distinct three waters network/ scheme and uses a ward based approach for the transportation, reserve and community infrastructure contributions. This and any exceptions are summarised in the table below.

ACTIVITY	CONTRIBUTING AREA
Water supply	Grouped under the following distinct networks: Queenstown (includes, Quail Rise, Shotover Country, Lake Hayes, Frankton, Kelvin Heights) Southern Corridor Ladies Mile Arthurs Point Arrowtown Glenorchy Kingston Wānaka (includes Albert Town) Hāwea Luggate Cardrona
Wastewater	Queenstown (includes Frankton, Kelvin Heights, Arthurs Point, Quail Rise) Arrowtown * Ladies Mile * Southern Corridor * Shotover Country * Lakes Hayes * Kingston Wānaka (includes Albert Town and Luggate) Hāwea Cardrona
Stormwater	Queenstown Frankton Flats Arrowtown Glenorchy Kingston Ladies Mile Wānaka Hāwea Albert Town Luggate
Transportation	Whakatipu or Wānaka areas and the Eastern Access Road contributing area
Reserve improvements	Whakatipu or Wānaka areas
Community infrastructure	
Reserve land	Whakatipu or Wānaka areas in locations where more reserve land is required – see Contributing Area Maps in Supporting Documents

Notes:	* These contributing areas are separated for wastewater as they have existing legacy funding agreements. They all pay an equitable portion of the Shotover Ponds treatments costs.

4.2. SIGNIFICANT ASSUMPTIONS

4.2.1. The Long Term Plan and the policy rely on the same base data, the significant assumptions disclosed in the LTP also apply to this policy. Development contributions are based on capital expenditure budgets included in Council's asset management plans. The capital expenditure budgets and projected estimates of future asset works are based on the best available knowledge at the time of preparation. As better information becomes available the policy will be updated, generally through the Annual Plan and Long Term Plan processes where applicable.

4.2.2. Methodology

Council has taken an approach to ensure that the cumulative effect of development is considered across each contributing area.

4.2.3. Planning horizons

A 30 year timeframe has been used as a basis for forecasting growth and growth related assets and programmes.

4.2.4. Projecting growth

The growth projections used for the 2024 LTP are summarised below:

- Strong resident population growth, increasing to nearly 86,000 people by 2054.
- Continued growth in the number of houses, increasing to over 42,000 houses by 2054. This is an overall increase of over 17,000 houses over 30 years.
- The increase in visitor numbers takes the average day total population to nearly 125,000 people.

In addition to the residential growth there is also a forecast increase in business rating units and visitor accommodation developments.

4.2.5. Key risks / effects

There are two key risks associated with administering development contributions, and the resulting effects are:

- That growth predictions do not eventuate, resulting in a change to the assumed rate of development. Council will continue to monitor the rate of growth and will update assumptions in the growth and funding predictions, as required.
- That the time lag between expenditure incurred by Council and development contributions received from those undertaking developments is different from that assumed in the funding model, and that the costs of capital are greater than expected. This would result in an increase in debt servicing costs. To guard against that occurrence, Council will continue to monitor the rate of growth and will update assumptions in the growth and funding models, as required.
- In addition to the above demand projections there are some areas that may be developed over a longer time than 30 years, or may develop faster than projected. In some cases for long life infrastructure (e.g. pipes, mains) the funding has been spread over the full capacity of an area as informed by the District Plan and the Spatial Plan[62].

4.3. CALCULATING THE DEVELOPMENT CONTRIBUTION CHARGES

4.3.1. The key concept of the approach is to define the total capital expenditure (CAPEX – real $s or 2024/2025 $s) for growth consumed by the growth population over a period of time. This consumption of capex for growth is then apportioned among the increased number of household units of demand (dwelling equivalents) over the same time period. This defines the long run average cost of growth per unit of demand, defined as the dwelling equivalent contribution.

[62] https://www.qldc.govt.nz/your-council/council-documents/queenstown-lakes-spatial-plan/

4.3.2. The calculation method can be summarised by the following steps:

STEP 1: Assess capital expenditure for growth on an asset by asset basis using financial reports (past expenditure) and projected expenditure.

STEP 2: Apportion capital expenditure for growth by the growth population (DEs) over the design/capacity life of the asset, to assess the $/unit of demand.

STEP 3: For each year in the analysis period determine the total consumption of asset capacity for each asset identified, namely – $/unit of demand x the number units of demand.

STEP 4: Sum for all assets in each year in the analysis period, namely total capacity consumed in that year, measured in $.

STEP 5: Sum each year in the ten-year analysis period and divide by the growth population (new dwelling equivalents) projected over the analysis period to determine the dwelling equivalent contribution.

4.4. GROWTH COSTS

4.4.1. Capital expenditure may be attributable to one or more factors: growth, changes to levels of service, statutory requirements, or asset renewal. Under this policy all projects have been assessed to calculate a fair, equitable and proportionate portion of Council's infrastructure costs that can be attributed to growth. The growth costs reflect the cost that Council has or will incur because of growth. The growth-related costs are solely those required to meet the additional demand created by the effects (including cumulative effects) of all development within a given contributing area. This includes capacity in all up and downstream areas of the network, and not just the capacity in the locality of a given development. For example, the growth costs include the capacity in the headwork's assets such as treatment plants and storage assets.

4.4.2. Projects that were/are completed solely to address the demands of, and the benefits to, development, are considered to be 100% growth. Projects that were/are solely to replace existing assets or change levels of service are considered to be 0% growth. Projects that benefit both the existing community and the future community are apportioned using the following formula:

$$\text{GROWTH \%} = \frac{\text{(DEMAND AT CAPACITY – DEMAND AT CONSTRUCTION)}}{\text{DEMAND AT CAPACITY}}$$

4.4.3. Where possible the demand has been quantified using first principles, e.g. traffic flow, litres used, impermeable surface area (ISA). This ensures that only a fair, equitable and proportionate portion of the total costs is passed onto the future community via development contributions.

4.4.4. This approach can be used on projects where growth is not the main driver. For example, an upgrade to a wastewater treatment plant may be a combination of both level of service change for the existing community and provision of capacity for the future community.

4.5. AVERAGE COST OF GROWTH

4.5.1. The development contributions are based on the long-term average cost of growth across a contributing area and reflect the average cost of infrastructure required to service new development for each activity. This includes those growth-related projects planned for in the future and also those growth-related projects that have already been completed.

4.5.2. The calculation method uses the capacity life of each asset to fairly apportion the growth costs across the capacity life of the asset created. This ensures that all developments that benefit from the growth-related capital expenditure contribute an equitable portion. This also ensures that the rate the capacity is consumed is considered in the calculation so that early and late developers do not pay an unfairly high proportion of the growth costs. This also means that not all growth costs incurred in the LTP period will be funded over that period.

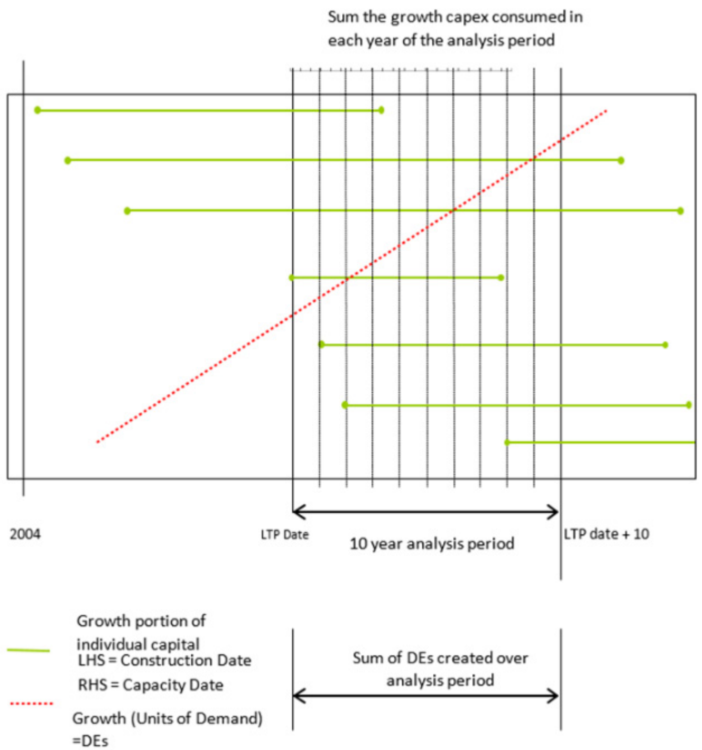
4.5.3. The standard contribution ($/DE) is based on the average cost of growth for each activity over a 10-year analysis period.

$$\text{STANDARD DEVELOPMENT CONTRIBUTION} = \frac{\$}{\text{DE}}$$

$$= \frac{\text{SUM OF GROWTH COSTS CONSUMED IN ANALYSIS PERIOD}}{\text{SUM OF NEW DEs IN ANALYSIS PERIOD}}$$

This method is summarised in the following diagram:

Long run average cost of growth



4.5.4. Although the method uses a bottom up approach at the project level, the standard contribution reflects the average cost of growth for the overall activity. This is considered the fairest way to ensure all development in the contributing area pays a fair and equitable contribution to fund each activity and service growth over the long term.

4.5.5. For the purpose of the calculations, the design life of the longer life assets has been capped at 30 years. This design life is used in both the calculation of the growth portion and the consumption of the growth costs. This ensures that the interest costs of funding long life assets are not disproportionally high. The 30 years was chosen as it is consistent with Council's 30 Year Infrastructure Strategy. The exception is for some large reticulation assets where a design life of 50 years may be used.

4.6. INTEREST CONSIDERATIONS

4.6.1. Interest costs have been assessed based on 4.8% interest per annum, as adopted in the 2024 LTP. The interest component of the standard contribution is based on the weighted average cost of capital over the 10-year analysis window. The cumulative net deficit considering existing debt, future contributions and future growth related capital expenditure are used to determine the interest implications.

4.6.2. New schemes are sometimes funded under Private Development Agreements. In some cases a bespoke funding model may be used for new schemes where the infrastructure is provided by a combination of Council and private developers, e.g. Cardrona and Kingston.

4.7. FUNDING SUMMARY

The nature and level of expected capital expenditure required by Council and the proportion attributed to growth is shown in the following tables. A table is produced for each activity (asset type) which shows the growth capital expenditure for each geographical area where a contribution has been assessed.

For the schemes where infrastructure is being provisioned via a Private Development Agreement, some of the costs included in the development contributions (and summary tables) are for capital expenditure outside the 2024 Long Term Plan.

4.7.1. Disclosure tables

WATER SUPPLY

WATER SUPPLY								
Location	Work Code	LTP Capital Expenditure	Total Capital Expenditure	LTP Growth Capital Expenditure	Total Growth Capital Expenditure	Growth costs consumed - TOTAL	Analysis Period Dwelling Equivalents	Development Contribution per Dwelling Equivalent ($/DE)
Queenstown	**Total**	**97,940,016**	**194,601,104**	**24,486,522**	**56,456,114**	**13,928,596**	**2,683**	**$5,192**
	Reticulation	0	45,995,301	0	18,095,303	4,701,315	2,683	$1,753
	Pump Station	0	6,531,392	0	2,587,832	618,912	2,683	$231
	Unspecified Expenditure	636,600	1,070,823	0	0	0	2,683	$0
	Storage	28,222,456	34,687,947	6,685,498	10,989,342	2,454,871	2,683	$915
	New Scheme	0	1,666,082	0	1,014,899	102,020	2,683	$38
	Intake	0	3,506,155	0	1,138,635	470,780	2,683	$175
	Renewals	12,635,624	22,814,912	0	2,872	1,210	2,683	$0
	Management	34,295,712	39,006,185	11,025,442	11,602,839	2,943,415	2,683	$1,097
	Conveyance	0	87,026	0	0	0	2,683	$0
	Emergency Conveyance	0	291,837	0	82,348	0	2,683	$0
	Flow Metering	0	547,260	0	185,600	29,478	2,683	$11
	Treatment Facility	19,553,888	33,255,886	6,001,772	9,565,871	2,266,194	2,683	$845
	Asset Management System	0	1,225,221	0	251,886	55,710	2,683	$21
	Forward Design	1,885,928	2,286,196	418,905	518,831	148,972	2,683	$56
	Minor Works	709,809	840,336	354,905	378,115	114,797	2,683	$43
	Investigations	0	417,413	0	41,741	20,922	2,683	$8

WATER SUPPLY								
Location	Work Code	LTP Capital Expenditure	Total Capital Expenditure	LTP Growth Capital Expenditure	Total Growth Capital Expenditure	Growth costs consumed - TOTAL	Analysis Period Dwelling Equivalents	Development Contribution per Dwelling Equivalent ($/DE)
Arrowtown	**Total**	**20,467,975**	**33,441,602**	**3,206,655**	**6,153,141**	**2,205,447**	**350**	**$6,303**
	Reticulation	0	2,723,868	0	792,376	97,316	350	$278
	Pump Station	0	105,559	0	24,578	3,486	350	$10
	Unspecified Expenditure	0	634,764	0	0	0	350	$0
	Storage	9,999,901	12,867,291	999,990	1,746,018	555,093	350	$1,586
	Intake	0	4,234,000	0	1,255,489	703,746	350	$2,011
	Renewals	2,165,692	3,549,851	0	1,863	432	350	$1
	Management	7,505,465	7,892,734	2,119,190	2,150,498	768,060	350	$2,195
	Flow Metering	0	25,858	0	6,803	247	350	$1
	Treatment Facility	430,342	845,266	0	59,623	33,747	350	$96
	Asset Management System	0	162,811	0	20,725	0	350	$0
	Forward Design	223,341	253,275	15,857	23,104	11,350	350	$32
	Minor Works	143,235	146,280	71,618	72,063	31,970	350	$91
	New Capital	0	44	0	0	0	350	$0
Glenorchy	**Total**	**4,874,137**	**13,532,277**	**1,637,585**	**5,148,812**	**2,561,806**	**177**	**$14,494**
	Reticulation	0	639,091	0	219,231	78,420	177	$444
	Pump Station	0	127,091	0	55,340	11,352	177	$64
	Unspecified Expenditure	0	210,592	0	0	0	177	$0
	Storage	0	6,015,639	0	2,767,478	1,642,022	177	$9,290
	New Scheme	0	364,296	0	140,184	71,793	177	$406
	Intake	475,942	622,339	120,413	177,866	69,285	177	$392
	Renewals	790,641	1,092,987	0	85	30	177	$0
	Management	3,218,273	3,345,863	1,454,167	1,478,005	530,203	177	$3,000
	Flow Metering	0	15,547	0	6,176	1,408	177	$8
	Treatment Facility	231,722	844,607	0	209,820	120,446	177	$681
	Asset Management System	0	22,116	0	5,583	0	177	$0
	Forward Design	50,398	124,726	9,424	35,369	13,623	177	$77
	Minor Works	107,161	107,383	53,581	53,677	23,223	177	$131

WATER SUPPLY								
Location	**Work Code**	**LTP Capital Expenditure**	**Total Capital Expenditure**	**LTP Growth Capital Expenditure**	**Total Growth Capital Expenditure**	**Growth costs consumed - TOTAL**	**Analysis Period Dwelling Equivalents**	**Development Contribution per Dwelling Equivalent ($/DE)**
Arthurs Point	**Total**	**10,950,552**	**16,767,168**	**3,085,446**	**6,308,060**	**1,317,107**	**369**	**$3,568**
	Reticulation	0	1,713,393	0	1,180,273	44,631	369	$121
	Unspecified Expenditure	394,353	617,709	0	0	0	369	$0
	Storage	8,168,689	8,170,827	2,337,879	2,338,910	815,389	369	$2,209
	New Scheme	0	2,047,098	0	1,469,863	0	369	$0
	Intake	0	381,214	0	140,659	51,715	369	$140
	Renewals	0	496,143	0	0	0	369	$0
	Management	1,864,862	1,952,272	677,942	704,972	226,056	369	$612
	Flow Metering	0	5,794	0	0	0	369	$0
	Treatment Facility	347,584	634,067	0	125,192	50,647	369	$137
	Asset Management System	0	131,120	0	61,665	0	369	$0
	Forward Design	61,538	87,707	12,861	21,359	9,948	369	$27
	Minor Works	113,527	529,822	56,764	265,167	118,720	369	$322
Ladies Mile	**Total**	**43,728,981**	**50,574,396**	**33,184,319**	**35,818,307**	**8,611,049**	**786**	**$10,958**
	Storage	8,481,166	10,160,872	2,009,067	3,219,023	719,086	786	$915
	New Scheme	29,371,652	29,645,104	29,371,652	29,463,696	7,090,242	786	$9,023
	Intake	0	1,027,031	0	333,532	137,902	786	$175
	Treatment Facility	5,876,163	9,741,389	1,803,600	2,802,056	663,819	786	$845
Southern Corridor	**Total**	**73,858,243**	**79,062,768**	**73,858,243**	**77,383,712**	**14,105,283**	**1,479**	**$9,539**
	Reticulation	0	4,827,842	0	3,148,786	1,079,121	1,479	$730
	Pump Station	0	39,419	0	39,419	16,296	1,479	$11
	Storage	0	337,265	0	337,265	123,893	1,479	$84
	New Scheme	73,858,243	73,858,243	73,858,243	73,858,243	12,885,973	1,479	$8,714

WATER SUPPLY								
Location	**Work Code**	**LTP Capital Expenditure**	**Total Capital Expenditure**	**LTP Growth Capital Expenditure**	**Total Growth Capital Expenditure**	**Growth costs consumed - TOTAL**	**Analysis Period Dwelling Equivalents**	**Development Contribution per Dwelling Equivalent ($/DE)**
Wānaka	**Total**	**136,041,963**	**195,296,149**	**27,361,859**	**55,199,467**	**15,999,080**	**1,899**	**$8,425**
	Reticulation	383,336	21,475,431	175,951	8,707,373	2,833,265	1,899	$1,492
	Pump Station	0	1,115,549	0	491,222	153,280	1,899	$81
	Unspecified Expenditure	0	2,434,906	0	0	0	1,899	$0
	Storage	60,123,108	81,075,326	88,294	16,810,642	5,361,459	1,899	$2,823
	Intake	0	848,062	0	362,749	109,182	1,899	$57
	Renewals	6,381,156	13,519,572	0	961	413	1,899	$0
	Management	30,654,836	31,586,078	13,743,036	13,950,879	3,103,071	1,899	$1,634
	Flow Metering	0	251,230	0	110,459	22,535	1,899	$12
	Treatment Facility	36,952,059	40,656,381	12,744,812	13,879,774	4,221,788	1,899	$2,223
	Asset Management System	0	249,034	0	84,494	0	1,899	$0
	Forward Design	1,123,069	1,649,937	397,566	585,470	140,810	1,899	$74
	Minor Works	424,400	434,638	212,200	215,409	53,264	1,899	$28
	Investigations	0	4	0	35	13	1,899	$0
Hāwea	**Total**	**31,251,770**	**39,082,696**	**14,009,068**	**17,216,109**	**5,795,655**	**446**	**$12,992**
	Reticulation	1,135,892	3,672,718	572,717	2,031,637	677,723	446	$1,519
	Pump Station	0	128,856	0	50,960	23,293	446	$52
	Unspecified Expenditure	0	39,726	0	0	0	446	$0
	Storage	23,708,323	24,021,296	11,854,161	12,009,491	3,914,060	446	$8,774
	Intake	0	1,771,000	0	664,520	318,749	446	$715
	Renewals	824,636	2,020,186	0	0	0	446	$0
	Management	4,921,811	6,524,816	1,445,036	2,230,218	794,634	446	$1,781
	Flow Metering	0	67,049	0	26,891	13,325	446	$30
	Treatment Facility	347,584	415,130	0	25,783	3,875	446	$9
	Asset Management System	0	3,869	0	1,124	0	446	$0
	Forward Design	176,657	248,091	68,719	92,421	26,909	446	$60
	Minor Works	136,869	169,959	68,435	83,062	23,087	446	$52

WATER SUPPLY								
Location	**Work Code**	**LTP Capital Expenditure**	**Total Capital Expenditure**	**LTP Growth Capital Expenditure**	**Total Growth Capital Expenditure**	**Growth costs consumed - TOTAL**	**Analysis Period Dwelling Equivalents**	**Development Contribution per Dwelling Equivalent ($/DE)**
Luggate	**Total**	**22,266,425**	**28,018,244**	**12,489,378**	**14,853,418**	**8,443,066**	**583**	**$14,476**
	Reticulation	0	28,558	0	15,890	9,476	583	$16
	Pump Station	0	63,280	0	35,176	20,964	583	$36
	Unspecified Expenditure	241,500	971,892	0	0	0	583	$0
	Storage	0	611,837	0	362,041	217,611	583	$373
	New Scheme	0	21,722	0	0	0	583	$0
	Renewals	0	101,545	0	0	0	583	$0
	Management	459,502	587,864	207,721	253,928	128,259	583	$220
	Flow Metering	0	34,906	0	19,598	11,752	583	$20
	Treatment Facility	21,413,169	25,173,385	12,207,798	13,958,331	8,001,657	583	$13,719
	Asset Management System	0	60,216	0	17,587	0	583	$0
	Forward Design	50,398	105,174	22,931	38,033	21,642	583	$37
	Minor Works	101,856	102,181	50,928	50,974	26,561	583	$46
	Investigations	0	155,684	0	101,860	5,144	583	$9

Private developer agreement schemes – water supply

Cardrona

Water supply development contributions as per provisional private development agreement – 100% of costs to be funded through development contributions.

PRIVATE DEVELOPER AGREEMENT SCHEMES – WATER SUPPLY CARDRONA	
Component	**Capital costs**
WS Headworks (intake, PS, rising main, storage, treatment)	$21,256,418
Additional membranes and storage (Mid TWR)	$814,615
WTP Upgrade	$294,487
Additional storage (Low TWR)	$1,875,348
Interest	$12,000,946
WS Headworks Total	**$36,241,815**
Pipeline from MCS to Cardrona Village	$1,950,000
Interest	$1,997,940
Pipeline Total	**$3,947,940**

Kingston

Water supply development contributions are as per the private development agreement – 100% of costs to be funded through growth – with options to pay the development contribution as an upfront lump sum, or over time as a targeted rate.

PRIVATE DEVELOPER AGREEMENT SCHEMES – WATER SUPPLY KINGSTON	
Component	**Capital costs**
Headworks	$20,154,698
Conveyance	$7,226,213
Interest *	$5,377,772
Total	**$32,758,682**
* KVL interest considerations only, further interest implications TBC	

WASTEWATER

WASTEWATER								
Location	**Work Code**	**LTP Capital Expenditure**	**Total Capital Expenditure**	**LTP Growth Capital Expenditure**	**Total Growth Capital Expenditure**	**Growth costs consumed - TOTAL**	**Analysis Period Dwelling Equivalents**	**Development Contribution per Dwelling Equivalent ($/DE)**
Queenstown	**Total**	**195,997,023**	**347,874,709**	**66,205,001**	**113,377,596**	**39,133,079**	**3,175**	**$12,326**
	Investigations	4,624,986	5,255,791	1,122,027	1,294,062	374,166	3,175	$118
	Management	1,515,704	11,178,856	252,131	3,370,733	224,757	3,175	$71
	Minor Works	686,467	704,821	343,234	343,234	96,118	3,175	$30
	New Scheme	0	554,622	0	554,622	0	3,175	$0
	Pump Station	20,684,705	58,555,889	7,684,474	22,372,691	8,936,600	3,175	$2,815
	Renewals	24,480,023	39,375,437	0	3,612	1,341	3,175	$0
	Reticulation	71,730,150	120,443,194	28,811,789	47,346,807	15,912,779	3,175	$5,012
	Storage	0	12,062	0	3,865	2,196	3,175	$1
	Treatment Facility	72,274,989	111,794,038	27,991,347	38,087,971	13,585,121	3,175	$4,279
Arrowtown	**Total**	**19,288,873**	**35,967,139**	**4,184,496**	**7,597,582**	**2,148,264**	**362**	**$5,930**
	Investigations	7,236,860	7,309,608	704,727	709,025	133,651	362	$369
	Management	482,231	1,370,182	201,268	351,444	86,754	362	$239
	Minor Works	168,699	192,409	84,350	84,350	28,364	362	$78
	Pump Station	3,153,632	5,143,983	0	195,109	24,544	362	$68
	Renewals	0	1,478,025	0	15,927	0	362	$0
	Reticulation	0	7,715,879	0	1,895,428	324,724	362	$896
	Treatment Facility	8,247,451	12,757,054	3,194,152	4,346,299	1,550,227	362	$4,279

WASTEWATER								
Location	**Work Code**	**LTP Capital Expenditure**	**Total Capital Expenditure**	**LTP Growth Capital Expenditure**	**Total Growth Capital Expenditure**	**Growth costs consumed - TOTAL**	**Analysis Period Dwelling Equivalents**	**Development Contribution per Dwelling Equivalent ($/DE)**
Lake Hayes	**Total**	**6,509,388**	**15,325,395**	**749,839**	**4,567,722**	**392,750**	**54**	**$7,252**
	Management	3,946,993	4,080,729	192,786	253,985	22,333	54	$412
	Minor Works	159,150	296,167	79,575	95,251	14,737	54	$272
	Pump Station	0	552,095	0	380,762	55,977	54	$1,034
	Renewals	0	268,461	0	0	0	54	$0
	Reticulation	1,170,373	8,220,953	0	3,188,018	67,968	54	$1,255
	Treatment Facility	1,232,871	1,906,990	477,478	649,707	231,736	54	$4,279
Shotover Country	**Total**	**6,062,808**	**7,043,032**	**576,884**	**686,727**	**188,866**	**35**	**$5,468**
	Management	3,946,993	3,946,993	192,786	192,786	25,780	35	$746
	Minor Works	159,150	159,150	79,575	79,575	15,291	35	$443
	Reticulation	1,170,373	1,720,662	0	0	0	35	$0
	Treatment Facility	786,292	1,216,227	304,523	414,366	147,795	35	$4,279
Ladies Mile	**Total**	**47,213,367**	**57,141,243**	**36,281,561**	**38,792,174**	**10,441,981**	**784**	**$13,323**
	Reticulation	29,371,652	29,543,903	29,371,652	29,389,824	7,088,374	784	$9,044
	Treatment Facility	17,841,716	27,597,340	6,909,910	9,402,350	3,353,606	784	$4,279
Southern Corridor	**Total**	**114,533,790**	**138,917,981**	**92,730,414**	**100,965,902**	**15,194,664**	**1,563**	**$9,721**
	New Scheme	76,056,387	76,056,387	76,056,387	76,056,387	5,810,264	1,563	$3,717
	Pump Station	2,892,282	3,136,291	2,892,282	3,136,291	1,422,969	1,563	$910
	Reticulation	0	4,682,689	0	3,020,332	1,272,697	1,563	$814
	Treatment Facility	35,585,121	55,042,615	13,781,745	18,752,892	6,688,734	1,563	$4,279

WASTEWATER								
Location	**Work Code**	**LTP Capital Expenditure**	**Total Capital Expenditure**	**LTP Growth Capital Expenditure**	**Total Growth Capital Expenditure**	**Growth costs consumed - TOTAL**	**Analysis Period Dwelling Equivalents**	**Development Contribution per Dwelling Equivalent ($/DE)**
Wānaka	**Total**	**165,490,010**	**254,927,683**	**63,547,517**	**97,760,566**	**29,420,892**	**2,255**	**$13,047**
	Asset Management System	0	0	0	0	0	2,255	$0
	Investigations	2,459,525	2,819,211	813,132	901,669	450,537	2,255	$200
	Management	346,947	4,625,289	92,288	2,344,720	24,418	2,255	$11
	Minor Works	697,077	755,843	348,539	348,539	92,024	2,255	$41
	New Scheme	0	355,955	0	88,165	39,276	2,255	$17
	Pump Station	39,159,735	43,262,480	17,764,688	20,463,292	7,767,614	2,255	$3,445
	Renewals	17,581,948	23,814,949	0	6,614	3,507	2,255	$2
	Reticulation	60,920,907	78,350,255	26,893,354	33,746,256	10,349,980	2,255	$4,590
	Storage	0	765	0	282	135	2,255	$0
	Treatment Facility	44,323,871	100,942,934	17,635,516	39,861,028	10,693,401	2,255	$4,742
Hāwea	**Total**	**51,224,473**	**67,472,982**	**18,493,091**	**25,178,805**	**9,223,173**	**452**	**$20,395**
	Asset Management System	0	0	0	0	0	452	$0
	Investigations	275,333	378,977	100,281	132,265	43,684	452	$97
	Management	37,135	281,695	9,878	124,635	2,866	452	$6
	Minor Works	148,540	148,540	74,270	74,270	21,582	452	$48
	New Scheme	0	0	0	0	0	452	$0
	Pump Station	0	1,388,259	0	643,180	161,815	452	$358
	Renewals	0	398,022	0	0	0	452	$0
	Reticulation	41,874,487	44,633,779	14,771,929	16,210,482	6,848,706	452	$15,144
	Storage	0	0	0	0	0	452	$0
	Treatment Facility	8,888,979	20,243,710	3,536,734	7,993,973	2,144,520	452	$4,742

Private developer agreement schemes – wastewater

Cardrona

Wastewater development contributions as per private development agreement – 100% of costs to be funded through development contributions.

PRIVATE DEVELOPER AGREEMENT SCHEMES – WASTEWATER CARDRONA	
Component	**Capital costs**
WWTP	$15,379,000
Additional aeration to SBR and upsize reactor	$192,090
S2 irrigation zone	$573,661
Third SBR tank	$1,884,647
Second headworks screen and grit removal system	$423,829
Additional LTA and consent variation	$168,357
Interest	$7,368,033
WWTP Total	**$25,989,616**
Pipeline from WWTP to Cardrona Village	$4,259,000
Interest	$3,631,632
Pipeline Total	**$7,890,632**

Kingston

Wastewater development contributions are as per the private development agreement – 100% of costs to be funded through growth – with options to pay the development contribution as an upfront lump sum, or over time as a targeted rate.

PRIVATE DEVELOPER AGREEMENT SCHEMES – WASTEWATER KINGSTON	
Component	**Capital costs**
Headworks	$36,477,072
Conveyance	$7,337,926
Interest *	$9,732,985
Total	**$53,547,983**
* KVL interest considerations only, further interest implications TBC	

STORMWATER

STORMWATER								
Location	**Work Code**	**LTP Capital Expenditure**	**Total Capital Expenditure**	**LTP Growth Capital Expenditure**	**Total Growth Capital Expenditure**	**Growth costs consumed - TOTAL**	**Analysis Period Dwelling Equivalents**	**Development Contribution per Dwelling Equivalent ($/DE)**
Queenstown	**Total**	**38,474,256**	**95,529,990**	**14,052,453**	**27,736,517**	**6,994,487**	**1,530**	**$4,570**
	Reticulation	5,698,375	53,567,123	2,318,687	13,935,261	4,511,143	1,530	$2,948
	Investigations	0	263,069	0	72,314	0	1,530	$0
	Minor Works	0	815,808	0	54,937	0	1,530	$0
	Renewals	0	795,872	0	115,254	15,383	1,530	$10
	Management	0	3,757,454	0	472,217	129,826	1,530	$85
	New Scheme	0	1,873,203	0	798,461	12,233	1,530	$8
	Stormwater Upgrades	32,775,882	33,907,799	11,733,766	12,149,088	2,323,298	1,530	$1,518
	Asset Management System	0	471,954	0	107,289	0	1,530	$0
	Treatment	0	77,708	0	31,696	2,604	1,530	$2
Frankton Flats	**Total**	**0**	**10,127,087**	**0**	**10,020,675**	**6,821,438**	**1,394**	**$4,892**
	Reticulation	0	10,127,087	0	10,020,675	6,821,438	1,394	$4,892
Arrowtown	**Total**	**0**	**1,922,623**	**0**	**425,587**	**5,376**	**187**	**$29**
	Reticulation	0	1,547,819	0	396,855	3,577	187	$19
	Investigations	0	76,928	0	10,935	0	187	$0
	Minor Works	0	117,337	0	0	0	187	$0
	Renewals	0	153,142	0	12,302	756	187	$4
	Stormwater Upgrades	0	27,397	0	5,494	1,043	187	$6
Glenorchy	**Total**	**0**	**522,128**	**0**	**232,561**	**2,185**	**110**	**$20**
	Reticulation	0	403,571	0	177,729	1,958	110	$18
	Investigations	0	443	0	111	0	110	$0
	Renewals	0	1,631	0	0	0	110	$0
	New Scheme	0	114,519	0	54,157	0	110	$0
	Stormwater Upgrades	0	1,963	0	564	227	110	$2
Ladies Mile	**Total**	**43,087,226**	**44,648,354**	**43,087,226**	**44,648,354**	**12,072,614**	**784**	**$15,404**
	New Scheme	43,087,226	44,648,354	43,087,226	44,648,354	12,072,614	784	$15,404

STORMWATER								
Location	**Work Code**	**LTP Capital Expenditure**	**Total Capital Expenditure**	**LTP Growth Capital Expenditure**	**Total Growth Capital Expenditure**	**Growth costs consumed - TOTAL**	**Analysis Period Dwelling Equivalents**	**Development Contribution per Dwelling Equivalent ($/DE)**
Whakatipu Ward	**Total**	**16,548,481**	**20,734,491**	**2,987,120**	**3,261,660**	**977,810**	**4,113**	**$238**
	Reticulation	0	15,108	0	0	0	4,113	$0
	Investigations	4,190,950	5,091,576	1,336,701	1,595,707	489,351	4,113	$119
	Minor Works	1,271,078	1,271,078	635,539	635,539	173,596	4,113	$42
	Renewals	8,707,134	11,911,994	0	0	0	4,113	$0
	Management	2,379,319	2,444,735	1,014,880	1,030,414	314,864	4,113	$77
Wānaka	**Total**	**47,083,858**	**64,300,750**	**29,955,816**	**38,687,774**	**9,833,139**	**1,815**	**$5,417**
	Reticulation	10,362,016	21,416,595	10,362,016	16,499,231	4,475,212	1,815	$2,465
	Investigations	0	394,858	0	144,228	3,909	1,815	$2
	Minor Works	5,003,247	5,672,365	5,003,247	5,379,625	2,360,058	1,815	$1,300
	Renewals	0	387,123	0	137,521	10,725	1,815	$6
	Management	0	830,604	0	192,794	19,830	1,815	$11
	New Scheme	0	157,765	0	81,655	8,311	1,815	$5
	Stormwater Upgrades	31,718,595	32,810,345	14,590,554	15,069,955	2,415,246	1,815	$1,331
	Asset Management System	0	127,207	0	44,496	0	1,815	$0
	Treatment	0	2,503,889	0	1,138,268	539,849	1,815	$297
Hāwea	**Total**	**0**	**846,790**	**0**	**389,879**	**6,109**	**444**	**$14**
	Reticulation	0	826,233	0	382,896	4,277	444	$10
	Investigations	0	956	0	273	0	444	$0
	Stormwater Upgrades	0	19,601	0	6,709	1,833	444	$4
Albert Town	**Total**	**0**	**924,766**	**0**	**433,153**	**462**	**39**	**$12**
	Reticulation	0	600,064	0	314,379	247	39	$6
	Investigations	0	35,751	0	12,228	0	39	$0
	Management	0	101,332	0	9,610	0	39	$0
	New Scheme	0	175,572	0	92,228	0	39	$0
	Stormwater Upgrades	0	12,047	0	4,709	215	39	$5
Wānaka Ward	**Total**	**9,356,657**	**11,344,252**	**1,752,727**	**1,983,175**	**566,427**	**2,530**	**$224**
	Investigations	3,299,710	3,933,483	1,217,593	1,448,040	423,362	2,530	$167
	Minor Works	841,373	841,373	420,687	420,687	112,476	2,530	$44
	Renewals	4,786,930	6,139,561	0	0	0	2,530	$0
	Management	428,644	429,835	114,448	114,448	30,590	2,530	$12

Private developer agreement schemes - stormwater

Kingston

Stormwater development contributions are as per private development agreement – 100% of costs to be funded through growth – with options to pay the development contribution as an upfront lump sum, or over time as a targeted rate.

PRIVATE DEVELOPER AGREEMENT SCHEMES – STORMWATER KINGSTON	
Component	**Capital costs**
Headworks	$0
Conveyance	$16,610,134
Interest *	$4,431,995
Total	**$21,042,128**
*KVL interest considerations only, further interest implications TBC	

TRANSPORTATION								
Location	Work Code	LTP Capital Expenditure	Total Capital Expenditure	LTP Growth Capital Expenditure	Total Growth Capital Expenditure	Growth costs consumed - TOTAL	Analysis Period Dwelling Equivalents	Development Contribution per Dwelling Equivalent ($/DE)
Whakatipu	**Total**	**247,040,611**	**787,892,818**	**49,956,713**	**107,767,817**	**33,486,390**	**6,395**	**$5,237**
	Advance property purchase	0	3,251,408	0	879,984	151,675	6,395	$24
	Amenity Enhancement	0	244,265	0	0	0	6,395	$0
	Associated improvements	0	5,379,429	0	449,395	114,695	6,395	$18
	Carparking Facilities	0	407,689	0	122,307	59,543	6,395	$9
	Cycle facilities	7,417,277	10,070,841	1,358,891	1,916,661	487,698	6,395	$76
	Drainage renewals	4,526,791	10,709,852	598,894	1,270,954	304,149	6,395	$48
	Emergency Works Contingency	0	427,223	0	0	0	6,395	$0
	Environmental Renewals	539,760	543,625	89,924	89,924	23,696	6,395	$4
	Kerb & Channel Construction	0	2,373,267	0	355,239	0	6,395	$0
	Minor Improvements	23,350,741	51,162,386	3,890,234	6,104,617	1,842,535	6,395	$288
	New roads	12,003,007	37,786,384	3,010,015	5,075,878	1,325,703	6,395	$207
	New traffic management facilities	0	23,345	0	2,909	0	6,395	$0
	Other Structures	0	31,938	0	3,194	0	6,395	$0
	Parking Facilities	0	3,865,984	0	880,433	424,174	6,395	$66
	Passenger transport infrastructure	15,186,839	17,533,961	4,412,603	4,595,152	613,788	6,395	$96
	Pedestrian and Cycle facilities	0	12,094,798	0	878,413	0	6,395	$0
	Pedestrian facilities	0	9,637,669	0	1,416,323	207,469	6,395	$32
	Power Reticulation Undergrounding	0	1,492,362	0	0	0	6,395	$0
	Preventive maintenance	1,080,696	2,438,384	121,794	141,946	37,720	6,395	$6
	Property purchase (local roads)	0	324,267	0	133,164	32,958	6,395	$5
	Replacement of bridges & other structures	2,076,000	3,662,048	0	116,896	24,832	6,395	$4
	Road reconstruction	0	12,125,063	0	1,292,328	425,168	6,395	$66
	Roading General	78,883,172	137,893,787	13,476,973	20,177,255	6,418,418	6,395	$1,004
	Seal extension	0	20,580,087	0	3,456,635	34,873	6,395	$5
	Sealed road pavement rehabilitation	13,469,397	75,532,261	2,247,514	8,256,046	2,447,959	6,395	$383
	Sealed road resurfacing	26,666,220	68,810,263	3,005,283	6,786,831	1,408,258	6,395	$220
	Street Furniture	0	150,830	0	1,510	0	6,395	$0
	Streetlighting	0	2,845,498	0	267,747	75,778	6,395	$12
	Structures component replacements	2,426,051	4,778,461	499,281	744,708	241,905	6,395	$38
	Studies and strategies	11,752,170	17,120,957	2,879,282	3,732,169	382,897	6,395	$60
	Town Centre Improvements	36,304,160	245,852,122	13,085,942	35,829,620	15,662,605	6,395	$2,449
	Traffic services renewals	1,929,813	8,162,278	217,490	969,789	202,196	6,395	$32
	Unsealed road metalling	9,428,517	20,580,089	1,062,594	1,819,791	535,698	6,395	$84

TRANSPORTATION								
Location	Work Code	LTP Capital Expenditure	Total Capital Expenditure	LTP Growth Capital Expenditure	Total Growth Capital Expenditure	Growth costs consumed - TOTAL	Analysis Period Dwelling Equivalents	Development Contribution per Dwelling Equivalent ($/DE)
Wānaka	**Total**	**104,792,458**	**246,174,064**	**18,659,234**	**39,937,691**	**9,103,929**	**3,887**	**$2,342**
	Amenity Enhancement	0	146,634	0	0	0	3,887	$0
	Associated improvements	0	727,555	0	100,509	30,919	3,887	$8
	Carparking Facilities	0	370,136	0	164,773	84,992	3,887	$22
	Cycle facilities	5,594,440	6,428,524	1,178,749	1,345,008	91,248	3,887	$23
	Demand management	342,540	372,347	0	1,951	0	3,887	$0
	Drainage renewals	2,707,252	6,199,968	305,107	829,305	234,014	3,887	$60
	Emergency Works Contingency	0	7,443	0	0	0	3,887	$0
	Environmental Renewals	394,440	401,175	75,377	75,377	18,273	3,887	$5
	Kerb & Channel Construction	0	2,606,640	0	202,923	0	3,887	$0
	Minor Improvements	22,578,816	45,589,632	4,314,812	6,143,935	1,688,371	3,887	$434
	New roads	0	832,025	0	373,706	96,976	3,887	$25
	New traffic management facilities	0	2,324	0	270	0	3,887	$0
	Parking Facilities	0	7,854	0	0	0	3,887	$0
	Passenger transport infrastructure	0	134,938	0	12,751	4,965	3,887	$1
	Pedestrian and Cycle facilities	0	95,462	0	6,730	0	3,887	$0
	Pedestrian facilities	0	3,896,494	0	709,059	15,704	3,887	$4
	Power Reticulation Undergrounding	0	1,697,962	0	0	0	3,887	$0
	Preventive maintenance	314,284	426,102	35,420	42,553	13,772	3,887	$4
	Property purchase (local roads)	0	46,683	0	22,692	8,835	3,887	$2
	Replacement of bridges & other structures	0	2,379,525	0	167,757	34,148	3,887	$9
	Road reconstruction	0	4,222,930	0	576,953	164,476	3,887	$42
	Roading General	16,693,572	30,349,430	3,131,618	6,823,093	2,352,673	3,887	$605
	Seal extension	0	10,101,159	0	3,317,707	444,344	3,887	$114
	Seal extension - residential	0	7,313,577	0	2,577,351	406,266	3,887	$105
	Sealed road pavement rehabilitation	6,718,734	13,359,581	1,291,785	2,043,619	624,983	3,887	$161
	Sealed road resurfacing	15,756,840	52,273,970	2,084,630	6,191,458	1,478,282	3,887	$380
	Street Furniture	0	81,594	0	8,159	1,992	3,887	$1
	Streetlighting	4,411,002	6,815,100	1,632,071	1,772,853	346,819	3,887	$89
	Structures component replacements	1,433,576	2,275,960	323,128	432,860	124,228	3,887	$32
	Studies and strategies	20,127,709	21,888,228	3,394,964	3,525,231	233,458	3,887	$60
	Town Centre Improvements	0	4,135,777	0	380,835	97,658	3,887	$25
	Traffic services renewals	1,102,750	4,298,056	145,894	651,813	114,511	3,887	$29
	Unsealed road metalling	6,616,503	16,689,278	745,680	1,436,456	392,022	3,887	$101

TRANSPORTATION								
Location	**Work Code**	**LTP Capital Expenditure**	**Total Capital Expenditure**	**LTP Growth Capital Expenditure**	**Total Growth Capital Expenditure**	**Growth costs consumed - TOTAL**	**Analysis Period Dwelling Equivalents**	**Development Contribution per Dwelling Equivalent ($/DE)**
District Wide	**Total**	**8,074,983**	**49,041,540**	**1,482,442**	**3,712,509**	**1,046,771**	**10,282**	**$102**
	Associated improvements	0	695,355	0	3,953	1,582	10,282	$0
	Carparking Facilities	1,557,000	1,557,000	311,400	311,400	68,837	10,282	$7
	Drainage renewals	0	417,543	0	21,084	17,307	10,282	$2
	Environmental Renewals	0	63,439	0	5,827	2,339	10,282	$0
	Kerb & Channel Construction	0	12,002	0	1,800	0	10,282	$0
	Minor Improvements	0	4,131,965	0	39,000	13,127	10,282	$1
	Parking Facilities	0	221,159	0	53,408	20,546	10,282	$2
	Preventive maintenance	0	480,086	0	0	0	10,282	$0
	Replacement of bridges & other structures	0	683,192	0	0	0	10,282	$0
	Road reconstruction	0	3,273,044	0	65,461	11,814	10,282	$1
	Roading General	6,517,983	12,747,428	1,171,042	2,547,728	803,599	10,282	$78
	Seal extension	0	7,159,572	0	347,091	0	10,282	$0
	Sealed road pavement rehabilitation	0	10,573,535	0	168,680	50,479	10,282	$5
	Sealed road resurfacing	0	5,704,260	0	96,921	25,706	10,282	$3
	Structures component replacements	0	622,793	0	22,348	8,906	10,282	$1
	Studies and strategies	0	42,062	0	601	0	10,282	$0
	Traffic services renewals	0	657,105	0	27,208	22,529	10,282	$2
Eastern Access Road	**Total**	**0**	**17,219,869**	**0**	**7,900,834**	**5,374,535**	**5,597**	**$960**
	New roads	0	17,219,869	0	7,900,834	5,374,535	5,597	$960
	Total	0	17,219,869	0	7,900,834	5,374,535	5,597	$960

COMMUNITY INFRASTRUCTURE

COMMUNITY INFRASTRUCTURE								
Location	**Work Code**	**LTP Capital Expenditure**	**Total Capital Expenditure**	**LTP Growth Capital Expenditure**	**Total Growth Capital Expenditure**	**Growth costs consumed - TOTAL**	**Analysis Period Dwelling Equivalents**	**Development Contribution per Dwelling Equivalent ($/DE)**
Whakatipu	**Total**	**130,166,581**	**243,810,219**	**46,497,584**	**81,185,686**	**14,816,006**	**4,277**	**$3,464**
	Buildings - Toilets	3,506,456	12,458,064	1,137,500	2,539,181	508,594	4,277	$119
	Alpine Aqualand	5,310,098	38,372,040	0	18,329,431	3,910,218	4,277	$914
	Health & Fitness Centre	0	9,991	0	0	0	4,277	$0
	Waterways Facilities	3,456,900	6,826,029	0	662,327	119,578	4,277	$28
	Halls - Arrowtown	1,314,755	2,587,002	0	159,669	26,027	4,277	$6
	Council Land - Non-Reserve	0	3,228,444	0	1,660,473	0	4,277	$0
	Holiday Parks	9,702,811	10,189,769	4,657,500	4,657,500	224,466	4,277	$52
	Whakatipu Non-Reserve	15,809,100	40,061,033	7,620,000	8,778,688	1,443,430	4,277	$338
	Council Offices	0	17,333	0	0	0	4,277	$0
	Community Buildings	1,023,083	1,491,588	0	154,941	60,980	4,277	$14
	Buildings - Housing	568,484	621,533	0	0	0	4,277	$0
	Buildings - Heritage	313,761	1,749,615	0	23,317	12,839	4,277	$3
	Events Centre	17,057,436	23,440,604	1,461,922	2,568,715	744,845	4,277	$174
	Queenstown Memorial Centre	193,483	197,841	0	0	0	4,277	$0
	Frankton Golf Course	670,867	1,279,993	0	0	0	4,277	$0
	Halls - Lake Hayes Pavillion	440,753	1,138,075	0	152,685	5,230	4,277	$1
	Halls - Glenorchy	160,143	310,519	0	0	0	4,277	$0
	Rural Fire - District Wide	0	351,586	0	0	0	4,277	$0
	Halls - Queenstown	196,650	6,772,754	0	2,766,016	553,628	4,277	$129
	Halls - Events Centre	55,708,179	70,396,166	24,983,000	31,245,210	6,723,957	4,277	$1,572
	Halls - Arts & Community Centre	0	842,871	0	125,383	49,319	4,277	$12
	Halls - Wānaka Community Centre	349,605	349,605	0	0	0	4,277	$0
	Community Development - Swimming Pools	8,925,776	10,230,492	4,000,000	4,078,767	184,737	4,277	$43
	Libraries - Whakatipu	5,458,240	10,442,495	2,637,662	3,283,381	248,159	4,277	$58
	Halls - Convention Centre	0	444,777	0	0	0	4,277	$0

COMMUNITY INFRASTRUCTURE								
Location	**Work Code**	**LTP Capital Expenditure**	**Total Capital Expenditure**	**LTP Growth Capital Expenditure**	**Total Growth Capital Expenditure**	**Growth costs consumed - TOTAL**	**Analysis Period Dwelling Equivalents**	**Development Contribution per Dwelling Equivalent ($/DE)**
Wānaka	**Total**	**40,128,664**	**112,807,330**	**11,649,001**	**36,563,429**	**7,598,529**	**2,562**	**$2,966**
	Buildings - Toilets	3,306,456	6,811,573	1,137,500	1,606,736	300,129	2,562	$117
	Waterways Facilities	5,087,211	8,008,363	1,397,152	2,298,252	234,148	2,562	$91
	Halls - Hāwea	265,653	526,878	0	23,102	5,944	2,562	$2
	Holiday Parks	310,500	337,538	0	0	0	2,562	$0
	Council Offices	0	60,466	0	0	0	2,562	$0
	Wānaka Aquatic Centre	10,474,818	26,380,494	4,350,000	10,260,504	1,766,432	2,562	$689
	Buildings - Housing	116,358	126,193	0	0	0	2,562	$0
	Wānaka Non-Reserve	0	138,527	0	0	0	2,562	$0
	Halls - Luggate	175,950	6,245,180	0	4,046	0	2,562	$0
	Rural Fire - District Wide	355,781	560,352	0	0	0	2,562	$0
	Halls - Arts & Community Centre	471,839	5,758,251	0	3,460,970	721,455	2,562	$282
	Halls - Cardrona	88,888	363,306	0	136,226	39,573	2,562	$15
	Halls - Wānaka Community Centre	2,367,654	13,249,763	0	6,029,170	1,465,465	2,562	$572
	Community Development - Swimming Pools	0	1,294,473	0	346,873	87,796	2,562	$34
	Libraries - Upper Clutha	4,078,757	8,548,188	648,000	1,178,663	53,198	2,562	$21
	Halls - Wānaka Sports Facility	13,028,798	34,397,785	4,116,349	11,218,888	2,924,388	2,562	$1,141
District Wide	**Total**	**19,115,250**	**24,882,738**	**2,460,920**	**3,334,889**	**957,616**	**6,839**	**$140**
	Waterways Facilities	12,906,450	13,081,788	1,966,500	2,028,307	413,813	6,839	$61
	Community Buildings	0	1,063,912	0	0	0	6,839	$0
	Buildings - Housing	507,150	679,624	0	29,406	12,875	6,839	$2
	Buildings - Heritage	196,650	196,650	0	0	0	6,839	$0
	Rural Fire - District Wide	0	1,481,970	0	55,509	6,954	6,839	$1
	Community Development - District Wide	0	923,973	0	554,943	76,633	6,839	$11
	Libraries - Whakatipu	5,505,000	7,454,821	494,420	666,725	447,340	6,839	$65

RESERVE IMPROVEMENTS

RESERVE IMPROVEMENTS								
Location	**Work Code**	**LTP Capital Expenditure**	**Total Capital Expenditure**	**LTP Growth Capital Expenditure**	**Total Growth Capital Expenditure**	**Growth costs consumed - TOTAL**	**Analysis Period Dwelling Equivalents**	**Development Contribution per Dwelling Equivalent ($/DE)**
Whakatipu	**Total**	**51,608,882**	**108,730,808**	**6,004,840**	**18,619,955**	**4,081,624**	**3,594**	**$1,136**
	Reserve upgrade	4,875,000	14,123,359	1,385,670	4,188,426	1,173,331	3,594	$326
	Tracks and Trails	4,735,000	8,633,901	1,327,920	2,036,537	673,877	3,594	$188
	Cemeteries	1,480,000	2,277,457	146,000	376,696	145,325	3,594	$40
	Premier Park upgrade	5,000,000	15,036,787	1,509,000	4,496,383	1,222,305	3,594	$340
	Sports field upgrade	2,550,500	5,447,412	0	616,059	233,790	3,594	$65
	Playgrounds and equipment	3,600,000	6,335,260	809,250	1,128,305	262,336	3,594	$73
	Camping	0	20,045	0	0	0	3,594	$0
	Parks and Reserves	29,368,382	56,856,586	827,000	5,777,550	370,661	3,594	$103
Wānaka	**Total**	**40,667,828**	**78,016,022**	**11,625,740**	**24,289,757**	**4,812,011**	**2,201**	**$2,186**
	Reserve upgrade	1,400,000	6,015,007	517,300	2,325,206	305,333	2,201	$139
	Tracks and Trails	1,800,000	3,640,301	0	411,512	110,364	2,201	$50
	Cemeteries	1,020,000	1,531,096	104,000	269,032	67,454	2,201	$31
	Premier Park upgrade	0	16,598,439	0	5,223,566	2,173,474	2,201	$987
	Sports field upgrade	9,084,000	10,431,610	3,935,693	4,474,897	474,285	2,201	$215
	Community centre land	0	2,628,029	0	1,889,818	140,816	2,201	$64
	Playgrounds and equipment	3,262,764	5,646,857	1,556,461	1,997,836	517,740	2,201	$235
	Camping	0	39,073	0	0	0	2,201	$0
	Parks and Reserves	24,101,064	31,485,610	5,512,286	7,697,890	1,022,546	2,201	$465
District Wide	**Total**	**21,726,876**	**25,309,011**	**0**	**815,603**	**267,517**	**5,795**	**$46**
	Playgrounds and equipment	0	255,091	0	0	0	5,795	$0
	Camping	412,629	3,739,673	0	815,603	267,517	5,795	$46
	Parks and Reserves	21,314,247	21,314,247	0	0	0	5,795	$0

RESERVE LAND

Local and community reserve land

LOCAL AND COMMUNITY RESERVE LAND							
Project Summaries (GL Code Location)	**10 Year Total Capital Cost (2024/25 $)**	**Growth Cost (Capacity) Consumed in 10 Year Period - Inc Interest All Expenditure (2024/25 $)**	**Capital Cost Funded by Growth (2024/25 $)**	**Capital Cost Funded by Other Sources (2024/25 $)**	**Percentage Attributable to Growth**	**Weighted Average No of Dwelling Equivalents Apportioning Growth Cost Over 10 Year Period**	**Contribution Per Lot (2024/25 $)**
Whakatipu - Reserve Land							
Reserves	33,640,000	33,640,000	33,640,000	0	100%	2,081	17.5 m²
Wānaka - Reserve Land							
Reserves	22,140,000	22,140,000	22,140,000	0	100%	1,519	17.5 m²
Total - Reserve Land	**55,780,000**	**55,780,000**	**55,780,000**	**0**		**3,600**	

Premier sports reserve land - Whakatipu

PREMIER SPORTS RESERVE LAND - WHAKATIPU		
Project Summaries (GL Code Location)	**Total Capital Cost (2024/25 $)**	**Contribution Per Lot (2024/25 $)**
Whakatipu - Reserve Land		
10 Hectares	$10,000,000	$500 (5m²)

Treasury Management Policy

Te Kaupapa Here Tai Ōhanga

(a) Liability Management Policy

INTRODUCTION AND APPLICATION

Introduction

This liability management policy has been prepared pursuant to sections 102(4)(b) and 104 of the Local Government Act 2002.

The Council's borrowing programme for any particular year will be approved as part of the Council's annual planning process, which is affected by projections made in the Ten Year Plan.

Generally, borrowing will be identified as a funding mechanism only for capital or long term projects which will provide benefits into the future.

The only borrowing to meet operating costs will be the use of overdraft facilities or other short term facilities to cover temporary fluctuations in cash flow.

GENERAL PROVISIONS

Borrowing limits

The Council's borrowing limits are:

LIMITS	ACCEPTABLE RANGE
Interest expense / rates income	<30%
Interest expense / total revenue	<20%
Net debt / total revenue*	<280%

For the purpose of calculating the limits above:

> Total revenue is defined as cash earnings from rates, government grants and subsidies, user charges, interest, dividends, financial and other revenue and excludes non-government capital contributions (e.g. developer contributions and vested assets).

> Net debt is defined as total consolidated debt less liquid financial assets and investments.

> Liquidity is defined as external debt plus committed loan facilities plus liquid investments divided by external debt.

> Net interest is defined as the amount equal to all interest and financing costs less interest income for the relevant period.

> Annual rates income is defined as the amount equal to the total revenue from any funding mechanism authorised by the Local Government (Rating) Act 2002, together with any revenue received from other LGs for services provided and for which the other LGs rate.

* The net debt/total revenue limit follows the LGFA approved change to the Net Debt/Total Revenue covenant. It increased from 250% to 300% for the 2021 and 2022 financial years and then reduces by 5% for each of the subsequent years until 280% applies from the 2026 financial year.

FORM OF BORROWING

The Council may obtain funding utilising the following methods:

- Bank debt
- Capital market issuance comprising fixed rate bonds, medium-term notes and floating rate notes.

Local Government Funding Agency (LGFA)

Despite anything earlier in this policy, the Council may borrow from the New Zealand LGFA and, in connection with that borrowing, may enter into the following related transactions to the extent it considers necessary or desirable:

- contribute a portion of its borrowing back to the LGFA as an equity contribution to the LGFA;
- provide guarantees of the indebtedness of other local authorities to the LGFA and of the indebtedness of the LGFA itself;
- commit to contributing additional equity (or subordinated debt) to the LGFA if required;
- subscribe for shares and uncalled capital in the LGFA; and
- secure its borrowings from the LGFA and the performance of other obligations to the LGFA or its creditors with a charge over the Council's rates and rates revenue.

Hire purchase, deferred purchase and trade credit

These arrangements are not considered to be borrowing under the terms of the Act.

Other

Instruments not specifically referred to in this policy may only be used with specific Council approval.

Security

It is the Council's general policy to offer security for its borrowing by way of negative pledge or a charge over its rates.

In the normal course, the Council's policy is not to offer security over any of the other assets of the Council. However:

- where borrowing is by way of finance lease, or some other form of trade credit under which it is normal practice to provide security over the asset concerned; or
- where the Council considers doing so would help further its community goals and objectives, the Council may decide to offer security over the asset.

POLICIES

Interest rate exposure policy

The Council will manage its borrowing activities prudently in the best interests of the district, its inhabitants and ratepayers. In furtherance of this goal, Council will keep the following objectives firmly in mind:

> Ensure the Council's continued ability to meet its debts in an orderly manner as and when they fall due in both the short and long term, through appropriate liquidity and funding risk management.

> Arrange appropriate funding facilities for the Council, ensuring they are at market related margins utilising bank debt facilities and/or capital markets as appropriate.

> Maintain lender relationships and the Council's general borrowing profile in the local debt and, if applicable, capital markets, so that the Council is able to fund itself appropriately at all times.

> Control the Council's cost of borrowing through the effective management of its interest rate risk, within the interest rate risk management limits established by the LMP.

> Ensure compliance with any financing/borrowing covenants and ratios.

> Maintain adequate internal controls to mitigate operational risks.

> Produce accurate and timely information that can be relied on by senior management and Council for control and exposure monitoring purposes in relation to the debt raising activities of the Council.

Prudent selection of funding instruments and mix should help the Council achieve its low debt servicing costs and risk minimisation objectives.

Debt repayment policy

It is the Council's general policy to repay debt as it falls due. This will be repaid from accumulated funds, reserve funds, contributions, land sales or a combination of these methods depending on the project the loan was raised for. If the loan was raised for a period less than a term the Council considers appropriate for the project, part of the balance will be financed with new debt.

The Council may repay debt before maturity in special cases where the circumstances suggest that this would be in the best interest of residents and ratepayers.

Total debt levels are determined through the Ten Year Plan and Annual Plans.

Liquidity Policy

The Council will strive to ensure the timely availability of funds to meet the Council's various expenditure needs, preferably without incurring penalties or holding unnecessary cash reserves. The Council will:

> match revenue requirements with expenditure streams, ensuring any timing differences, if any, are favourable for the Council;

> ensure replacement funds are available no later than the debt repayment date;

> avoid concentration of debt maturity dates no more than $150M or 50% of debt, whichever is the lesser, can be subject to refinancing in any 12 month period;

> the Council must maintain liquidity (committed funding lines and cash on deposit) of not less than 110% of projected core debt.

Core debt is defined as that contained in the Annual Plan or as otherwise determined by the Chief Financial Officer.

Credit Exposure Policy

The Council will only enter incidental arrangements with credit worthy counter parties.

Credit worthy counterparties are selected on the basis of their current Standard and Poors (S&P) rating which must be A- or better or the Moody's or Fitch equivalents.

OTHER MATTERS

Borrowing for cash management purposes

This section applies to what might be described as borrowing to manage day to day fluctuations in cash flow.

The Council will maintain an overdraft facility not exceeding a limit of $500,000 for day to day cash management purposes.

The Council may maintain a standby credit facility for urgent financing in emergencies.

Incidental arrangements

'Incidental arrangement' is defined to mean:

A. A contract or arrangement for the management, reduction, sharing, limiting, assumption, offset, or hedging of financial risks and liabilities in relation to any investment or investments or any loan or loans or other incidental arrangement, whether or not that contract or arrangement involves:

(i) the expenditure, borrowing, or lending of money; or

(ii) the local authority undertaking to make payments in exchange for another person undertaking to make payments to the local authority; or

(iii) the creation or acquisition or disposal of any property or right; or

B. A contract or arrangement with any bank, financial institution, or other person providing for any person to act as underwriter, broker, indemnifier, guarantor, accommodation party, manager, dealer, trustee, registrar, or paying, fiscal, or other agent for, or in connection with, any loan or investment.

Hedging

Hedging instruments may be used for risk management purposes, on advice from financial advisors.

The following table details the Fixed Rate Hedging Percentages which shall apply to the projected core debt of the Council:

	MINIMUM FIXED RATE AMOUNT	MAXIMUM FIXED RATE AMOUNT
0 - 2 Years	40%	100%
2 - 5 Years	20%	80%
5 - 8 Years	0%	60%

That the following interest rate risk management instruments may be used to manage the core debt of the Council:

A. Interest rate swaps.

B. Swaptions (options on swaps).

C. Interest rate options, including collar type structures but only in a ratio of 1:1.

D. Forward rate agreements.

Options on hedging floating rate debt with an exercise rate greater than 2.00% above the equivalent period interest rate at the time of inception cannot be counted as part of the fixed rate cover percentage calculation. For example a three year cap at 6.00% would only count as a fixed rate hedge if the underlying swap rate was greater than 4.00%.

Agents

The Council may appoint only reputable persons or companies to fulfil the following roles:

> Registrars/paying agents

> Brokers

> Trustees.

Other

Other forms of incidental arrangement may only be entered into with a specific resolution of the Council.

(b) Investment Policy

GENERAL

Introduction

This investment policy has been prepared pursuant to sections 102(4)(c) and 105 of the Local Government Act 2002. It applies to the management of the Council's financial and equity investments.

Overview

The Council has a variety of investments which at any time may include cash, trust funds, special funds, shares, property held for investment purposes and financial reserves.

These investments are acquired, held and realised by the Council in furtherance of the community goals and objectives which are identified in the Ten Year Plan and each Annual Plan.

In managing its investments the Council is not driven by commercial considerations alone. As a public body the Council is accountable to the community in terms of community health, safety, benefit and wellbeing and these considerations may lead to the Council making investment decisions which would not have been made on commercial/financial considerations alone.

In managing its investments in accordance with its general policy the Council seeks to:

> achieve the goals and objectives set out in the Ten Year Plan and the Annual Plan.

> balance the protection of its investment with maximising investment return.

> ensure investments are of a type which provide the Council with funds when required.

POLICIES

Mix of investments

NATURE OF INVESTMENT	TERM	RATIONALE FOR RETENTION
Cash investments	Short term	To meet cash flow requirements
Shares/equity	Long term	To support the strategic objectives of the Council and the district
Investment property	Variable	To provide a commercial return to the Council

It should be noted that the Council does have some investments that do not currently meet these criteria, particularly some land holdings. The future of these are under review and it will be decided if these will be held to meet future core function requirements or will be disposed when it is considered that it is appropriate.

Acquisitions of new investments

Call and short term: delegated to the Council staff to invest in approved institutions.

Medium to long term: through the Council, having regard to the goals, objectives and provisions of the Council's long term financial strategy and annual plans.

Use of revenue from investments

Revenue from funds which are reserved for particular purposes is added to that fund. Revenue from other investments used to offset general rates.

Revenue from asset sales

Revenue from asset sales will be used to repay debt or fund the purchase of new assets. If there are no appropriate uses available at the time of disposal, it will be held in a separate fund until there are appropriate uses for the funds.

OTHER MATTERS

Procedures for management and reporting to Council

The Council's procedures for the management of investments and associated reporting to the Council involve reporting results of investment to the Council through the Committee.

Risk management

In managing its investments the Council always seeks to protect its investments and manage its risk.

When investing the Council will adhere to the provisions of the investment matrix (see Appendix 1) which clearly sets out the parameters under which, the Council will manage its financial market investment activities.

The Council also has statutory obligations to properly administer, manage, and account for its funds. In particular the Council must make its investments in accordance with the provisions of the Trustee Act 1956 as they apply to the investment of trust funds. This requires the Council to exercise the care, diligence, and skill that a prudent person of business would exercise in managing the affairs of others. The Council may consider, in making any investment decisions:

- the desirability of diversifying investments.
- the nature of existing investments.

- the risk of capital loss or depreciation.
- the potential for capital appreciation.
- the likely income return.
- the length of the term of the proposed investment.
- the marketability of the proposed investment during, and on the determination of, the term of the proposed investment.
- the effect of the proposed investment in relation to tax liability.
- the likelihood of inflation affecting the value of the proposed investment.

Local Government Funding Agency (LGFA)

Despite anything earlier in this policy, the Council may invest in shares and other financial instruments of the New Zealand LGFA and, may borrow to fund that investment. The Council's objective in making such investment will be to:

- obtain a return on investment; and
- ensure that the LGFA has sufficient capital to become and remain viable, meaning that it continues as a source of debt funding for the Council.

Because of the dual objective, the Council may invest in LGFA shares in circumstances in which the return on that investment is potentially lower than the return it could achieve with alternate investments.

If required in connection with the investment, the Council may subscribe for un-called capital in the LGFA.

Summary of the Significance and Engagement Policy

Tuhika Whakarāpopoto o te Kaupapa Here Hiraka Whakapā

Every council must adopt a Significance and Engagement Policy under the LGA2002 section 76AA. This policy outlines what the Council will take into account when deciding what is significant, including a list of strategic assets, and when the community will have a direct opportunity to contribute to decision-making. The last iteration of the policy was adopted in 2021. The policy has been reviewed and amended as part of this long-term planning process. Amendments made include to update and rationalise the list of strategic assets, add a commitment to Māori and iwi and diversity and inclusion, a statement on water services reform, and a section on council-controlled (trading) organisations.

The Significance and Engagement Policy can be read in full on the council website **www.qldc.govt.nz** or any council office.

Section 6 – Audit report

Wāhaka 6 – Rīpoata o te kaitātari kaute

Audit report to be added here in September 2024.

Audit report to be added here in September 2024.

Audit report to be added here in September 2024.

Audit report to be added here in September 2024.

Te Reo Māori translation: Please note, QLDC uses the local Kāi Tahu dialect which replaces ‘Ng’ with ‘K’, e.g. tākata (people) instead of tāngata

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