



LONG TERM PLAN 2024-2034 TE MAHERE PAE TAWHITI

**Towards Resilience:
Your future, Our commitment**

Me anga ki tō te manawa tītī:
ko te āpōpō mō tātou, ko te manawanui

Photo credit: Pinnacles Civil



Rārangi upoko | Table of contents

Te Kaunihera Our Council	4
Ngā Poari Hapori Your Community Boards	5
Te Takiwā Our District	6

Part 1: Tiro whānui | Overview 8

He whakatakinga ki te mahere Introduction to our plan	9
E whakamaheretia ana te wharaunga Charting our course	12
Te tatūtanga How we got here	14
Te takenga mai me te whakapaunga pūtea What we're planning to spend and how we'll fund it	16
Te tirohanga ki tua o mātārae Looking beyond – the next 30 years	18

Part 2: Te matawhānui me te tatūnga atu | Our vision and how we'll get there 20

Te matawhānui mō Thames-Coromandel Our vision for the Thames-Coromandel	21
He Takiwā Mahitahi A Collaborative District	23
Te Hautūtanga me te Mana Urungi Leadership and Governance	24
He Takiwā Ngangahau A Vibrant and Safe District	30
He Takiwā Ā-hapori Community Spaces	31
He Whakamaru Tāngata, Taiao Hoki Protection of People and the Environment	43
Te Whakamahere me te Waiture Planning and Regulation	49
He Takiwā Tuitui, he Takiwā Aumangea A Connected and Resilient District	54
Te Whakawhanake Ā-hapori, Ā-oaoha Community and Economic Development	55
Ngā Momo Waka Transport	60
He Takiwā Hūrokuroku mō te Ratonga me te Hanganga A District with Sustainable Services and Infrastructure	68
Wai Ua Stormwater	69
Waipara Wastewater	74
Wai Inu Water Supply	80
Variation between the Assessment of Water and Sanitary Assessment	90
Para Totoka Solid Waste	92

Part 3: Nga rautaki me ngā kaupapa here | Strategies and policies 97

Forecasting the future – our assumptions	98
Our Financial Strategy	114
Our Infrastructure Strategy	126
How We Fund our Services - Our Revenue and Financing Policy	223
A Summary of our Significance and Engagement Policy	229
Māori Contribution to Council Decision Making	231
Our Council Controlled Organisations	232

Part 4: Pārongo ahumoni | Financial information 237

Prospective Statement of Comprehensive Revenue and Expense	238
Prospective Statement of Financial Position	239
Prospective Statement of Changes in Equity	241
Prospective Statement of Cash Flows	242
Prospective Financial Statements	243
Statement of Financial Reserves	249
Funding and Rating Mechanisms	254
Prospective Funding Impact Statement - Whole of Council	260
Reconciliation between the surplus/(deficit) of operating funding in the Funding Impact Statement and the surplus in the Statement of Comprehensive Revenue and Expense.	262
Rating Mechanisms	263
Rates Funding Impact Statement	264
2024/25 Allocation of Rates to Activities (GST inclusive).	273
Proposed Rating Examples by Community Board Area (including GST)	275
Financial Prudence	283

Auditor's report. 290

Te kaunihera

Our council

1 Councillor

Coromandel-Colville Ward

John Morrissey

027 245 2700

john.morrissey@council.tcdc.govt.nz

2 Chief Executive

Aileen Lawrie

07 868 0200

aileen.lawrie@tcdc.govt.nz

3 Councillor / Deputy Mayor

South-Eastern Ward

Terry Walker

021 536 580

terry.walker@council.tcdc.govt.nz

4 Councillor

Thames Ward

Martin Rodley

027 255 5380

martin.rodley@council.tcdc.govt.nz

5 Councillor

Thames Ward

Robyn Sinclair

robyn.sinclair@council.tcdc.govt.nz



6 District Mayor

Len Salt

07 868 0200

len.salt@tcdc.govt.nz

8 Councillor

Mercury Bay Ward

Deli Connell

027 383 5124

deli.connell@council.tcdc.govt.nz

10 Councillor

South-Eastern Ward

Gary Gotlieb

gary.gotlieb@council.tcdc.govt.nz

7 Councillor

Mercury Bay Ward

Rekha Giri-Percival

rekha.giri-percival@council.tcdc.govt.nz

9 Councillor

Thames Ward

Peter Revell

021 912 993

peter.revell@council.tcdc.govt.nz

11 Councillor

Mercury Bay Ward

John Grant

john.grant@council.tcdc.govt.nz

Ngā poari hapori

Your community boards

Coromandel-Colville Community Board

Gavin Jeffcoat (Chair)

gavin.jeffcoat@council.tcdc.govt.nz

Kim Brett

kim.brett@council.tcdc.govt.nz

Jean Ashby

jean.ashby@council.tcdc.govt.nz

James (Jim) Davis

james.davis@council.tcdc.govt.nz

Mercury Bay Community Board

Krissy Robinson (Chair)

krissy.robinson@council.tcdc.govt.nz

Bess Kingi

bess.kingi@council.tcdc.govt.nz

Peter MacKenzie

peter.mackenzie@council.tcdc.govt.nz

Caroline Hobman

caroline.hobman@council.tcdc.govt.nz

Tairua-Pāuanui Community Board

Warwick Brooks (Chair)

warwick.brooks@council.tcdc.govt.nz

Cath Wightman

cath.wightman@council.tcdc.govt.nz

Chris New

chris.new@council.tcdc.govt.nz

Barry Roberts

barry.roberts@council.tcdc.govt.nz

Thames Community Board

Adrian Catran (Chair)

adrian.catran@council.tcdc.govt.nz

Holly Mackenzie

holly.mackenzie@council.tcdc.govt.nz

Kishan Raikwar

kishan.raikwar@council.tcdc.govt.nz

Rob Johnston

rob.johnston@council.tcdc.govt.nz

Whangamatā Community Board

Dave Ryan (Chair)

dave.ryan@council.tcdc.govt.nz

Denis Beaver

denis.beaver@council.tcdc.govt.nz

Mark Drury

mark.drury@council.tcdc.govt.nz

Neil Evans

neil.evans@council.tcdc.govt.nz

Te takiwā | Our district

*E mihi ana ki ngā tohu ō nehe, ō Hauraki
E mihi ana ki ngā tāngata whenua ō te rohe nei*

Haere mai ki Hauraki he aute tē awhea

The Thames-Coromandel District is a component of the larger Hauraki Rohe, an area steeped in traditional migrations, history, culture and origin stories. There are numerous iwi, hapū, and marae that call this their ūkaipō (home). Collectively they are known as Hauraki, Hauraki Whānui, Hauraki Kōwhaorau and Pare Hauraki.

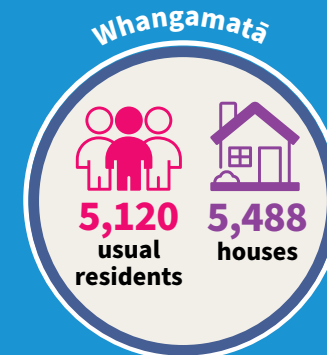
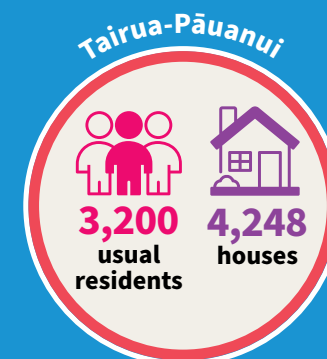
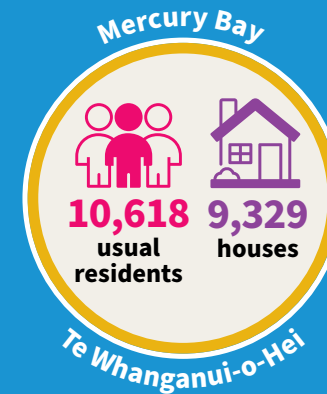
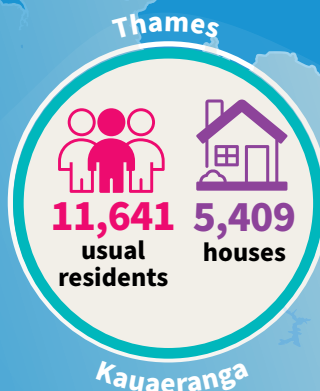
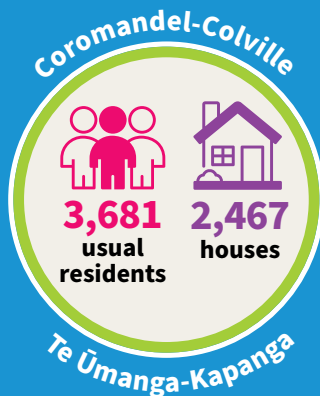
The Thames-Coromandel District dominates the Coromandel Peninsula. One name associated with the peninsula is Te Tara-o-Te Ika-a-Māui - the barb of the fish of Māui. Another is Te Paeroa-o-Toi-te-Huatahi - the long mountain range of Toi. There are various names and origin stories, but these two resonate with the majority of Hauraki iwi. The western side is known as Te Tai Tamatāne and the eastern side is known as Te Tamawāhine. Equally important is Tīkapa Moana, the moana of Hauraki, which incorporates the Firth of Thames, Hauraki Gulf, and the eastern shores of the peninsula. We sit within Te Moana Nui a Toi (The Pacific Ocean) on the East Coast and Tīkapa Moana on the west.

*We recognise the ancestral and spiritual landmarks of Hauraki.
We acknowledge the tāngata whenua of this area.*

Welcome to Hauraki, where the mulberry survives and flourishes

Upon European settlers' arrival, the Coromandel Peninsula became a place of early European exploration and settlement due to the discoveries of its rich lumber and gold resources. Nowadays our proximity to the large centres of Auckland, Hamilton and Tauranga and our mountainous and volcanic landscape with its diverse coastline makes the Coromandel a popular place to visit and live. We are now home to over 50 settlements and approximately 33,700 residents. Just under half of our homeowners don't live here full time and in fact if all the houses on the Coromandel were lived in, we estimate our population would be about 74,000. While our settlements are dispersed, they collectively make up the Thames-Coromandel District.

Getting around and servicing the Coromandel has always had its challenges - our landscape of forested ranges and relatively new sandy flats combined with the spread of our people across the rohe (area), makes getting services to everyone difficult and expensive. Our local climate and landscape make us susceptible to extreme weather events. Our residents' income and housing affordability is much lower than the national average. But our residents, not to mention our part-time ratepayers and visitors, love our place, and we're always tackling our opportunities and challenges head on.





Tiro whānui

Part 1: Overview

He whakatakinga ki te mahere

Introduction to our plan

This Long Term Plan outlines our priorities, plans, budgets and funding for the next decade and beyond. It's been a tough plan to prepare. Last year's weather events that battered the Coromandel stopped us in our tracks. While we've rolled up our sleeves and are repairing much of the damage, the ongoing repair of key roading routes is a constant reminder of how vulnerable the Coromandel is. Our resilience has certainly been tested, again and again.

We can't pretend these sorts of major weather events won't happen again. In fact, we're certain that they'll increase. On top of that, we're facing other changes that make our district vulnerable; sea level rise and other climate change impacts will affect some of our settlements and infrastructure; an uncertain economy continues to affect our people; the amount of money we're required to spend as a result of national compliance requirements is huge; and our costs are increasing – we're not immune from the global price increases. So we're committed to ensuring that our communities become stronger and more capable than ever of recovering from ever-changing, challenging times. How can we better prepare ourselves to withstand, recover from and adapt to these challenges? It's much more than fixing roads. We all have big aspirations for the Coromandel to continue to thrive. There is so much to do, and it comes with a hefty price tag. While we've had generous support from central government, this will end soon and we have to look for ongoing ways of putting our district on a strong economic, social and infrastructure footing over the long term.



Photo credit: Waka Kotahi NZ Transport Agency



Gabrielle's legacy lives on

The 2023 weather events that battered the Coromandel dealt us a hard blow. After Cyclone Gabrielle and her friends caused havoc, we needed to quickly redirect our efforts from business as usual to response and recovery. With our local businesses and residents hurting from being isolated, we made the decision to keep our rates increase as low as possible for one year. We postponed projects and temporarily decreased the amount of money we would otherwise have set aside to replace assets once they wear out. This helped at the time, but we're now picking up the costs, and this has increased the amount of money we need to find in 2024/25. Now it's time to look ahead and deliver projects that enable us to withstand future challenges.



The impact of higher standards

The impact of needing to comply with new national regulatory compliance standards is now being felt - for example as we pay the legacy and future costs of improving drinking water quality. Much of our capital works programme is heavily driven by these compulsory standards and they come with significant operational costs. This limits how much else we are able to deliver or afford at this time.



We're preparing for sea level rise, now

Urgent action is necessary to safeguard our vulnerable coastal settlements from sea level rise and more severe weather events. We've identified and prioritised crucial coastal projects through our Shoreline Management Pathways project, with the most pressing work set to begin in three years. While the exact timeline for further action is uncertain, we have planned for a series of long-term adaptation and protection measures. However, the financial burden is significant, and our small settlements and the entire district won't be able to cover the costs alone. We will need the support of others, including central government, and we'll actively work to build the partnerships needed to progress this work. This is an Aotearoa New Zealand-wide issue.



Growing pains

We know there's an affordable housing shortage in our district that's limiting choices and putting a brake on our economy. We have big aspirations around growing our ability to help provide places to live, work and play and we can make the most of the opportunities available to us by changing current land uses and providing the infrastructure investment needed to service new housing and business developments. It's expensive and requires an important discussion about how we pay for all this but we've heard loud and clear that this is important to you.





Photo credit: Ann Costar



Supporting our communities

First Covid-19, then isolation after the storms, then rising costs. A significant decline in visitor and resident numbers has left many families and businesses struggling. We've had the opportunity to access government recovery funding to help our communities out, and can see the positive effect this has had. We know how important our sense of community is when the tough times hit. What can we do going forward to ensure our people are connected and valued? It's not just about physical infrastructure, but about our people and fostering more connected and inclusive communities. We don't need to deliver all the services needed to achieve this ourselves, but we will work with others to ensure they are accessible.



The tasks ahead are huge

The costs are daunting. Even if we only committed to our absolute top priorities we don't have the capacity to deliver it all. We'd need many more hands on the job and it wouldn't happen overnight. Prioritising the many asks our communities have of our Council is always difficult. Now more than ever we need to make some tough decisions. It's still going to be a bit painful on the pocket but delaying essential infrastructure work to keep costs down is not an option.



The future is as uncertain as ever

Our District's growth, the introduction - then undoing - of reforms, the unpredictable nature of climate change, and an uncertain economy demand that we choose our steps wisely. While all this can be challenging, we know that times of change create opportunities for positive outcomes and we're ready to seize these as they arise.



We can't do this by ourselves

These are some big issues. Like many other councils, we can't grapple with these challenges on our own. But, through working together as a team and with others we can have a stronger voice to seek funding from the central government and other agencies to support our communities. Our hard work through and following the recent storm events have shown us what we can achieve when working with others.



**These are our challenges,
and we're tackling them head on.**

E whakamaheretia ana te wharaunga

Charting our course

We've prioritised the resilience of our district. We're investing in restoring and improving our critical infrastructure. We're also extending our infrastructure to some new areas so we can cater for much needed residential development and support our local economies. Beyond infrastructure, we believe that by working with others and being a strong advocate for our communities we can leverage greater access to the services that our people need and more external funding.

In developing our plan we've had to relook at some of our services, budgets and who pays to ensure we keep things affordable. It won't be easy and we need to be clear – there will be some major cost increases over the next decade. We've had to make some tough decisions and we know the impact will be painful for many. We'd love to keep rate increases minimal but we don't think that's a realistic approach. Delivering everything we all want is also not possible. We can't afford to do it all now, or by ourselves, but we believe our plan represents the most responsible path forward.

Our strategy in a nutshell is this: We've had to make some tough calls, but we're focused on building strong foundations for our people to thrive.

Building strong foundations

Roads to a resilient future

The series of storms, including Cyclones Hale and Gabrielle, that hit our Coromandel communities in early 2023 caused extensive damage and disruption to people, property, businesses and the environment, and severely impacted our roading network. Thanks to the more than 361 workers who invested 56,000 hours to restore our roads, over 200 slips were cleared, with ongoing repairs to significant slip sites.

Those events have shown how dependent we are on our roading network for accessing essential supplies, health care, education and employment; without them, our economy cannot flourish. It's also brought home to us how vulnerable our roads are, with geotechnical issues, outdated construction methods and age making them particularly susceptible to the effects of climate change and natural hazards. This vulnerability puts our people at risk of recurring periods of isolation and the hardships we've experienced recently.

To ensure a thriving future for the Coromandel, we must address these issues, moving beyond short-sighted patching towards establishing an improved and resilient network. We've initiated some work, but what's needed now is a 30-year programme requiring substantial investment. Over the next decade alone, there's \$14.6 million allocated in this Long Term Plan for repairing damage from the 2023 storms.

Waka Kotahi New Zealand Transport Agency is committed to repairing the State Highway network it's responsible for, which is equally as vulnerable as our local roads. They've also been investing heavily in repairing the storm damage and we are already seeing the benefits of the opening of Taraparahi Bridge/SH25A in December 2023 for our townships on the eastern side of the Coromandel.

But there is much more that needs to be done, and we simply do not have the resources to do it by ourselves. Together with Waka Kotahi New Zealand Transport Agency, Waikato Regional Council and our neighbour, Hauraki District Council, we have developed a Resilience Strategic Response (RSR) Programme for the Coromandel-Hauraki area. We estimate that it will cost \$1.3 – 1.75 billion over 15 years, and we are seeking 100% Crown funding for it. Beyond creating a 'fit for the future' roading network, these projects will generate more employment and upskilling opportunities for our district.

Projects like the Coromandel Town bypass, Tapu-Coroglen Road, Colville Road, and Kennedy Bay Road, which together would cost \$100 million, funded 100% by the Crown, are part of the RSR programme and are included in our plan. They're also included in the draft Regional Land Transport Plan which identifies and prioritises roading projects across the region that should receive a financial contribution from the government. If we aren't successful with getting the Crown funding we will have to revisit whether we can afford to do these projects.

Getting ready for climate change

With our long coastline (400 km in fact) it's difficult to ignore the impact of climate change on our coastal settlements. How we deal with this issue is a challenge that is likely to need the involvement and efforts of multiple generations over a long period.

As a council, we're on the frontline of responding to the effects of climate change, including sea level rise, increasing storm intensity and flooding, increased coastal erosion and coastal inundation. Our low-lying coastal areas, where many of our main settlements are located, are becoming more vulnerable. Our own infrastructure is also at risk.

In response to a 2018 storm that caused significant coastal inundation (flooding from the sea) and damage, we started our Shoreline Management Pathways (SMP) project to work together with our coastal communities to better understand coastal inundation and erosion risks and develop plans to combat these. We've now developed pathways for 138 specific areas across the Coromandel. They identify how each community will address the risks, whether it be by avoiding new development in high-risk areas, adapting by raising building floor levels, creating or enhancing 'soft' defences like dunes and wetlands, building or improving 'hard' coastal protection structures, such as sea walls, or if and when the risks become intolerable, moving away from the area completely.

Establishing a firm timeframe for when a specific community will need to act is difficult and not all of the decisions need to be made right now. Instead, over time we will track signals such as how sea levels are rising and make decisions on when and how we'll intervene along the way.

While the impact of these risks for specific locations may remain uncertain, the SMP project has highlighted that an increase in investment will be required if we are to continue to protect people living on our beautiful coastline. Some coastal works will need to happen very soon if we are to protect our most vulnerable coastal settlements from immediate threats.

Investing more in future planning

Our vision is for the Coromandel to be the place to live, work and play. This means providing better opportunities for our communities to grow and change, and we want to ensure this happens in a well-managed way. Taking a more strategic approach means we can better plan for the necessary infrastructure investments and partner with other agencies and business sectors to deliver services like schools and medical facilities needed in future. It also means we can avoid inappropriate development in areas at risk of natural hazards like flooding and coastal erosion. Over the next 10 years we will be investing more in how we plan for the future of our district and investing in new infrastructure to support growth that's about to happen, or has already happened in some areas, for example at Tōtara Valley Road in Thames, Hāhei and Wharekaho/Simpsons Beach.

Quality infrastructure

We'll focus on investment in critical infrastructure that ensures that we can withstand the challenges ahead. That includes adding the costly water projects back into our programme after the 'undoing' of the previous government's three waters reform and concentrating on getting our roading resilience programme underway.

Investing in connected communities

We know how important being part of a community is when the tough times hit. What can we do going forward to ensure our people are connected and valued? It's not just about infrastructure, but about supporting more connected and inclusive communities. We're committed to continuing to partner with iwi and community groups, government agencies, schools, local social providers and other welfare agencies so that our people can access the services, programmes and opportunities they need to thrive. We may not deliver the services ourselves, but we play a crucial role in advocating for them to be delivered in our district and in bringing together agencies to target our local priorities.

Making the tough calls

Yes, there's lots on the work programme and the next 10 years will be busy. We've had to draw a line on what we think we can afford and are able to deliver. We've set a 'just the essentials' budget as a result, cutting back on a lot of projects we know are important to you. To keep costs down, we've also paused several projects that we'd planned or wanted to do in the next 10 years.

We'll still need to increase rates each year of this plan to match the actual costs of doing the mahi. We're facing a huge leap in costs in the first year that will exceed the line we've set for how much rates can increase each year. With your input, we've decided to spread that increase over two years so the bill for our ratepayers is easier to pay. It still won't get us under the line in the first year, but it will help.

We're now ready to get down to business and look forward to getting stuck in and completing the projects we have budgeted for over the next 10 years.



Mayor
Len Salt



Chief Executive
Aileen Lawrie

Te tatūtanga | How we got here

It's quite a journey reviewing our long-term plan and we didn't start from scratch.

**Early
2023**

We charted our course

Our newly elected Council nussed out their vision and priorities for the Coromandel Peninsula.

**Mid-late
2023**

We looked at what we had to and wanted to deliver

We considered all the feedback you give us every day whether that be via your local elected members, contacting our offices or commenting on our social media pages. This tells us whether we're providing the right services, at the right level. It gave us a wishlist of things to improve.

We reviewed our many strategies and plans which set out what we hope to achieve, including our local community plans.

We looked at what we have to deliver – usually required by Government law.

We checked in with some of our communities along the way – through hui with tangata whenua, agencies, our local partners and other groups and public drop in sessions with our community boards.

We got to grips with the work required to recover from those summer storm events

We looked at what we need to do just to keep things ticking.

**Late
2023**

We looked at the financial bottom line and made some tough calls

We matched up what we can afford to deliver against our wishlist. This time round we've had to make some hard calls as we simply don't have the budget or people power to do everything

**Early
2024**

We came up with some proposals for tackling the tough choices

We then revised our proposals. We highlighted the challenges we're facing and how we were proposing to tackle the tough choices in our 'Tackling the Future Head On: What's Your Take?' proposal.

**March to
early May
2024**

We asked you what you thought about it

We invited feedback from anyone and everyone. Many of you engaged with us over social media or while we were out and about.

We received lots of feedback, including 348 written feedback forms and over 70 people spoke to us directly at a formal meeting in our council chambers.

**Early
2024**

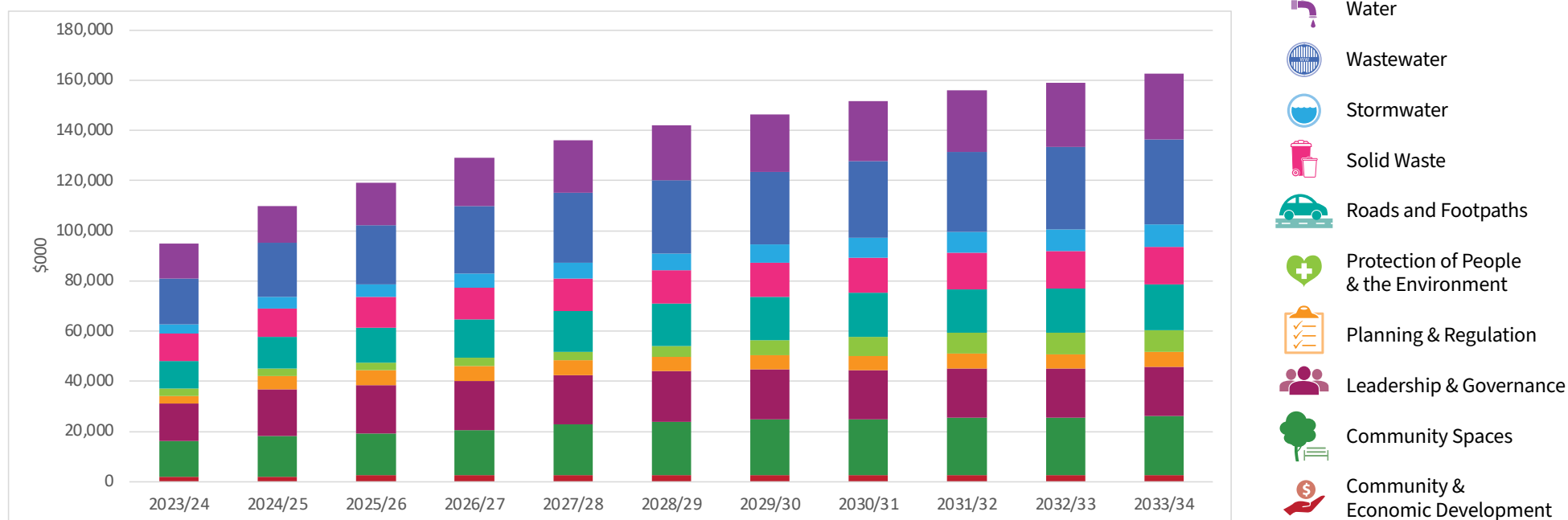
We considered what you said

We considered what you said and made some changes, before locking in this plan.

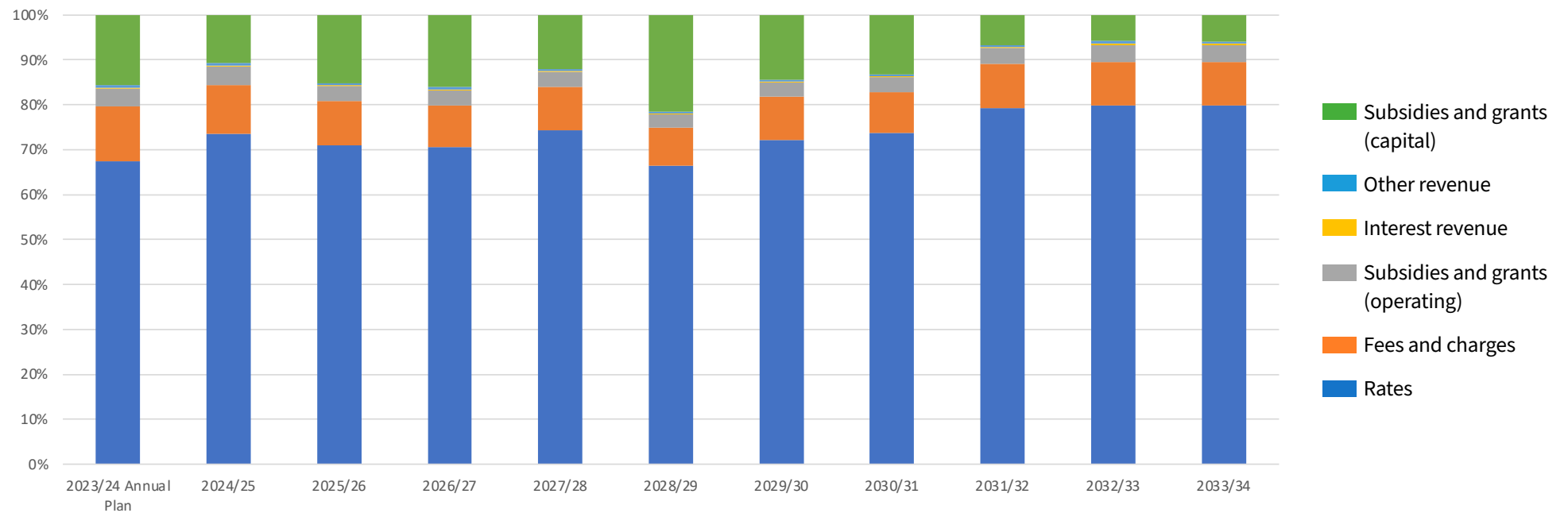
Te Takenga Mai me te Whakapaunga Pūtea

What we're planning to spend and how we'll fund it

To keep our Peninsula ticking, we will spend \$1.7 billion over the next 10 years.



This is how we plan to fund this mahi | work.



Te Tirohanga ki Tua o Mātārae

Looking beyond – the next 30 years

Our major infrastructure projects and big decisions to be made

Transport

Our infrastructure includes



704 kms
of non-state highway
(local) roads



175
bridges



294 kms
of footpaths

Over the next ten years

- We're focusing on improving how our 704 kms of roads withstand major events.
- We'll spend \$115.9 million on roading storm repair and resilience projects with help from the Government.
- We'll spend more on better stormwater drainage systems for our roads.
- We'll maintain existing footpaths, cycleways and walkways.
- We'll complete an upgrade of Tōtara Valley Road, Thames in 2027/28 to provide for new subdivision.

In the 20 years after that

- We'll be upgrading our aged and sub-standard roads and bridges (approx. \$10.2 million)
- We'll keep proactively renewing our road drainage systems (approx. \$25.01 million)

Coastal protection

Our infrastructure includes

18 hard assets which protect the coast



Over the next ten years

- We'll spend \$92 million on rolling out the first phase of our shoreline protection projects to buy time against coastal inundation.
- We'll increase the height of seawalls in Moanataiari (\$2.9 million over 2030/31-2031/32), Tararū (\$2.3 million over 2027/28-2028/29), Te Puru (\$4.3 million over 2027/28-2029/30) and Tairua (\$4.4 million over 2026/27-2027/28).
- We'll actively look for non-ratepayer funding and will consult with you on how this is paid for.

In the 20 years after that

- We've forecast additional coastal protection measures in Thames (\$60 million), Tairua (\$5 million) and Whangamatā (\$40 million)
- We'll address our low-lying road network (\$75-125 million)
- We'll need to start renewing some of our assets in 21 years (approximately \$10 million over Years 21 to 30).

Water supply

Our infrastructure includes



We have **12 water plants** supplying water to **19,700 properties** through **630 kms** of pipes.

Over the next ten years

- We'll spend \$32.2 million on renewing existing water assets.
- The upgrade of the Thames South water infrastructure will bring it up to national drinking water standards (\$19.4 million over Years 1 – 4).
- Water supply will be extended to new areas including Totara Valley Road in Thames by 2027/28.
- We'll consult with our Wharekaho and Hāhei communities about whether they wish to pay to extend water services in their areas (in Year 1 and Years 2 – 3 respectively). We've included an indicative budget of over \$3 million each should the projects proceed.
- We'll need to renew or replace water reservoirs in Coromandel, Matarangi, Onemana, Moewai Road, Whitianga and Pāuanui (\$11.6 million in total).
- We'll upgrade water infrastructure in Pollen Street, Thames (\$2.8 million in Years 5-7).

In the 20 years after that

- We may need more water treatment improvements to meet future standards (approx. \$73.6 million).
- We'll keep renewing our water assets as they reach the end of their life (\$111.59 million).



The Coromandel is subject to a number of natural hazards which can have an impact on the resilience of our infrastructure, including storm events, inundation, land slips, coastal erosion and tsunamis. Some of these are likely to be intensified by the predicted impacts of climate change and rising sea levels. We will proactively seek to identify cost effective and sustainable opportunities to future proof and improve the resilience of our infrastructure.

Our programme of infrastructure projects and other capital works for each of our activities is included in Part 2 of this Long Term Plan.

Wastewater treatment and disposal

Our 10 wastewater plants treat wastewater from 22,680 properties.



Over the next ten years

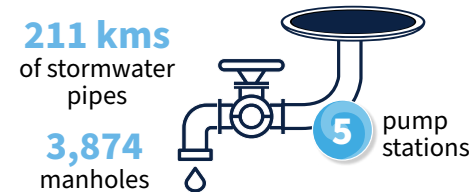
- \$60.9 million will be invested in renewing our wastewater infrastructure.
- \$23.3 million will be invested in upgrading our Matarangi, Cooks Beach and Thames plants to cater for extra demand or meet higher standards.
- Infrastructure upgrades in Pollen Street, Thames will cost \$4.8 million over Years 4 – 7.
- We'll consult with our Wharekaho (Years 1-2) and Hāhei (Year 1) communities about whether they wish to pay to extend wastewater services in their areas. We've included an indicative budget of over \$3 million each should the projects proceed
- The Pāuanui odour issue will be addressed (Year 1)
- We'll complete an upgrade of the Tōtara Valley Road wastewater network in 2026/27 to provide for new subdivision (\$0.5 million).

In the 20 years after that

- We're planning for more wastewater treatment upgrades (approx. \$175 million)
- We'll need to provide more capacity in Thames (approx. \$73 million)
- We'll keep renewing our ageing wastewater infrastructure (approx. \$184 million)

Stormwater

Our infrastructure includes



Over the next ten years

- We'll up our spend on renewing our stormwater systems (\$21.9 million).
- We'll invest in reducing stormwater flooding for properties in Thames, Cooks Beach, Whitianga, Pāuanui, Whangamatā and Matarangi (\$34.5 million in total).
- Our infrastructure in Pollen Street, Thames needs an upgrade at a cost of \$4.4 million starting in 2027/28.
- We'll complete an upgrade of the Tōtara Valley Road stormwater network in 2026/27 to provide for new subdivision (\$1.9 million).

In the 20 years after that

- We'll replace our aged stormwater networks (approx. \$56.44 million)
- We'll need to do upgrades to cope with increased rain amounts and intensities (approx. \$122.7 million)

Solid waste

Our infrastructure includes



Over the next ten years

- We'll build a new refuse transfer station in Whitianga to meet demand (\$11.6 million).
- We've increased the amount we'll spend on refuse transfer stations to meet health and safety requirements (\$10.7 million).
- We'll be continuing to work hard to reduce waste to landfill.

In the 20 years after that

- We'll be monitoring when we need to renew our refuse transfer station assets.



Te matawhānui me te tatūnga atu

Part 2: Our vision and how we'll get there

Te matawhānui mō Thames-Coromandel

Our vision for the Thames-Coromandel

The Coromandel – live, work and play

You've told us loud and clear what is important to you, your whānau | family and your rohe | neighbourhood. We've taken what you've told us over the past few years through community planning and conversations and identified what role we can play in making Te Tara o te Ika a Maui | the Coromandel a place to live, work and play. We've identified four broad priorities¹:



1

**A collaborative
district**



2

**A vibrant and
safe district**



3

**A connected and
resilient district**



4

**A district with
sustainable services
and infrastructure**

All the activities we're involved in and the services we deliver will help achieve these priorities. After the stormy setbacks of a powerful cyclone and other adverse weather events in early 2023, we're rolling up our sleeves to restore, repair, and rebuild our community stronger than ever.

¹ Our priorities fulfill the definition of 'Community Outcomes' as described in the Local Government Act 2002.



Our Activities – An Overview

In this section you'll find a description of our activities and how they contribute to our communities' wellbeing and the delivery of our priorities. It gives a broad outline of what we're planning, what you can expect us to deliver and the measures we will use to assess our performance. The last few years have demonstrated the uncertain environment we operate in and the variety of factors that are largely outside of our control. Some examples of these are the severe weather events, a global pandemic and unpredictable workloads. We are allowing for that in our performance targets, and this is why there are differences between these targets moving forward and how we performed in 2022/23. We are not intending to drop our overall level of service but are accommodating for uncertainty.

In other areas such as Planning and Regulation activities and Corporate activities, we provide services that are to be delivered within timeframes specified by law, and we'll always work to meet those timeframes. However, because of the same reasons above we believe it would be unreasonable to resource to a level that can manage the uncertainty and so we've set targets that find the balance between meeting our legislative requirements, providing a good service and being responsible with the associated costs.

We've also included a summary of the major physical projects (we call them capital projects) we will undertake over the next 10 years for each activity, their cost, and the funding impact.

The service performance information has been prepared in accordance with PBE FRS-48 and generally accepted accounting practice (GAAP).





He Takiwā Mahitahi

A Collaborative District

We want to bring communities together and work with others to create a bright future for our district.

Collaboration is about people working together to achieve a common goal. People in our district know the benefits of taking a collaborative approach. We've seen how they come together when needed to get involved, lend a hand and pool resources to achieve great things. That strong community spirit is one of the things that attracts people to our district to raise a family, spend their retirement years or invest in a business.

But we know there are limits to what we can do on our own, in our small communities, or even as a district. We need to work with others if we're going to ensure we have the resilient infrastructure and accessible support services we need. Together we will build strong communities and a diverse, sustainable economy with jobs that add value to our district, keep our young people here and attract new residents.

We want to lead the way in promoting and advocating for our district, seeking out and taking advantage of new opportunities to ensure we have the infrastructure and support services our communities need to thrive. We'll continue to work with regional and central government, with agencies like Waka Kotahi/New Zealand Transport Agency and Te Whatu Ora to ensure our communities recover and come back stronger from the storm events and the impacts of Covid-19.

We want a district where people feel engaged with our elected members and have opportunities to access the information and services they need to contribute meaningfully to decisions that are important to them.

To help achieve a collaborative district, we'll invest in Leadership and Governance. This includes our Governance and Corporate activities.



Te Hautūtanga me te Mana Urungi

Leadership and Governance

What we do

The Leadership and Governance activity is about ensuring effective, democratic local government through administering elections, Council and committee meetings and representation reviews. It's also about providing opportunities for our diverse communities to share their voice about what matters on the Coromandel and honouring Te Tiriti o Waitangi (The Treaty of Waitangi) principles.



THIS ACTIVITY GROUP
HELPS US WORK TOGETHER
AND BE A COLLABORATIVE
DISTRICT.

Governance

Through our democratic processes we:

- support our Mayor and elected members to carry out their duties effectively by organising and supporting Council, committee and community board meetings and induction, training and administrative support for elected members
- support five local community boards to ensure local views and aspirations are considered and advocated for
- support elected members and the organisation to meet our Te Tiriti o Waitangi | The Treaty of Waitangi obligations including Iwi settlement arrangements
- set expectations around working with others, across all of our Council operations through, for example, council-controlled organisations
- review representation arrangements at least every six years
- facilitate local government elections
- provide local contestable grant opportunities and service level agreements
- manage district-level community service level service agreements that apply to one or more of our activities.

Corporate

Our organisation is supported by a number of corporate services. They ensure our organisation operates effectively and that information on our services and decision-making is accessible. It includes our:

- customer services function
- communication and engagement channels
- decision-making functions including legal services, risk and assurance
- financial management
- corporate health and safety
- vehicle fleet
- property management.

Our main Council building in Te Kauaeranga | Thames is in major need of an upgrade to meet health and safety obligations and earthquake proofing standards.



What you can expect us to deliver

Activity	The service you can expect from us	How we'll measure whether we delivered	Latest result (2022/23)	Our targets			
				2024/25	2025/26	2026/27	2027-34
Governance	Our councillors and community board members will demonstrate to ratepayers their commitment to the democratic process ⁺	Attendance rate at Council and community board meetings	89%	≥80%	≥80%	≥80%	≥80%
	We'll share Council agendas publicly to assist in transparent decision-making ⁺	Percentage of Council agendas publicly available two working days or more before the meeting	100%	90%	90%	90%	90%
	We'll promote a successful community through supporting community-driven initiatives ⁺	Percentage of community grant funds distributed that comply with the Council's fund criteria	95%	90%	90%	90%	90%
	⁺ Our targets are set to allow for realistic disruptions to our Governance services, for example, availability of elected members, their ability to access online meeting technology, weather events. The quality of community grant funding applications affects compliance with our fund criteria. As a result, our targets are lower than 100%, and at times, lower than recent performance.						
Corporate	We'll respond to customer enquiries promptly	Percentage of phone calls to the Council customer services number answered within 40 seconds* *Measures calls answered by our internal Customer Services team and excludes calls transferred to our after-hours/back-up call centre service.	New	≥80%	≥80%	≥80%	≥80%
	We'll respond promptly to customer requests for official information held by the Council under the Local Government Official Information and Meetings Act (LGOIMA)	Percentage of decisions about information release made within 20 working days* * While we'll always work to meet the legal timeframes, we've set realistic targets to be clear that we won't always meet them	New	80%	80%	80%	80%
Governance and Corporate	Our Governance and Corporate activities meet the needs of our communities	Our community's satisfaction with our Governance and Corporate services as measured by an annual customer satisfaction survey	New	Establish initial baseline results	Set target once baseline is known	Set target once baseline is known	Set target once baseline is known

Significant negative effects

We haven't identified any significant negative effects of delivering these activities.

How we fund these activities

Our governance and corporate activity operating costs will continue to be funded through a range of sources, including general targeted rates, fees and charges, subsidies and grants.

Leadership and Governance Funding impact statement

For the ten years ending 30 June 2034

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Annual plan	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	14,855	16,677	17,288	17,575	17,767	18,119	17,754	17,395	17,564	17,213	17,650
Targeted rates	1,513	1,011	1,042	1,016	1,038	1,026	1,080	1,096	1,088	1,108	1,128
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	434	447	508	466	476	542	496	506	575	526	536
Internal charges and overheads recovered	4,621	4,967	4,982	5,240	5,492	5,734	6,643	7,267	7,923	8,158	8,032
Interest and dividends from investments	259	283	289	295	302	308	314	320	326	935	952
Local authorities fuel tax, fines, infringement fees and other receipts	5	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	21,688	23,384	24,108	24,592	25,076	25,728	26,287	26,584	27,476	27,940	28,298
Applications of operating funding											
Payments to staff and suppliers	9,703	5,285	5,638	5,516	5,546	5,727	5,841	5,737	6,057	6,114	6,027
Finance costs	198	183	220	266	344	417	475	517	565	594	638
Internal charges and overheads applied	14,453	17,312	17,553	17,957	18,121	18,382	18,637	18,917	19,243	19,517	19,788
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	24,354	22,781	23,412	23,739	24,011	24,526	24,954	25,171	25,865	26,225	26,453
Surplus (deficit) of operating funding (A - B)	(2,666)	604	697	853	1,065	1,202	1,334	1,412	1,611	1,715	1,845
Sources of capital funding											
Subsidies and grants for capital expenditure	5,293	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	17	15	16	18	25	28	24	27	27	29	28
Increase (decrease) in debt	3,838	1,351	1,260	1,261	1,213	1,115	1,022	908	791	654	519
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	9,147	1,365	1,276	1,280	1,238	1,143	1,047	934	819	683	547

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Annual plan	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of service	2,889	381	385	389	439	447	455	465	474	484	503
- to replace existing assets	6,600	1,444	1,074	1,071	1,622	913	910	1,120	1,256	1,681	848
Increase(decrease) in reserves	(3,009)	144	515	672	241	985	1,014	762	700	233	1,041
Increase(decrease) in Investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	6,481	1,969	1,973	2,132	2,302	2,345	2,380	2,347	2,430	2,398	2,392
Surplus (deficit) of capital funding (C - D)	2,666	(604)	(697)	(853)	(1,065)	(1,202)	(1,334)	(1,412)	(1,611)	(1,715)	(1,845)
FUNDING BALANCE ((A - B) + (C - D))	0	0	0	0	0	0	0	0	0	0	0

Capital expenditure for the ten years ending 30 June 2034

Leadership and Governance

	Total Ten Years \$000	2024/25 LTP \$000	2025/26 LTP \$000	2026/27 LTP \$000	2027/28 LTP \$000	2028/29 LTP \$000	2029/30 LTP \$000	2030/31 LTP \$000	2031/32 LTP \$000	2032/33 LTP \$000	2033/34 LTP \$000
Corporate											
Computer software	5,329	459	463	469	529	539	549	560	571	584	606
Computer hardware	4,263	368	371	375	423	431	439	448	457	467	484
Furniture and fittings	959	83	83	84	95	97	99	101	103	105	109
Motor vehicles	3,764	584	260	232	698	211	165	369	388	735	121
Property renewals	2,046	332	280	300	315	82	115	106	210	274	30
Total capital expenditure	16,361	1,825	1,458	1,460	2,061	1,360	1,366	1,584	1,730	2,165	1,351



He Takiwā Ngangahau

A Vibrant and Safe District

Our vision for the Coromandel Peninsula is that it is the place to live, work and play - a place people want to be and call home.

We want people to continue to enjoy the attractive lifestyle we're so proud of. It's the reason people want to stay here and why they come back to visit again and again. Our contribution to making this happen is not just to provide roads, rubbish collection and other infrastructure services. It's also to make sure people have great places to live and work, to gather and connect, and that there are opportunities for our settlements to develop sustainably, in a way that doesn't compromise our people's wellbeing or our district's natural values.

As well as being a place of opportunity, we want our district to be a safe place to live in. We want our public places to be safe and we will work to help our communities be ready to respond quickly to emergencies. We also want our communities to be ready to respond to the effects of climate change coming our way, and especially those related to sea level rise. To do this, we've prioritised our options for coastal protection work in vulnerable areas to be undertaken over the next 10 years.

To deliver a district that's vibrant and safe, we'll invest in:

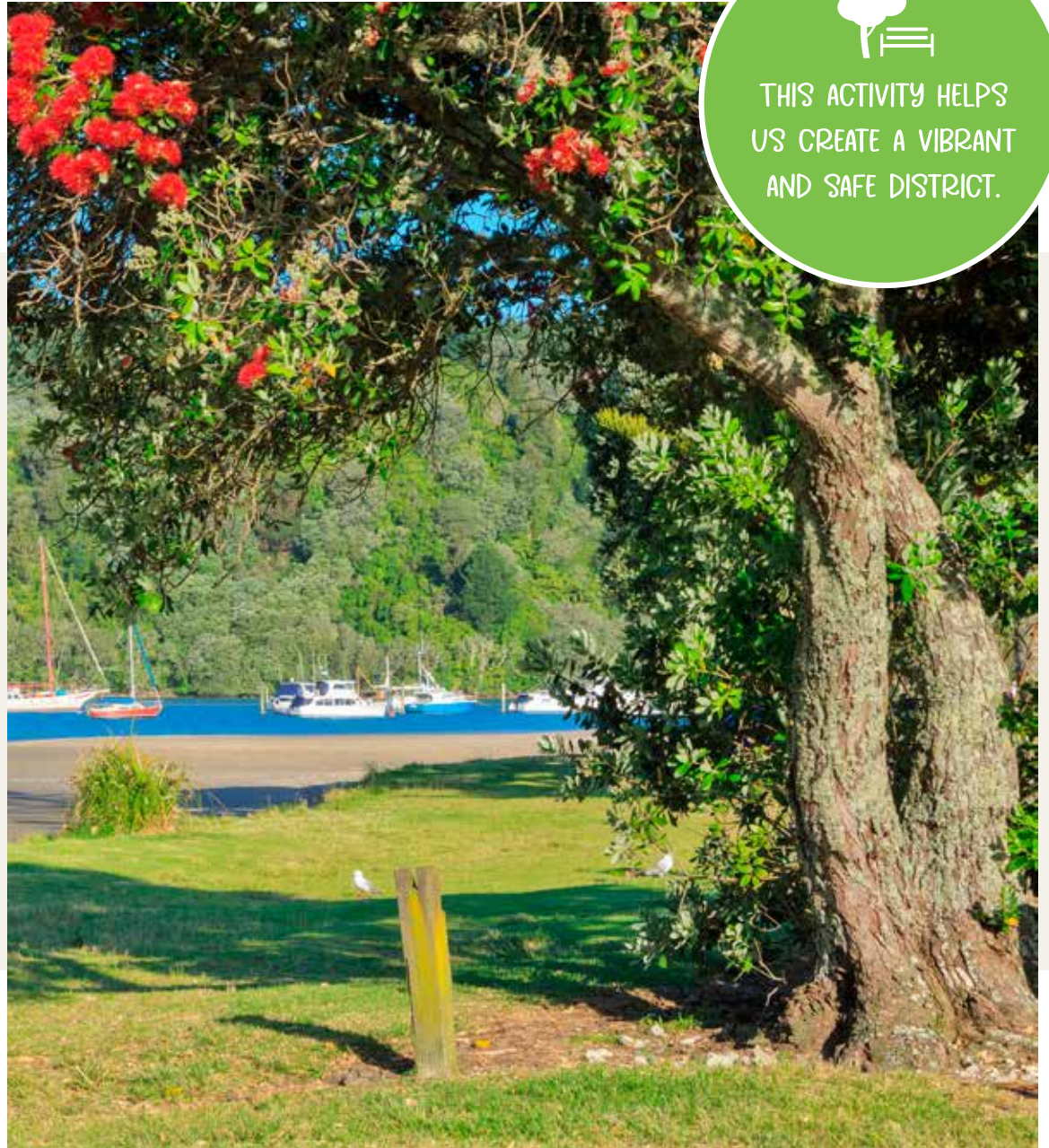
- community spaces
- protection of people and our environment
- planning and regulation.



He Takiwā Ā-hapori Community Spaces

What we do

We provide many indoor and outdoor spaces where our people can come together to play, have fun, compete, connect, celebrate and commemorate. Our community centres, halls, parks and reserves provide opportunities for events that bring vibrancy to our district. Our airfields and harbour facilities provide recreational opportunities for people, and also support our local economies.



THIS ACTIVITY HELPS
US CREATE A VIBRANT
AND SAFE DISTRICT.

Community facilities

Our community facilities include spaces for people to gather, recreate and use to travel by water and air:

- **Community halls:** We own community halls in 13 locations with our role ranging from full management to contracting community-based groups. The halls are used for a variety of purposes.
- **Public conveniences:** We provide 97 public toilets across the district and, in some cases, changing facilities for the convenience of our residents and visitors. They help keep our environment clean. We've programmed a number of renewals and a new toilet at Kōpū by the end of the year..
- **Swimming pool:** Our swimming pool in Thames offers recreational programmes and activities, water safety education and learn to swim programmes.
- **Airfields:** We provide two airfields, located in Thames and Pāuanui. Some of our residents and visitors like to fly for fun, and others use them for business purposes. They're also handy to have in cases of emergency.
- **Harbour facilities:** Our visitors and residents love to get out on the water. We'll provide 15 wharves and jetties and 28 boat ramps and launching facilities across the district. They all provide varying services. Commercial activity is supported at some facilities.
- **Cemeteries:** Our cemeteries meet the burial and remembrance needs of our community. We manage 14 cemeteries in the district, seven of which are currently open for burials. Our recently opened cemetery at Kaimarama in Mercury Bay will continue to be developed over the next few years.

Libraries

Not only do our libraries provide access to information, knowledge and recreational material, they are community hubs where people come to connect, create, share and learn in a social space. We run three libraries, located in Thames, Tairua and Whitianga, and support six community-run libraries through grants. We're also looking into how we can support a new heritage centre in Tairua.

Parks and open spaces

Some of the things that make the Coromandel a great place to live, work and play are the approximately 2,000 ha of parks and reserves we have for people to enjoy. That excludes the Department of Conservation estate and beaches. Our open spaces range from conservation areas through to active recreation facilities like our 10 sports fields. We provide 46 playgrounds to keep our residents active, happy and occupied.

We are increasing our investment in renewals to maintain our service standards. This includes a number of playgrounds and car parks.

There are a large number of projects we'd like to do across these activities, but we can't afford them at the current time if we are to stay within our rates limits. This is the reason we've made the hard decision to postpone a number of projects for at least 10 years.



What you can expect us to deliver

Activity	The service you can expect from us	How we'll measure whether we delivered	Latest result (2022/23)	Our targets			
				2024/25	2025/26	2026/27	2027-34
Community Facilities	Our community centres and halls are available and utilised for community activities	Percentage of hours Council-operated community centres and halls are used compared to total available time	50-52% (previously measured by community board area)	≥40%	≥40%	≥40%	≥40%
	Our public toilets are clean and safe	Percentage of public toilets that pass audit requirements ⁺	93-97% (previously measured by community board area)	≥85%	≥85%	≥85%	≥85%
	We'll provide a safe year-round swimming pool	The Thames public swimming pool meets Pool Safe accreditation standards	Achieved	Achieved	Achieved	Achieved	Achieved
	Our Pāuanui and Thames airfields are safe for small aircraft	Percentage of the year that airfields are open for safe use ⁺	95-100% (previously measured by community board area)	≥85%	≥85%	≥85%	≥85%
	Our harbour facilities are safe to use	All wharf facilities meet desired standards* * Meeting required standards for wharves/ jetties are those achieving a condition assessment rating of 1, 2 or 3 (very good to fair) (International Infrastructure Management Manual)	Achieved (previously measured by community board area)	Achieved	Achieved	Achieved	Achieved
Libraries	Our library spaces and our staff facilitate opportunities for people to connect with ideas, knowledge, stories and other people	The total number of visitors (in person and online) is increased	NEW 300,000 baseline	1% increase on baseline data	1% increase on 2024/25 baseline data	1% increase on 2025/26 baseline data	1% increase on prior year's baseline data

Activity	The service you can expect from us	How we'll measure whether we delivered	Latest result (2022/23)	Our targets			
Parks and open spaces	We'll provide parks and open spaces that are well-maintained	Percentage of parks and open spaces maintained to contract requirements ⁺	87-96% (previously measured by community board area)	≥85%	≥85%	≥85%	≥85%
	We'll provide playgrounds that are innovative, fit for purpose and safe	Percentage of our play equipment that is well-designed, built and maintained as measured by NZS 5828 or relevant standard	86-99% (previously measured by community board area)	≥85%	≥85%	≥85%	≥85%
	We'll provide cemeteries that are tidy and well-maintained spaces	Percentage of cemeteries maintained to contract requirements ⁺	65-100% (previously measured by community board area)	≥85%	≥85%	≥85%	≥85%
Community Facilities, Libraries & Parks and Open Spaces	Our Community Spaces activities meet the needs of our communities	Our community's satisfaction with our Community Spaces services as measured by an annual customer satisfaction survey	New	Establish initial baseline results	Set target once baseline is known	Set target once baseline is known	Set target once baseline is known

⁺ These services can be affected by severe weather and other disruptions. For example, we aren't always able to complete our audit of public toilets, open our airfields safely or carry out park maintenance.

Significant negative effects

Some of our activities may result in negative impacts like rubbish, energy use, spray drift, pests in parks and reserves, traffic and noise which affects the neighbours. We mitigate these effects by managing our operations effectively, minimising waste and conserving energy and water.

How we fund these activities

Our community facilities operating costs will continue to be funded through targeted rates and fees and charges.

Community Spaces Funding impact statement

For the ten years ending 30 June 2034

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Annual plan	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	0	0	0	0	0	0	0	0	0	0	0
Targeted rates	14,227	16,041	16,777	18,204	20,260	21,381	22,304	22,280	22,891	22,966	23,329
Subsidies and grants for operating purposes	7	6	7	7	7	7	7	7	8	8	8
Fees and charges	1,598	1,959	2,082	2,210	2,260	2,308	2,355	2,403	2,450	2,498	2,544
Internal charges and overheads recovered	69	70	72	73	75	77	78	80	81	83	84
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	15,900	18,077	18,938	20,494	22,602	23,772	24,745	24,769	25,430	25,554	25,966
Applications of operating funding											
Payments to staff and suppliers	9,343	10,419	10,584	10,752	10,831	10,566	10,854	10,786	11,136	11,290	11,455
Finance costs	378	434	440	700	1,393	1,925	2,184	2,238	2,249	2,197	2,210
Internal charges and overheads applied	2,198	2,312	2,304	2,489	2,820	2,986	3,155	3,197	3,250	3,260	3,222
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	11,919	13,166	13,328	13,941	15,043	15,478	16,193	16,221	16,635	16,747	16,888
Surplus (deficit) of operating funding (A - B)	3,981	4,912	5,610	6,553	7,559	8,295	8,552	8,549	8,795	8,808	9,078
Sources of capital funding											
Subsidies and grants for capital expenditure	855	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	707	868	833	1,067	1,067	1,080	810	813	771	774	645
Increase (decrease) in debt	(668)	151	495	17,360	18,785	6,919	3,001	(1,385)	(1,398)	(1,492)	(1,308)
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	893	1,019	1,329	18,427	19,852	7,999	3,811	(572)	(626)	(718)	(663)

	2023/24 Annual plan (\$000)	2024/25 LTP (\$000)	2025/26 LTP (\$000)	2026/27 LTP (\$000)	2027/28 LTP (\$000)	2028/29 LTP (\$000)	2029/30 LTP (\$000)	2030/31 LTP (\$000)	2031/32 LTP (\$000)	2032/33 LTP (\$000)	2033/34 LTP (\$000)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	56	252	557	58	2,672	3,065	3,062	-	-	-	-
- to improve the level of service	266	558	313	17,716	19,130	5,536	1,314	2	2	2	2
- to replace existing assets	2,285	3,379	4,102	5,341	6,643	9,562	1,936	2,296	1,828	2,158	1,774
Increase (decrease) in reserves	2,268	1,742	1,966	1,865	(1,035)	(1,869)	6,052	5,679	6,338	5,930	6,639
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	4,874	5,931	6,938	24,980	27,411	16,294	12,364	7,977	8,168	8,090	8,415
Surplus (deficit) of capital funding (C - D)	(3,981)	(4,912)	(5,610)	(6,553)	(7,559)	(8,295)	(8,552)	(8,549)	(8,795)	(8,808)	(9,078)
FUNDING BALANCE ((A - B) + (C - D))	0	0	0	0	0	0	0	0	0	0	0

Capital expenditure for the ten years ending 30 June 2034

Community Spaces

	Total Ten Years \$000	2024/25 LTP \$000	2025/26 LTP \$000	2026/27 LTP \$000	2027/28 LTP \$000	2028/29 LTP \$000	2029/30 LTP \$000	2030/31 LTP \$000	2031/32 LTP \$000	2032/33 LTP \$000	2033/34 LTP \$000
Thames											
Halls											
Thames War Memorial Civic Centre renewals	77	7	7	7	7	8	8	8	8	8	8
Libraries											
Library collection development	961	89	90	91	93	94	96	98	100	102	106
Furniture and fittings	65	6	6	6	6	6	6	7	7	7	7
Harbour Facilities											
Ruamāhunga boat ramp improvements	375	0	0	0	298	78	0	0	0	0	0
Waiomu boat ramp refurbishment	43	43	0	0	0	0	0	0	0	0	0
Parks & Open Spaces											
Carpark reseals	572	0	0	166	120	72	0	0	0	214	0
Renewals	1,532	132	133	135	152	155	158	161	164	168	174
WWI Monument	1,192	0	0	0	0	1,192	0	0	0	0	0
Critical structures renewals	53	53	0	0	0	0	0	0	0	0	0
Victoria Park Thames playground renewal	97	0	0	0	97	0	0	0	0	0	0
Porritt Park Queen Street parking improvements	224	224	0	0	0	0	0	0	0	0	0
Ngarimu Bay Domain playground renewal	32	0	32	0	0	0	0	0	0	0	0
Rhodes Park playground renewal	130	0	0	0	130	0	0	0	0	0	0
Hand rail installation Bella Street - Irishtown Walkway	31	31	0	0	0	0	0	0	0	0	0
Public Conveniences											
Adams Road renewals	142	0	0	142	0	0	0	0	0	0	0
Thames: 24 hours /7 day dump station	99	0	36	63	0	0	0	0	0	0	0
Cemeteries											
Renewals	643	28	54	79	73	23	0	0	191	195	0
Swimming Pool											
Thames sub regional aquatic facility	39,971	255	257	18,234	17,992	3,233	0	0	0	0	0
Total Thames	46,239	869	616	18,924	18,968	4,861	268	274	470	694	296

Capital expenditure for the ten years ending 30 June 2034

Community Spaces

	Total Ten Years \$000	2024/25 LTP \$000	2025/26 LTP \$000	2026/27 LTP \$000	2027/28 LTP \$000	2028/29 LTP \$000	2029/30 LTP \$000	2030/31 LTP \$000	2031/32 LTP \$000	2032/33 LTP \$000	2033/34 LTP \$000
Coromandel											
Halls											
Coromandel Citizens Hall renewals	77	7	7	7	7	8	8	8	8	8	8
Harbour Facilities											
Coromandel Wharf renewal	5,348	0	0	0	74	5,274	0	0	0	0	0
Renewals	640	146	142	79	58	45	32	33	34	34	36
Parks & Open Spaces											
Renewals	607	52	53	53	60	61	62	64	65	66	69
Carpark reseals	672	86	144	6	29	395	0	12	0	0	0
Critical structures renewals	31	31	0	0	0	0	0	0	0	0	0
Hauraki House playground renewal	108	108	0	0	0	0	0	0	0	0	0
Hauraki House carpark resurfacing	183	0	183	0	0	0	0	0	0	0	0
Sandy Bay Esplanade playground renewal	40	0	0	0	0	0	0	0	40	0	0
Public Conveniences											
Herd Bay renewals	133	0	0	0	0	0	0	0	133	0	0
Waitete Bay renewals	135	0	0	0	135	0	0	0	0	0	0
Wyuna Bay renewals	140	0	0	0	0	0	140	0	0	0	0
Port Charles renewals	135	0	0	0	135	0	0	0	0	0	0
Cemeteries											
Renewals	309	34	40	48	17	170	0	0	0	0	0
Total Coromandel	8,559	464	569	193	517	5,953	243	117	280	109	113

Capital expenditure for the ten years ending 30 June 2034

Community Spaces

	Total Ten Years	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
		LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Mercury Bay											
Halls											
Whitianga Hall renewals	399	7	165	7	7	172	8	8	8	8	8
Libraries											
Library collection development	599	53	54	55	57	58	60	62	64	66	69
Furniture and fittings	26	2	2	3	3	3	3	3	3	3	3
Harbour Facilities											
Whitanga Wharf pontoon replacement	976	49	927	0	0	0	0	0	0	0	0
Renewals	809	69	79	70	79	81	83	84	86	88	90
Consent renewals	36	0	18	18	0	0	0	0	0	0	0
Whitianga Wharf safety and operational improvements	1,423	494	929	0	0	0	0	0	0	0	0
Parks & Open Spaces											
Carpark reseals	1,378	155	156	91	393	215	0	232	0	0	136
Renewals	3,705	320	322	326	368	375	382	389	397	406	421
Hāhei skateramp renewal	165	0	0	0	0	0	165	0	0	0	0
Critical structures Renewals	269	134	135	0	0	0	0	0	0	0	0
Ōhuka/Brophy's Beach playground renewal	94	0	0	94	0	0	0	0	0	0	0
Cooks Beach Lakes Bridge renewal	176	176	0	0	0	0	0	0	0	0	0
Matarangi Drive playground renewal / refurbishment	207	0	0	0	0	0	207	0	0	0	0
Cooks Beach playgrounds (swingset renewals)	55	55	0	0	0	0	0	0	0	0	0
Pūrangi Reserve playground renewal	308	0	0	308	0	0	0	0	0	0	0
Whitianga Esplanade waterfront redevelopment project	12,570	0	0	0	3,817	4,378	4,375	0	0	0	0

	Total Ten Years \$000	2024/25 LTP \$000	2025/26 LTP \$000	2026/27 LTP \$000	2027/28 LTP \$000	2028/29 LTP \$000	2029/30 LTP \$000	2030/31 LTP \$000	2031/32 LTP \$000	2032/33 LTP \$000	2033/34 LTP \$000
Public Conveniences											
Cooks Beach Central Reserve	292	292	0	0	0	0	0	0	0	0	0
Black Jack Road renewal	280	0	0	0	280	0	0	0	0	0	0
Whitianga Wharf renewal	519	0	0	0	519	0	0	0	0	0	0
Moore Cres, Ōpito Bay renewal	338	0	0	338	0	0	0	0	0	0	0
Coroglen upgrade	539	0	0	539	0	0	0	0	0	0	0
Pūrangi Reserve renewal	280	280	0	0	0	0	0	0	0	0	0
Cemeteries											
Renewals	374	84	84	19	21	22	0	22	0	23	99
Total Mercury Bay	25,819	2,171	2,873	1,868	5,545	5,304	5,281	800	558	594	826

Capital expenditure for the ten years ending 30 June 2034

Community Spaces

	Total Ten Years \$000	2024/25 LTP \$000	2025/26 LTP \$000	2026/27 LTP \$000	2027/28 LTP \$000	2028/29 LTP \$000	2029/30 LTP \$000	2030/31 LTP \$000	2031/32 LTP \$000	2032/33 LTP \$000	2033/34 LTP \$000
Tairua-Pāuanui											
Libraries											
Library Collection Development	168	14	15	15	16	16	17	18	18	19	20
Furniture & fittings	26	2	2	3	3	3	3	3	3	3	3
Harbour Facilities											
Renewals	48	3	3	16	3	4	4	4	4	4	4
Consent renewals	36	0	18	18	0	0	0	0	0	0	0
Paku Boat Ramp Pontoon Installation	153	0	0	26	126	0	0	0	0	0	0
Parks & Open Spaces											
Capark reseals	380	0	0	132	41	0	0	117	0	89	0
Renewals	2,065	178	180	182	205	209	213	217	221	226	235
Pāuanui skate bowl renewal	467	0	232	235	0	0	0	0	0	0	0
Critical Structures Renewals	34	34	0	0	0	0	0	0	0	0	0
Tairua Memorial Reserve Playground Renewals	162	0	0	0	0	162	0	0	0	0	0
Pāuanui Chelmsford Place Playground Renewals	32	32	0	0	0	0	0	0	0	0	0
Public Conveniences											
Tairua Surf Club Renewals	249	0	0	0	0	249	0	0	0	0	0
Tairua North Renewals	356	0	0	0	0	0	0	356	0	0	0
Pāuanui Surf Club	477	0	0	477	0	0	0	0	0	0	0
Mary Beach Reserve Renewal	236	0	0	0	236	0	0	0	0	0	0
Tairua - Esplanade Renewal	259	0	0	0	259	0	0	0	0	0	0
Royal Billy Point Renewal	519	0	0	0	519	0	0	0	0	0	0
Pāuanui - South End Renewal	310	0	0	310	0	0	0	0	0	0	0
Paku Memorial Reserve Installation	231	0	0	231	0	0	0	0	0	0	0
Cemeteries											
Renewals	177	36	0	0	35	0	32	0	13	63	0
Total Tairua-Pāuanui	6,386	299	450	1,645	1,444	642	267	714	259	404	261

Capital expenditure for the ten years ending 30 June 2034

Community Spaces

	Total Ten Years	2024/25 LTP	2025/26 LTP	2026/27 LTP	2027/28 LTP	2028/29 LTP	2029/30 LTP	2030/31 LTP	2031/32 LTP	2032/33 LTP	2033/34 LTP
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Whangamatā											
Halls											
Whangamatā Hall renewals	94	7	7	7	7	8	8	25	8	8	8
Harbour Facilities											
Renewals	266	43	33	6	6	145	7	7	7	7	7
Boat launching ramp and pontoon	1,006	0	0	0	97	909	0	0	0	0	0
Parks & Open Spaces											
Capark reseals	626	44	195	209	21	0	0	68	0	90	0
Renewals	2,317	200	201	204	230	234	239	243	248	254	263
Critical structures renewals	54	54	0	0	0	0	0	0	0	0	0
Onemana Beach playground renewal	157	0	0	0	157	0	0	0	0	0	0
Public Conveniences											
Ocean Sports Club (Wharf) renewal	108	0	0	0	0	108	0	0	0	0	0
Williamson Park renewal	1,039	0	0	0	1,039	0	0	0	0	0	0
Beach Road boat ramp renewal	336	0	0	0	336	0	0	0	0	0	0
Cemeteries											
Renewals	253	37	29	58	78	0	0	51	0	0	0
Total Whangamatā	6,256	385	465	484	1,972	1,403	253	393	263	359	279

He Whakamaru Tāngata,
Taiao Hoki

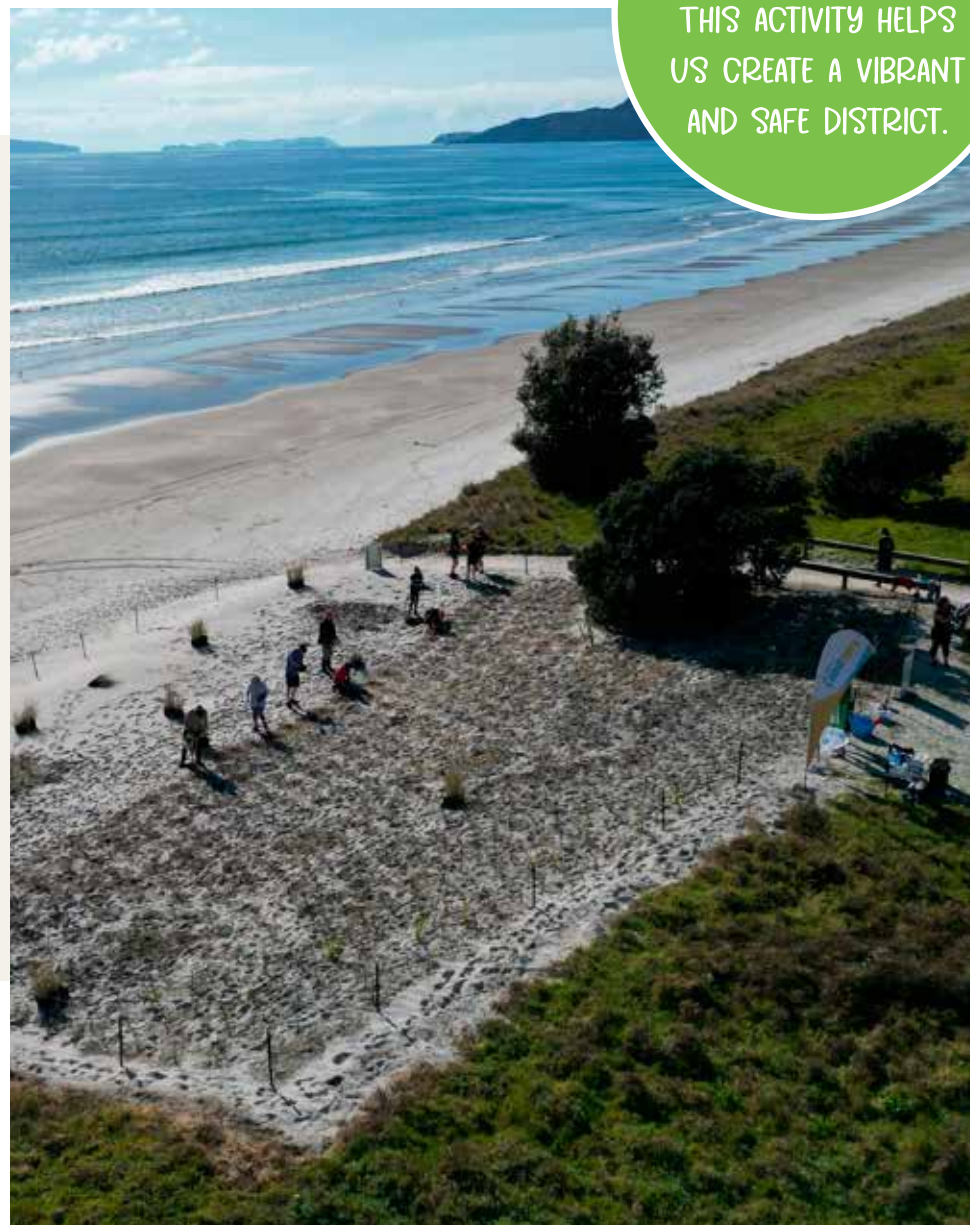
Protection of our People and the Environment

What we do

It's important that our people feel secure and are protected from risks to their health and wellbeing, including from weather events and the hazards they pose, both now and in future. Our safety measures range from ensuring compliance with public health and safety regulations to being ready to step into action when civil defence emergencies occur.



THIS ACTIVITY HELPS
US CREATE A VIBRANT
AND SAFE DISTRICT.



Emergency management

We have a core role in helping people in our district to manage, respond and recover from civil defence emergencies. We work with local communities to develop 'community response plans' which help us co-ordinate our action to ensure we are prepared and resilient. Our Emergency Management Unit also trains throughout the year to ensure our staff are always ready and prepared.

Coastal and hazard management

Coastal hazards on the Coromandel include coastal inundation, tsunامي, storm surges, king tides, coastal erosion and sea level rise. Many of these hazards are exacerbated by the effects of climate change. To help people in our communities identify and respond to these hazards, as part of our Shoreline Management Pathways (SMP) project we've developed models to show what might happen in future as sea-levels rise and have identified adaptation pathway options. We've also prioritised our options for coastal protection work in vulnerable areas and have used this to identify work that needs to be undertaken over the next 10 years. We've planned the following works:

- increasing the height of existing seawall in Moanataiari to 'buy time' before the risk of inundation becomes too great
- increasing the height of existing coastal protection in Tairua, Tararu (Thames), Thames township and Te Puru to 'buy time', including some seawalls built in places
- coastal erosion and inundation protection in Whangamatā.

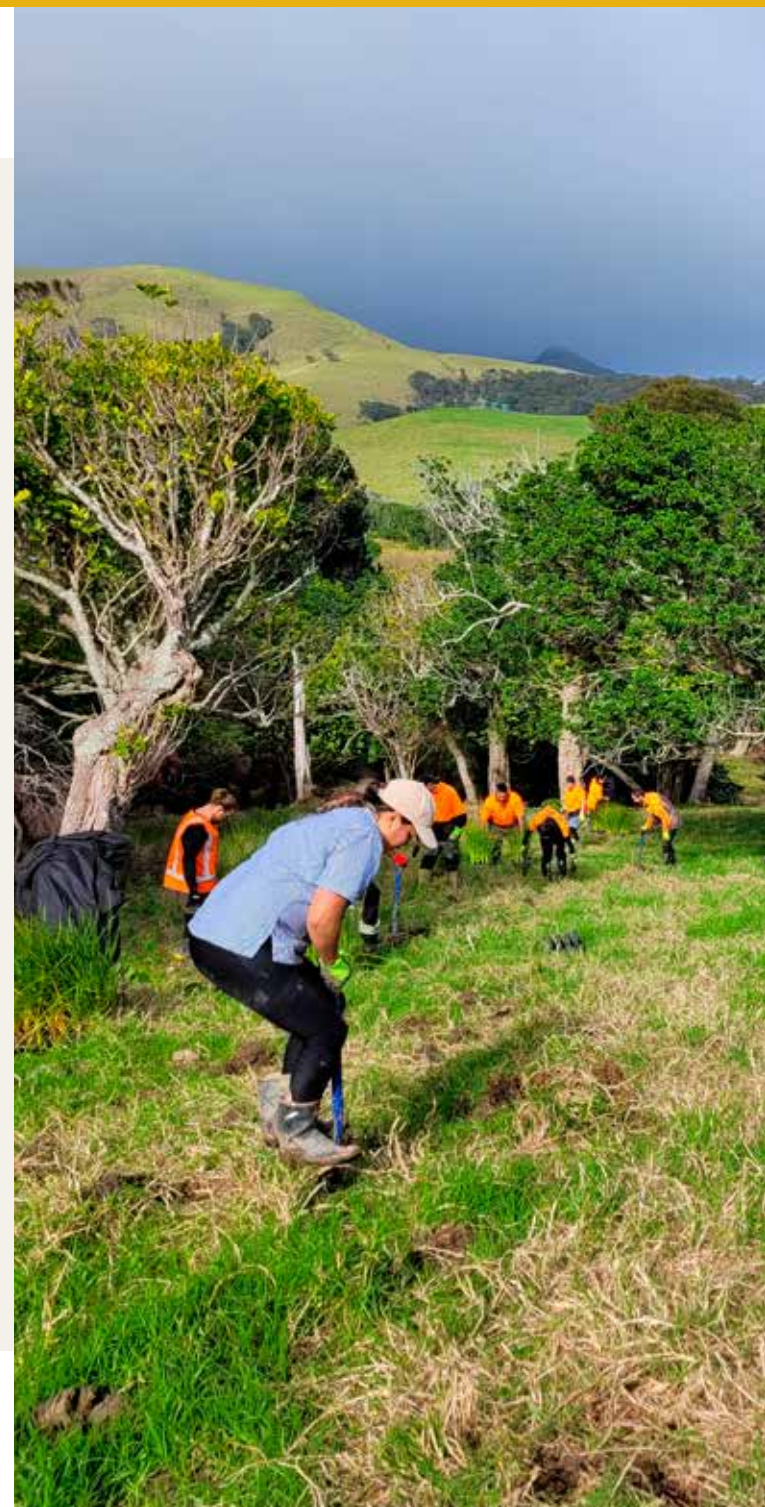
In the longer term (10-30 years) we'll continue to implement the outcomes of the SMP project. While the impact on sea level risk for specific locations may remain uncertain, we are confident that an increase in investment will be required if we are to continue to protect our people living on our beautiful coastline.

Our coastal protection proposals represent a significant change in our level of investment in this activity. We know action is required if we are to protect our existing settlements from coastal inundation but it comes at a major cost - \$92.3 million over 10 years with \$78.2 million of that for the Thames township protection works. Our infrastructure strategy forecasts that we'll be making decisions involving a further \$181-231 million of protection works over the following 20 years. While we have provided for protection works in our 10-year budget, we know these will add to the burden of rates our ratepayers will need to bear and will actively look for opportunities for cost-sharing with external agencies, including central government.

Community health and safety

Ensuring our communities are clean, safe and healthy involves minimising public nuisances and offensive behaviour. Our services include:

- monitoring and enforcing standards for businesses selling food and alcohol
- registering dogs and investigating animal-related offences
- monitoring and enforcing parking regulations
- enforcing other bylaws we have which promote community safety.



What you can expect us to deliver

Activity	The service you can expect from us	How we'll measure whether we delivered	Latest result (2022/23)	Our targets			
				2024/25	2025/26	2026/27	2027-34
Emergency management	We'll support our communities in enabling them to respond to and recover from emergencies	Number of community response plans reviewed per annum	10	10	10	10	10
	We'll be prepared for and able to respond to emergencies	The evaluation of Emergency Management annual exercise* as a measure of effectiveness of training *Annual exercise is evaluated on the Waikato Emergency Group Capability Development Scale as Advancing or above (i.e. greater than 60%)	61%	>60%	>60%	>60%	>60%
Coastal and hazard management	We'll undertake works to manage the effects of coastal hazards	Capital expenditure projects are delivered within timeframe	34%	Achieved	Achieved	Achieved	Achieved
Community health and safety	We'll ensure food businesses are producing safe food	Percentage of registered food businesses audited within their verification schedule ⁺	99.5%	≥90%	≥90%	≥90%	≥90%
	We'll keep our communities safe from dog attacks and stock on roads	Percentage of urgent animal control issues responded to within ≤2 hours ⁺	97%	≥90%	≥90%	≥90%	≥90%
	We'll assess and make timely decisions on alcohol licence applications	Percentage of unopposed alcohol licence applications assessed and prepared for the District Licensing Committee to make decisions within 60 calendar days ⁺	92%	≥85%	≥85%	≥85%	≥85%
	⁺ Our targets are set to allow for realistic disruptions to our services, for example, road closures and storm events affecting our team's ability to travel around areas of the district. As a result, our targets are lower than 100%, and at times, lower than recent performance.						
Emergency management, Coastal and hazard management and Community health and safety	Our Protection of people and the Environment activities meet the needs of our communities	Our community's satisfaction with our Protection of People and the Environment services as measured by an annual customer satisfaction survey	New	Establish initial baseline results	Set target once baseline is known	Set target once baseline is known	Set target once baseline is known

Significant negative effects

Depending on the specific details of the individual protection projects there could be negative effects on coastal processes. Effects will be assessed at the time that the works are fully designed and resource consent applied for.

How we fund these activities

To date these activities have been funded as follows:

- emergency management: general rates
- coastal and hazard management: general rates and borrowing
- community health and safety: general rates and fees and charges.

However, the coastal and hazard management costs have increased so significantly that we will be reviewing how this activity is funded over the next three years.

Protection of People and the Environment Funding impact statement

For the ten years ending 30 June 2034

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Annual plan	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	2,680	2,846	2,899	3,087	3,123	4,297	5,955	7,523	8,383	8,668	8,786
Targeted rates	51	52	52	52	52	52	0	0	0	0	0
Subsidies and grants for operating purposes	500	461	0	0	0	0	0	0	0	0	0
Fees and charges	820	906	926	946	966	986	1,005	1,025	1,044	1,064	1,083
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	224	238	243	249	254	259	264	269	274	279	285
Total operating funding (A)	4,276	4,503	4,119	4,333	4,395	5,593	7,225	8,817	9,702	10,011	10,153
Applications of operating funding											
Payments to staff and suppliers	2,308	2,577	2,021	2,129	1,836	1,915	1,903	2,406	2,901	2,063	2,062
Finance costs	126	176	202	235	297	561	1,037	1,471	1,759	1,799	1,858
Internal charges and overheads applied	2,124	2,313	2,352	2,384	2,402	2,527	2,809	3,064	3,269	3,332	3,337
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	4,557	5,065	4,574	4,748	4,535	5,004	5,749	6,941	7,928	7,194	7,257
Surplus (deficit) of operating funding (A - B)	(282)	(562)	(455)	(415)	(140)	590	1,475	1,876	1,774	2,818	2,897
Sources of capital funding											
Subsidies and grants for capital expenditure	0	-	-	-	557	19,023	18,055	15,957	1,619	-	-
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	965	1,032	934	912	1,047	13,360	12,592	11,448	2,227	176	151
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	965	1,032	934	912	1,605	32,383	30,647	27,405	3,846	176	151

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Annual plan	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	0	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	245	18	16	14	943	31,720	30,105	26,609	2,714	15	16
- to replace existing assets	0	112	-	300	74	-	22	-	55	23	-
Increase (decrease) in reserves	438	340	462	183	448	1,253	1,995	2,671	2,851	2,955	3,032
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	683	470	478	497	1,465	32,973	32,122	29,281	5,620	2,993	3,048
Surplus (deficit) of capital funding (C - D)	282	562	455	415	140	(590)	(1,475)	(1,876)	(1,774)	(2,818)	(2,897)
FUNDING BALANCE ((A - B) + (C - D))	-0	0	0	0	0	0	0	0	0	0	0

Capital expenditure for the ten years ending 30 June 2034

Protection of the People and the Environment

	Total Ten Years \$000	2024/25 LTP \$000	2025/26 LTP \$000	2026/27 LTP \$000	2027/28 LTP \$000	2028/29 LTP \$000	2029/30 LTP \$000	2030/31 LTP \$000	2031/32 LTP \$000	2032/33 LTP \$000	2033/34 LTP \$000
Coastal & Hazard Management											
Coromandel coastal protection asset renewals	63	0	0	0	63	0	0	0	0	0	0
Mercury Bay coastal protection asset renewals	342	112	0	229	0	0	0	0	0	0	0
Moana-Taiari coastal protection seawall renewal (medium term)	2,867	0	0	0	0	0	0	168	2,699	0	0
Tairua coastal protection	4,399	0	0	0	237	2,063	2,098	0	0	0	0
Tairua-Pāuanui coastal asset renewals	11	0	0	0	11	0	0	0	0	0	0
Tararū coastal protection	2,261	0	0	0	126	2,135	0	0	0	0	0
Te Puru coastal protection	4,334	0	0	0	164	2,074	2,096	0	0	0	0
Thames coastal protection	78,158	0	0	0	402	25,432	25,897	26,427	0	0	0
Thames coastal protection asset renewals	66	0	0	21	0	0	22	0	0	23	0
Whangamatā coastal protection bollards	52	0	0	25	0	0	0	0	27	0	0
Tairua-Pāuanui coastal protection bollards	52	0	0	25	0	0	0	0	27	0	0
Mercury Bay dune protection projects	151	18	16	14	14	15	14	15	15	15	16
Total capital expenditure	92,756	130	16	314	1,017	31,720	30,127	26,609	2,768	39	16

Te Whakamahere me te Waiture Planning and Regulation

What we do

We deliver planning and regulatory activities through a balanced approach that provides for development without compromising on the Coromandel's natural and built environments, heritage and quality of life.

Our Council has responsibilities for promoting the sustainable management of the natural and physical resources within the district. This includes developing and administering the District Plan and related policies, processing applications for resource consents under the District Plan and administering building control services.



THIS ACTIVITY HELPS
US CREATE A VIBRANT
AND SAFE DISTRICT.

District and strategic planning

Our planning services enable us to manage our district's resources proactively and strategically. Our district plan sets out where and how our district's village and urban areas will grow and how our other precious natural and physical resources are protected.

In 2022 we adopted the Thames and Surrounds Spatial Plan, which sets the direction for the future development of our main town, and signals to landowners, developers and investors our growth intentions for the area. As well as planning for significant infrastructure investments, over the next 10 years we'll implement the spatial plan by updating our District Plan to encourage an enlivened town centre and provide for additional growth in the Kauaeranga and Tōtara Valleys, at Kōpū and Matatoki North/Kirikiri. In the longer term, we will need further plan changes to provide for growth around Matatoki and Pūiri. We've included budget to prepare changes to the District Plan for this purpose.

We've also programmed a district-wide spatial planning project for the rest of the district and have included funds in our budget to complete this mahi. We think it's important that we take a leadership role in identifying what our places should be like in the future. Taking a more strategic approach means we can better plan for the necessary infrastructure investments, and partner with other agencies and business sectors to access external funding and deliver services like schools and medical facilities needed in future. It also means we can avoid inappropriate development in areas at risk of natural hazards like flooding and coastal erosion.

Resource consents

We process applications for land-use and subdivision consents in accordance with our district plan and national legislation. We also ensure our customers can access accurate advice and information to help them through the regulatory processes.

Building control

We issue building consents and inspect and audit buildings to ensure they are constructed safely, are healthy, and are durable. We also provide LIMs (land information memoranda) services so people can find out the history of a particular property or piece of land.



What you can expect us to deliver

Activity	The service you can expect from us	How we'll measure whether we delivered	Latest result (2022/23)	Our targets			
				2024/25	2025/26	2026/27	2027-34
District and strategic planning	We'll make up-to-date District Plan provisions available in a timely manner	Percentage of time the Eplan is updated within 40 working days of changes to the District Plan being made	86%	≥90%	≥90%	≥90%	≥90%
Resource consents	We'll process applications for resource consent within statutory timeframes	Percentage of accepted land use and subdivision applications for resource consent processed within statutory timeframe** *For the purposes of this measure, all applications processed by the Council under the Resource Management Act 1991 that have a statutory timeframe are included. This includes Resource Consents, Certificates of Compliance, Existing Use Certificates and Deemed Permitted Boundary Activities. The relevant statutory timeframe for each application type is applied when measuring performance for this measure.	91%	≥90%	≥90%	≥90%	≥90%
Building control	We'll process, inspect and certify applications for building work within statutory timeframes	Percentage of accepted building consent applications processed within 20 working days ⁺	95%	≥90%	≥90%	≥90%	≥90%
		Percentage of issued Code Compliance Certificates processed within 20 working days ⁺	99%	≥90%	≥90%	≥90%	≥90%
	We'll inspect pool barriers according to regulations to help keep young children safe from drowning	Percentage of registered pools inspected for safety barriers each year according to a 3 yearly inspection cycle	100%	≥90%	≥90%	≥90%	≥90%
	Customers will be able to purchase a land information memorandum (LIM) in a timely manner	Percentage of LIMs processed within 10 working days ⁺	99.8%	≥90%	≥90%	≥90%	≥90%
District and strategic planning, Resource consents & Building control	Our Planning & Regulation activities meet the needs of our communities	Our community's satisfaction with our Planning and Regulation services as measured by an annual customer satisfaction survey	New	Establish initial baseline results	Set target once baseline is known	Set target once baseline is known	Set target once baseline is known

⁺ While we'll always work to meet the legal timeframes, we've set realistic targets to be clear that we won't always meet them.

Significant negative effects

We haven't identified any significant negative effects of delivering these activities.

How we fund these activities

Our planning and regulation operating costs will continue to be funded as follows:

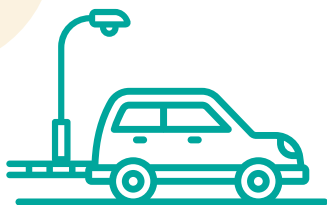
- resource consents and building control through a combination of general rates and fees and charges
- district and strategic planning through general rates and borrowing.

Planning and Regulation Funding impact statement

For the ten years ending 30 June 2034

	2023/24 Annual plan (\$000)	2024/25 LTP (\$000)	2025/26 LTP (\$000)	2026/27 LTP (\$000)	2027/28 LTP (\$000)	2028/29 LTP (\$000)	2029/30 LTP (\$000)	2030/31 LTP (\$000)	2031/32 LTP (\$000)	2032/33 LTP (\$000)	2033/34 LTP (\$000)
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	2,373	4,646	5,294	5,312	5,282	5,154	5,141	4,995	5,037	5,108	5,109
Targeted rates	757	709	730	726	719	695	696	654	665	640	650
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	5,649	6,140	6,246	6,380	6,547	6,652	6,780	6,942	7,074	7,206	7,338
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	2	2	2	2	2	2	2	2	2	2	2
Total operating funding (A)	8,782	11,496	12,271	12,419	12,550	12,503	12,618	12,593	12,778	12,955	13,098
Applications of operating funding											
Payments to staff and suppliers	5,938	8,386	8,681	8,737	8,831	8,905	9,083	9,097	9,228	9,354	9,442
Finance costs	0	59	58	54	52	45	41	38	36	34	33
Internal charges and overheads applied	2,724	3,138	3,196	3,264	3,274	3,308	3,349	3,388	3,443	3,486	3,532
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	8,662	11,583	11,934	12,055	12,157	12,258	12,473	12,523	12,707	12,875	13,006
Surplus (deficit) of operating funding (A - B)	120	(87)	337	365	393	244	146	70	71	80	91

	2023/24 Annual plan (\$000)	2024/25 LTP (\$000)	2025/26 LTP (\$000)	2026/27 LTP (\$000)	2027/28 LTP (\$000)	2028/29 LTP (\$000)	2029/30 LTP (\$000)	2030/31 LTP (\$000)	2031/32 LTP (\$000)	2032/33 LTP (\$000)	2033/34 LTP (\$000)
Sources of capital funding											
Subsidies and grants for capital expenditure	0	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	0	130	(293)	(318)	(344)	(193)	(100)	(66)	(65)	(71)	(80)
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	0	130	(293)	(318)	(344)	(193)	(100)	(66)	(65)	(71)	(80)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	0	-	-	-	-	-	-	-	-	-	-
- to improve the level of service	0	-	-	-	-	-	-	-	-	-	-
- to replace existing assets	0	-	-	-	-	-	-	-	-	-	-
Increase (decrease) in reserves	120	43	44	46	49	51	46	4	7	9	12
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	120	43	44	46	49	51	46	4	7	9	12
Surplus (deficit) of capital funding (C - D)	(120)	87	(337)	(365)	(393)	(244)	(146)	(70)	(71)	(80)	(91)
FUNDING BALANCE ((A - B) + (C - D))	0	0	0	0	0	0	0	0	0	0	0



He Takiwā Tuitui, he Takiwā Aumangea

A Connected and Resilient District

We want a strong, thriving Coromandel that's easy to get around

He aha te mea nui o te ao? He tangata, he tangata, he tangata!

What is the most important thing in the world? The people, the people, the people.

Connection is so important for all our communities spread across Te Tara o te Ika a Maui – the Coromandel Peninsula.

Connection is about our people being able to get in, out and around our district, visit our beaches and maintain successful businesses. It's also about opportunities to establish and maintain relationships that are important for our wellbeing. We want people who live, work and play here to be confident that our roads are safe and stay open in bad weather, our district is thriving, and they will have reliable access to jobs, healthcare, schools and other services.

The Coromandel Peninsula is no stranger to weather-related events that compromise our roading network, disrupt key lifeline services like power and internet, and impact our ability to do business and be in touch. We have an opportunity now, as part of our recovery from the storm events of 2023, to build the strong, lasting networks that will sustain our communities for the future.

It's a big job, it won't happen overnight, but we're committed to it. In partnership with Waka Kotahi/ New Zealand Transport Agency and the Waikato Regional Council we'll start by investing in a more resilient roading network and exploring other transport opportunities like cycling and public transport.

We want to continue to encourage and promote local business opportunities, events and visitor attractions and services. This includes supporting other organisations like our regional tourism organisation to deliver on our behalf. We'll also be actively seeking out funding and cost-sharing opportunities and partnerships with government and other agencies to make sure we get support and services where and when needed. To deliver a district that's connected and resilient, we'll invest in:

- economic development
- our new community development activity
- roading
- footpaths, cycleways and streetlights.



Te Whakawhanake Ā-hapori, Ā-ohaoha

Community and Economic Development

The 2023 storm events highlighted that, more than ever, we're an important player in helping our people across the Coromandel access services, programmes and opportunities that underpin and contribute to their and their communities' health, safety and liveliness. We already actively promote our district's social, cultural and economic wellbeing by connecting people through our elected member advocacy, our networks and media channels, marketing the Coromandel as a premier tourist destination, growing key strategic relationships, and supporting district and community events. But we want to do more to work alongside our people so that they have what they need to be strong and able to adapt and respond to future challenges.



THESE ACTIVITIES HELP
US BECOME A MORE
CONNECTED AND
RESILIENT DISTRICT.

Economic Development

We improve the social and economic wellbeing of our communities by supporting the economy to be more productive, resilient and sustainable. We do this through our relationships with local businesses, industry, iwi and other parts of government. We get the most value for our communities from limited resources by prioritising initiatives that have a lasting impact, attract funding and investment, create employment and are community led.

Our economic development team focus on four key areas of work;

- Planning for growth ensures that the regulatory and policy environment enables development that enhances our settlements as places to live, learn, work and grow a business.
- Partnering with established and emerging sectors to build on our competitive advantages as a district.
- Supporting local innovation which moves us towards a more productive sustainable future.
- Facilitating projects that lift the capability of the workforce and wider business community.

The aquaculture sector is anticipated to grow significantly in the next 10 years, and we will continue work with industry, iwi, Waikato Regional Council and central government to ensure the sector has the

right infrastructure, workforce and policies in place to streamline growth. And, ongoing support for tourism, events and the screen industry will strengthen our district's reputation as a destination, connect people to each other and the beautiful places and experiences our district offers.

Community Development

We're not just about building infrastructure. We have a role to play in fostering a sense of community and creating a better place to live. An important part of our response to the weather events of 2023 was to establish a service to deliver joined up, wrap around support to people who need it, connecting agencies together better. We've seen the benefits to our communities from this work and want to continue to support them in this way. We're committed to being a stronger advocate for our communities, to partner and coordinate with iwi and community groups, government agencies, schools, local social providers and other welfare agencies to secure for our people the easy access to the information and services they need to flourish. Our focus is on building those enduring working relationships that can connect our people to housing, education and employment opportunities, and to the medical and other services they need.



What you can expect us to deliver

Activity	The service you can expect from us	How we'll measure whether we delivered	Latest result (2022/23)	Our targets			
				2024/25	2025/26	2026/27	2027-34
Community development	We'll facilitate and support strong connections between community groups and partners	Number of interagency collaboration meetings in the social, education, health, youth and aged care sectors facilitated by our Council	New	4 meetings organised quarterly	4 meetings organised quarterly	4 meetings organised quarterly	4 meetings organised quarterly
Economic development	We'll support businesses to upskill and thrive	Percentage of businesses that feel supported by our Council (as measured through a survey of local businesses)	New	50%	60%	65%	65%
	We'll support an events programme through our District Events Fund	Percentage of District Events Fund allocated to community and district events	New	≥90%	≥90%	≥90%	≥90%
Community development and Economic development	Our Community development and Economic development activities meet the needs of our communities	Our community's satisfaction with our Community development and Economic development services as measured by an annual customer satisfaction survey	New	Establish initial baseline results	Set target once baseline is known	Set target once baseline is known	Set target once baseline is known

Significant negative effects

We haven't identified any significant negative effects from delivering these activities.

How we fund these activities

We'll fund the community development activity through general rates. Our economic development activity operating costs will continue to be funded through general and targeted rates.

Community and Economic Development Funding impact statement

For the ten years ending 30 June 2034

	2023/24 Annual plan (\$000)	2024/25 LTP (\$000)	2025/26 LTP (\$000)	2026/27 LTP (\$000)	2027/28 LTP (\$000)	2028/29 LTP (\$000)	2029/30 LTP (\$000)	2030/31 LTP (\$000)	2031/32 LTP (\$000)	2032/33 LTP (\$000)	2033/34 LTP (\$000)
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	0	1,231	1,703	1,649	1,652	1,666	1,689	1,722	1,745	1,771	1,796
Targeted rates	0	800	782	775	784	791	804	824	836	851	864
Subsidies and grants for operating purposes	0	448	0	0	0	0	0	0	0	0	0
Fees and charges	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	0	2,478	2,485	2,424	2,436	2,457	2,494	2,546	2,581	2,622	2,661
Applications of operating funding											
Payments to staff and suppliers	0	1,414	1,493	1,419	1,420	1,434	1,462	1,506	1,532	1,563	1,591
Finance costs	0	5	2	2	2	2	2	2	1	1	1
Internal charges and overheads applied	0	930	974	987	997	1,004	1,012	1,020	1,029	1,038	1,048
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	0	2,348	2,469	2,407	2,419	2,440	2,476	2,527	2,562	2,602	2,640
Surplus (deficit) of operating funding (A - B)	0	130	16	17	17	18	18	19	19	20	20
Sources of capital funding											
Subsidies and grants for capital expenditure	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in debt	0	(121)	(7)	(7)	(8)	(8)	(8)	(9)	(9)	(10)	(10)
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	0	(121)	(7)	(7)	(8)	(8)	(8)	(9)	(9)	(10)	(10)

	2023/24 Annual plan (\$000)	2024/25 LTP (\$000)	2025/26 LTP (\$000)	2026/27 LTP (\$000)	2027/28 LTP (\$000)	2028/29 LTP (\$000)	2029/30 LTP (\$000)	2030/31 LTP (\$000)	2031/32 LTP (\$000)	2032/33 LTP (\$000)	2033/34 LTP (\$000)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	0	0	0	0	0	0	0	0	0	0	0
- to improve the level of service	0	0	0	0	0	0	0	0	0	0	0
- to replace existing assets	0	0	0	0	0	0	0	0	0	0	0
Increase(decrease) in reserves	0	9	9	9	9	10	10	10	10	10	10
Increase(decrease) in Investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	0	9	9	9	9	10	10	10	10	10	10
Surplus (deficit) of capital funding (C - D)	0	(130)	(16)	(17)	(17)	(18)	(18)	(19)	(19)	(20)	(20)
FUNDING BALANCE ((A - B) + (C - D))	0	0	0	-0	-0	0	-0	0	-0	0	-0

Ngā Momo Waka

Transport

What we do

Safe, efficient and comfortable movement of people and freight within the district is important for staying connected and maintaining a thriving district. Our transport network, which includes roading, footpaths, cycleways and streetlights, is about providing access for pedestrians and cyclists as well as vehicles. It supports a range of lifestyle, leisure and recreational opportunities for our visitors and residents, and is critical for our rural, village and township economies.

With funding assistance from Waka Kotahi / New Zealand Transport Agency, we ensure our local roading network is maintained and renewed, and that funding for new roading infrastructure is built into our future plans. Our network is complemented by State Highways 25, 25A, and SH26, which Waka Kotahi / New Zealand Transport Agency manage on behalf of central government.

The extreme weather events of 2023 caused considerable damage and disruption to our transport network, and our focus is on repairing the damage to our transport network and strengthening it so it can better withstand events like these, while maintaining the existing assets to prevent deterioration. The repair and clean up needed has, and will continue, to put considerable strain on our resources, but we will continue works already underway to get the job done as quickly and efficiently as we can.



THIS ACTIVITY HELPS
DEVELOP A MORE
CONNECTED AND
RESILIENT DISTRICT.



Photo credit: Kelsey Construction

Roading

We maintain the 704km of non-state highway roads between our communities so that they connect people, products, and places for a thriving Coromandel. We want to continue to do this, but it will come at a cost. We've had to increase our own repairs budget in the first year of this plan because of Cyclones Hale and Gabrielle. We're investing in storm recovery and resilience projects. As we well know, some parts of our road network are prone to erosion, flooding or slips due to severe storm events and coastal erosion. Some of our communities, such as Pāuanui, Port Jackson and Port Charles have restricted or single access by road and these roads can become blocked. Some of our coastal roads may be damaged or become inaccessible in the event of a tsunami. Our local road network is reliant on the resilience and operation of the state highway to give connectivity across the district.

We've also increased investment in some areas where our roading assets are ageing and of average condition. We're investing more in maintaining bridges and improving our road stormwater drainage systems.

As a result we've needed to prioritise our work programme. We're still committed to upgrading the Te Kouma Road intersection, constructing a town bypass at Coromandel (if we can access 100% Crown funding) and upgrading Tōtara Valley Road in Thames. These are essential for resilient and safe roads, and to meet economic expansions in Coromandel and development needs in Thames.

We will continue to liaise with Waka Kotahi/New Zealand Transport Agency to advocate on behalf of our local users of the state highway that is a critical connection for our district. Through our Recovery Plan mahi we committed to working closely with that agency to make the state highway network more resilient by developing a long-term plan to identify and prioritise potential fragility issues and sites and develop a repair/resilience plan for each.

Footpaths, cycleways and streetlights

This activity complements our roading activity by providing, maintaining and upgrading footpaths, cycleways, service lanes, street lighting and street furniture. Together, they contribute to a more resilient transport network by enabling pedestrians and cyclists to easily and safely access and move around our towns. Upgrades of our town centres that are so important for their attractiveness and vibrancy are also funded from this activity. Like our roading activity, this infrastructure is also vulnerable to weather events and a changing climate.

We've had to make some tough calls on what we can afford to deliver in this activity and have chosen not to plan or fund some 'nice to haves' in this 10 year budget. This means we won't be budgeting for new footpath construction and investment in walking and cycling routes including in the Kauaeranga, Hetherington Road, Whangamatā and Mercury Bay cycle trails, or the Thames to Tairua Great Walk. But, in the meantime under our Economic Development activity we'll look into the development of a district wide walking and cycling strategy. We'll also continue to maintain the routes we've already got.



What you can expect us to deliver

Activity	The service you can expect from us	How we'll measure whether we delivered	Latest result (2022/23)	Our targets			
				2024/25	2025/26	2026/27	2027-34
Roading	The design, maintenance and management of our roads ensures they are in good condition and safe	Percentage of the sealed local road network that is resurfaced	5%	To be confirmed annually by the Asset Mngt Plan	To be confirmed annually by the Asset Mngt Plan	To be confirmed annually by the Asset Mngt Plan	To be confirmed annually by the Asset Mngt Plan
		The average quality of ride on a sealed local road network, measured by smooth travel exposure	89%	≥85%	≥85%	≥85%	≥85%
		Percentage of unsealed road complying with quality requirements	89%	≥90%	≥90%	≥90%	≥90%
		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	Decrease of 3	No change or decrease	No change or decrease	No change or decrease	No change or decrease
Footpaths, cycleways and streetlights	We'll ensure our footpaths are safe	Percentage of footpaths that fall within the service standard for the condition of footpaths that is set out in the Council's long term plan* *Condition rating 1 to 3	Not measured	Not measured	≥90%	Not measured	≥90%* *Measured in 2028/29, 2031/32

Activity	The service you can expect from us	How we'll measure whether we delivered	Latest result (2022/23)	Our targets			
				2024/25	2025/26	2026/27	2027-34
Roading and Footpaths, cycleways and streetlights	We'll provide formal responses to customer service requests	Percentage of customer service requests relating to roads and footpaths to which the Council responds within 20 working days	n/a	≥85%	≥85%	≥85%	≥85%
Roading and Footpaths, cycleways and streetlights	Our Roding and Footpaths, cycleways and streetlights activities meet the needs of our communities	Our community's satisfaction with our Roding and Footpaths, cycleways and streetlights services as measured by an annual customer satisfaction survey	New	Establish initial baseline results	Set target once baseline is known	Set target once baseline is known	Set target once baseline is known

Significant negative effects

The environmental effects of renewing and maintaining roads might include erosion or destruction of flora and fauna or disruption to cultural or heritage aspects. Noise, dust and fumes can also occur when undertaking pavement maintenance and renewal and improvement works. These effects will be managed and minimised through compliance with our resource consent conditions.

How we fund these activities

Our roading operating costs will continue to be funded in several ways – through general rates, targeted rates, fees and charges and subsidies/grants. Our footpaths, cycleways and streetlights will continue to be funded through targeted rates, fees and charges and subsidies/grants. We've assumed that Waka Kotahi | New Zealand Transport Agency will contribute a subsidy of 51% to the cost of eligible works, and an enhanced subsidy of 71% for emergency works and repairs to storm damaged roads.

Transport - Funding impact statement

For the ten years ending 30 June 2034

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Annual plan	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	5,971	6,973	7,698	8,571	9,043	9,273	9,535	9,795	9,560	9,795	9,994
Targeted rates	5,145	5,728	6,101	6,636	7,126	7,429	7,585	7,785	7,765	7,875	8,041
Subsidies and grants for operating purposes	5,014	5,238	5,537	6,063	6,241	6,391	6,584	6,806	7,025	7,251	7,483
Fees and charges	226	239	244	250	256	262	267	273	279	284	290
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	482	497	507	518	531	543	554	566	578	590	602
Total operating funding (A)	16,838	18,675	20,087	22,038	23,197	23,898	24,526	25,224	25,206	25,795	26,410
Applications of operating funding											
Payments to staff and suppliers	11,410	12,628	13,126	14,223	14,802	15,150	15,598	16,094	16,485	16,868	17,467
Finance costs	547	806	862	1,007	1,312	1,459	1,470	1,430	1,400	1,359	1,346
Internal charges and overheads applied	1,317	1,494	1,481	1,512	1,531	1,489	1,511	1,498	1,507	1,504	1,465
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	13,273	14,928	15,469	16,742	17,646	18,098	18,579	19,022	19,392	19,731	20,278
Surplus (deficit) of operating funding (A - B)	3,565	3,747	4,617	5,296	5,551	5,800	5,947	6,202	5,814	6,064	6,132
Sources of capital funding											
Subsidies and grants for capital expenditure	15,643	13,945	21,473	29,200	21,271	26,590	10,830	11,080	11,487	11,517	11,883
Development and financial contributions	933	506	499	479	1,031	1,077	976	951	904	866	803
Increase (decrease) in debt	2,056	2,598	823	6,600	3,135	(1,618)	(1,579)	(1,530)	(1,466)	(1,498)	(1,394)
Gross proceeds from sale of assets	0	-	-	-	-	-	-	-	-	-	-
Lump sum contributions	0	-	-	-	-	-	-	-	-	-	-
Other dedicated capital funding	0	-	-	-	-	-	-	-	-	-	-
Total sources of capital funding (C)	18,632	17,050	22,794	36,280	25,437	26,050	10,227	10,501	10,925	10,884	11,291

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Annual plan	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	726	66	101	2,690	1,222	-	-	-	-	-	-
- to improve the level of service	2,671	5,736	14,938	28,916	19,015	20,622	4,952	5,055	5,159	5,262	5,366
- to replace existing assets	19,121	16,393	13,168	12,254	11,991	11,702	11,527	11,813	12,409	12,264	12,778
Increase (decrease) in reserves	(321)	(1,398)	(795)	(2,285)	(1,240)	(475)	(304)	(165)	(828)	(578)	(720)
Increase (decrease) in investments	0	-	-	-	-	-	-	-	-	-	-
Total applications of capital funding (D)	22,197	20,796	27,412	41,576	30,988	31,850	16,174	16,703	16,739	16,948	17,424
Surplus (deficit) of capital funding (C - D)	(3,565)	(3,747)	(4,617)	(5,296)	(5,551)	(5,800)	(5,947)	(6,202)	(5,814)	(6,064)	(6,132)
FUNDING BALANCE ((A - B) + (C - D))	-0	0	0	0	0	0	0	0	0	0	0

Capital expenditure for the ten years ending 30 June 2034

Transport

	Total Ten Years	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
		LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
District											
Te Kōuma Road intersection	3,896	0	0	1,469	2,427	0	0	0	0	0	0
Minor safety projects	14,760	1,374	1,386	1,402	1,424	1,450	1,477	1,507	1,538	1,571	1,630
Area-wide pavement treatment	26,466	2,160	2,270	2,345	2,647	2,695	2,743	2,800	2,858	2,918	3,029
District roading bridge renewal	1,123	35	0	170	43	378	0	46	401	0	50
Unsealed road wearing course renewal	8,109	699	705	714	805	820	835	852	869	888	922
Unsealed road basecourse renewal	5,445	470	473	479	541	551	561	572	584	596	619
Major drainage renewals	8,695	750	756	765	863	879	895	914	932	952	988
Maintenance chip seals	24,775	1,977	2,085	2,205	2,488	2,533	2,579	2,632	2,686	2,743	2,847
Thin AC surfacing	5,335	460	463	470	530	540	549	561	572	584	607
Bridge component replacement	5,347	437	454	474	535	545	554	566	578	590	613
Preventative maintenance	3,900	336	339	343	387	394	401	410	418	427	443
Traffic services	2,287	194	195	198	228	233	237	242	247	252	262
South Highway West remediation	317	317	0	0	0	0	0	0	0	0	0
January 23 Cyclone Hale	934	934	0	0	0	0	0	0	0	0	0
February 23 Cyclone Gabrielle	7,673	7,673	0	0	0	0	0	0	0	0	0
21 July 2023 storm event	5,947	1,131	4,816	0	0	0	0	0	0	0	0
Thornton Bay slip	1,300	1,300	0	0	0	0	0	0	0	0	0
100% Crown funded resilience - Coromandel Bypass	37,230	0	0	10,620	10,836	15,774	0	0	0	0	0
100% Crown funded resilience - Tapu-Coroglen Road	27,475	925	13,125	13,425	0	0	0	0	0	0	0
100% Crown funded resilience - Colville Road	8,846	0	0	0	1,185	1,212	1,238	1,264	1,290	1,316	1,341
100% Crown funded resilience - Kennedy Bay Road	26,537	0	0	0	3,555	3,636	3,714	3,791	3,869	3,947	4,024

	Total Ten Years	2024/25 LTP	2025/26 LTP	2026/27 LTP	2027/28 LTP	2028/29 LTP	2029/30 LTP	2030/31 LTP	2031/32 LTP	2032/33 LTP	2033/34 LTP
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Thames											
Footpath rehabilitation	739	69	69	70	71	73	74	75	77	79	82
Streetlight renewals	1,862	65	68	69	223	227	231	236	241	246	255
Pollen Street lighting upgrade	862	285	287	291	0	0	0	0	0	0	0
Tōtara Valley Road upgrade - roading	11,527	206	315	7,948	3,059	0	0	0	0	0	0
Coromandel											
Footpath rehabilitation	254	23	23	23	25	25	26	26	27	27	28
Streetlight renewals	191	18	18	18	18	19	19	19	20	20	21
Mercury Bay											
Footpath rehabilitation	832	77	78	79	80	82	83	85	87	89	92
Streetlight renewals	1,107	103	104	105	107	109	111	113	115	118	122
Tairua-Pāuanui											
Footpath rehabilitation	564	52	53	54	54	55	56	58	59	60	62
Streetlight renewals	333	31	31	32	32	33	33	34	35	35	37
Whangamatā											
Footpath rehabilitation	295	27	28	28	28	29	30	30	31	31	33
Streetlight renewals	435	65	65	66	32	33	33	34	35	35	37
Total capital expenditure	245,397	22,194	28,207	43,860	32,228	32,324	16,479	16,868	17,567	17,526	18,144



He Takiwā Hūrokuroku mō te Ratonga me te Hanganga

A District with Sustainable Services and Infrastructure

We want to have durable, fit for purpose infrastructure and work together to protect and enhance our beautiful district.

We appreciate how important our environment is to life on the Coromandel. We understand our role as a kaitiaki (caretaker) of the towns, beaches, bush and inland waterways which give our place its identity and are the source of our wellbeing. We also know that our residents and visitors want to enjoy reliable, affordable services. We will work together to use our resources wisely and reduce our impact on the environment.

Our infrastructure services include:

- **water supply** to meet a basic human need while not compromising the health of our water bodies
- **stormwater and land drainage** services to protect properties from flooding
- **wastewater** services to keep people safe from the spread of disease and water from pollution
- **solid waste** services are focused on providing for waste to be properly disposed of to help protect public health and the environment.

We're committed to making our infrastructure strong and long-lasting, but this will continue to be a challenge in a district of dispersed settlements susceptible to climate change effects, increasing legislative requirements and increasing costs.



Wai Ua

Stormwater

This activity group, which includes our stormwater and land drainage, helps us provide sustainable services and infrastructure.

Stormwater is rainwater that flows from surfaces like roofs, gardens, footpaths and roads. Our stormwater services protect people and our environment from the negative impacts of stormwater run-off. We want to maintain stormwater services so that our communities remain healthy and safe and our beaches and rivers continue to be clean.

What we do

Our stormwater and land drainage activity manages runoff and protects properties from surface water flooding or ponding. Our 211km of stormwater pipes, 3,874 manholes and five pump stations collect and divert stormwater from connected properties and our treatment systems ensure that the discharge from our stormwater system meets the required environmental standards. The network of drains in our rural areas operate in conjunction with the Waikato Regional Council stopbanks and pumps to keep people and their properties safe.

We had planned to be exiting these services as the responsibilities were to be transferred to a regional delivery entity (as required under the water services legislation passed in 2021 and 2022). However, as the new Government elected in 2023 has repealed the new legislation, we are assuming that we'll retain responsibility for these services.

There is quite a bit of work needed to keep our stormwater systems functioning as they need to. Some parts of our stormwater networks are ageing and need renewing, and others need improvements to meet expected standards. We've planned for a number of improvements to our stormwater infrastructure – in Thames (Albert Street and Pollen Street), Kōpū, Pāuanui (Holland Stream), Whangamatā, Matarangi, Whitianga and Cooks Beach. Some of these are newly budgeted projects. We're also planning to extend our stormwater services in Tōtara Valley, Thames.



THIS ACTIVITY GROUP HELPS US PROVIDE SUSTAINABLE SERVICES AND INFRASTRUCTURE.

What you can expect us to deliver

Activity	The service you can expect from us	How we'll measure whether we delivered	Latest result (2022/23)	Our targets			
				2024/25	2025/26	2026/27	2027-34
Stormwater	Our stormwater services protect habitable areas from flooding	Number of flooding events	1	≤1	≤1	≤1	≤1
		For each flooding event, the number of habitable floors affected, per 1,000 connected properties	1	≤1	≤1	≤1	≤1
	We'll provide a responsive stormwater request service	The median response time to attend a flooding event, measured from the time our Council receives notification to the time that service personnel reach the site	20 minutes	≤20 minutes	≤20 minutes	≤20 minutes	≤20 minutes
		Number of complaints received about the performance of the stormwater system, per 1,000 connected properties	5.03	≤5	≤5	≤5	≤5
	We'll minimise the environmental impact of protecting habitable areas from flooding	Compliance with the Council's resource consents for discharge from its stormwater system, measured by the number of: a) abatement notices b) infringement notices c) enforcement orders d) successful prosecutions received by the Council in relation to those resource consents	a) 0 b) 0 c) 0 d) 0	a) 0 b) 0 c) 0 d) 0	a) 0 b) 0 c) 0 d) 0	a) 0 b) 0 c) 0 d) 0	a) 0 b) 0 c) 0 d) 0
Stormwater and land drainage	Our Stormwater and land drainage activities meet the needs of our communities	Our community's satisfaction with our Stormwater and land drainage services as measured by an annual customer satisfaction survey	New	Establish initial baseline results	Set target once baseline is known	Set target once baseline is known	Set target once baseline is known

Significant negative effects

If we don't manage the delivery of this activity adequately there is the potential for significant negative effects.

When rainwater falls on the ground and it cannot soak into the ground, it runs off the surface. This run off is called stormwater.

Our stormwater network is very important for managing the overflow of water on properties and streets when it rains. Managing stormwater ensures flooding and associated environmental problems are reduced as much as possible.

Unless captured early, contaminants from run off occurring on roads and properties

which enter our stormwater networks are likely to be discharged into water bodies. This could have a negative environmental effect. We minimise the risk of this happening by installing structures such as catchpit grates to reduce the likelihood of contaminants entering the networks, as well as through ongoing operations and maintenance of outfall structures. We also comply with the conditions of the resource consents which permit us to discharge our stormwater.

How we fund these activities

Our stormwater operating costs will continue to be funded through general rates and targeted rates.

Stormwater - Funding impact statement

For the ten years ending 30 June 2034

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Annual plan	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	1,052	1,356	1,455	1,646	1,911	1,988	2,184	2,347	2,482	2,587	2,674
Targeted rates	2,470	3,182	3,413	3,861	4,479	4,659	5,117	5,496	5,813	6,058	6,262
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	0	0	0	0	0	0	0	0	0	0	0
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	3,522	4,538	4,867	5,507	6,391	6,647	7,302	7,843	8,295	8,645	8,936
Applications of operating funding											
Payments to staff and suppliers	1,646	1,806	1,879	2,021	2,403	2,123	2,172	2,220	2,267	2,315	2,362
Finance costs	82	160	223	318	478	637	798	900	986	1,025	1,078
Internal charges and overheads applied	497	590	640	697	745	788	884	946	1,012	1,049	1,054
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	2,225	2,557	2,743	3,037	3,626	3,548	3,853	4,066	4,264	4,389	4,494
Surplus (deficit) of operating funding (A - B)	1,297	1,982	2,125	2,470	2,765	3,099	3,449	3,777	4,031	4,256	4,441
Sources of capital funding											
Subsidies and grants for capital expenditure	0	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	73	94	87	112	428	438	482	462	443	424	400
Increase (decrease) in debt	1,539	2,634	2,175	4,012	3,162	3,792	3,539	1,713	1,680	463	588
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	1,612	2,728	2,262	4,125	3,589	4,230	4,021	2,174	2,123	887	988

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Annual plan	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	231	-	-	-	190	353	359	280	286	350	415
- to improve the level of service	1,400	2,746	2,333	4,242	3,442	3,897	3,844	2,167	2,090	864	991
- to replace existing assets	1,317	1,376	1,761	2,495	4,324	5,654	6,241	5,634	4,087	2,346	2,607
Increase (decrease) in reserves	(38)	587	292	(142)	(1,602)	(2,576)	(2,974)	(2,130)	(309)	1,582	1,416
Increase (decrease) in Investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	2,909	4,710	4,386	6,595	6,354	7,329	7,470	5,952	6,154	5,143	5,430
Surplus (deficit) of capital funding (C - D)	(1,297)	(1,982)	(2,125)	(2,470)	(2,765)	(3,099)	(3,449)	(3,777)	(4,031)	(4,256)	(4,441)
FUNDING BALANCE ((A - B) + (C - D))	0	0	0	0	0	0	0	0	0	0	0

Capital expenditure for the ten years ending 30 June 2034

Stormwater

	Total Ten Years \$000	2024/25 LTP \$000	2025/26 LTP \$000	2026/27 LTP \$000	2027/28 LTP \$000	2028/29 LTP \$000	2029/30 LTP \$000	2030/31 LTP \$000	2031/32 LTP \$000	2032/33 LTP \$000	2033/34 LTP \$000
Thames											
Albert Street stormwater improvements	11,708	0	0	0	1,536	2,180	3,308	2,239	2,445	0	0
Kōpū stormwater improvements	4,467	0	0	0	381	707	717	560	571	700	831
Pollen Street redevelopment - infrastructure upgrade	4,403	0	0	0	317	1,293	1,317	1,476	0	0	0
Tōtara Valley Road services extension - stormwater	1,872	308	210	1,353	0	0	0	0	0	0	0
Matarangi											
Stormwater improvements	3,204	0	257	417	529	539	549	560	354	0	0
Whitianga											
Austin Drive stormwater improvements	1,379	0	352	356	362	309	0	0	0	0	0
Stormwater network improvements	1,618	0	145	1,473	0	0	0	0	0	0	0
Cooks Beach											
Stormwater improvements	1,719	0	0	0	284	371	375	395	294	0	0
Cooks Beach Lakes riparian restoration plan	140	26	26	26	26	27	10	0	0	0	0
Tairua Pāuanui											
Holland Stream improvements	1,220	0	0	0	446	331	334	108	0	0	0
Whangamatā											
Stormwater improvements	9,171	2,135	1,441	1,459	1,482	1,509	1,146	0	0	0	0
District											
Renewals	21,917	1,452	1,457	1,470	2,328	2,371	2,414	2,463	2,514	2,568	2,880
Consent renewals	268	97	98	73	0	0	0	0	0	0	0
Stormwater treatment devices - consent	2,292	105	107	110	265	269	274	280	286	292	303
Total capital expenditure	65,378	4,123	4,094	6,737	7,957	9,904	10,444	8,082	6,463	3,561	4,014

Waipara

Wastewater

This activity helps us provide sustainable services and infrastructure.

What we do

We provide wastewater services to protect the health of people and our waterways. Wastewater is the discharge from showers, baths, sinks, washing machines, dishwashers, and toilets. We collect it from over 23,000 properties across 10 towns, treat and then return clean water to the environment in a safe and healthy way. The infrastructure required is huge – 10 wastewater treatment plants, 131 pump stations and over 400km of piped mains.

We had planned to be exiting these activities as the responsibilities were to be transferred to a regional delivery entity (as required under the new water services legislation passed in 2021 and 2022). However, as the new Government elected in 2023 has repealed the new legislation, we are assuming that we'll maintain responsibility for these services.

Having enough capacity in our networks is critical if we are to provide for future land subdivision and development in accordance with our District and Strategic Planning activity, but upgrades to create this capacity come at a high cost. Replacing ageing assets so they don't fail and building additional, new plants is expensive, too.

We have planned several projects to service new areas and upgrade treatment plants over the next 10 years. We're also increasing our investment in renewing our wastewater infrastructure assets to keep them up to the new standards.

In the longer term, the costs of maintaining existing infrastructure and building new assets are likely to continue increasing. Indications are that the environmental standards for treating and discharging wastewater and the impacts of a changing climate will also increase.



THIS ACTIVITY GROUP HELPS
US PROVIDE SUSTAINABLE
SERVICES AND
INFRASTRUCTURE.



What you can expect us to deliver

Activity	The service you can expect from us	How we'll measure whether we delivered	Latest result (2022/23)	Our targets			
				2024/25	2025/26	2026/27	2027-34
Wastewater	We'll provide adequate wastewater services for household and business use in currently serviced urban communities	Number of dry weather sewerage overflows from the Council's sewerage system, per 1,000 connections to that sewerage system	0.60	≤1	≤1	≤1	≤1
	We'll respond as required to faults and complaints received from customers	The total number of complaints received about sewerage, per 1,000 connected properties:					
		• sewerage odour	0.95	≤1	≤1	≤1	≤1
		• sewerage system faults	3.97	≤3	≤3	≤3	≤3
		• sewerage system blockages	3.24	≤3	≤3	≤3	≤3
		• our Council's response to issues with the sewerage system	0.13	≤2	≤2	≤2	≤2
		Median response time for attendance to sewerage overflows resulting from a blockage or other fault in the Council's sewerage system, from the time that our Council receives notification to the time that service personnel reach the site	30 minutes	≤30 minutes	≤30 minutes	≤30 minutes	≤30 minutes
		Median response time for resolution of sewerage overflows resulting from a blockage or other fault in the Council's sewerage system, from the time that our Council receives notification to the time that service personnel confirm resolution of the blockage or other fault	2:14 hours	≤2:40 hours	≤2:40 hours	≤2:40 hours	≤2:40 hours

Activity	The service you can expect from us	How we'll measure whether we delivered	Latest result (2022/23)	Our targets			
				2024/25	2025/26	2026/27	2027-34
Wastewater	Our wastewater services will not negatively impact on public health or the natural environment in line with legislative requirements	Compliance with the Council's resource consents for discharge from its sewerage system, measured by the number of: a) abatement notices b) infringement notices c) enforcement orders d) convictions received by the Council in relation to those resource consents	a) 1 b) 0 c) 0 d) 0	a) 0 b) 0 c) 0 d) 0	a) 0 b) 0 c) 0 d) 0	a) 0 b) 0 c) 0 d) 0	a) 0 b) 0 c) 0 d) 0
	Our Wastewater activity meets the needs of our communities	Our community's satisfaction with our wastewater services as measured by an annual customer satisfaction survey	New	Establish initial baseline results	Set target once baseline is known	Set target once baseline is known	Set target once baseline is known

Significant negative effects

If we don't manage the delivery of this activity effectively there is the potential for significant negative environmental effects from the discharge of untreated wastewater. We minimise these risks by building, operating, and maintaining wastewater capture, treatment and discharge systems and complying with our resource consent requirements.

How we fund these activities

Our wastewater operating costs will continue to be funded through targeted rates and fees and charges.

Wastewater Funding impact statement

For the ten years ending 30 June 2034

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Annual plan	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	0	0	0	0	0	0	0	0	0	0	0
Targeted rates	18,469	21,409	23,625	26,903	27,960	29,081	28,624	30,714	31,860	32,769	33,745
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	768	27	28	29	29	30	1,213	32	32	33	34
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	19,237	21,436	23,653	26,932	27,989	29,111	29,837	30,745	31,892	32,802	33,779
Applications of operating funding											
Payments to staff and suppliers	9,960	11,932	12,433	13,741	14,083	14,413	14,732	15,051	15,358	15,677	15,985
Finance costs	1,224	1,564	1,617	1,723	2,051	2,386	2,634	2,816	2,998	3,037	3,172
Internal charges and overheads applied	1,982	2,048	1,961	1,875	1,780	1,768	1,927	2,051	2,202	2,264	2,260
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	13,165	15,544	16,011	17,339	17,913	18,567	19,293	19,917	20,558	20,978	21,417
Surplus (deficit) of operating funding (A - B)	6,072	5,892	7,641	9,593	10,076	10,544	10,543	10,828	11,335	11,825	12,362
Sources of capital funding											
Subsidies and grants for capital expenditure	0	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	1,102	909	1,160	1,159	1,201	1,228	975	956	895	881	747
Increase (decrease) in debt	(481)	2,323	524	1,093	4,073	4,145	3,951	4,489	1,087	974	912
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	621	3,232	1,684	2,253	5,274	5,373	4,926	5,445	1,982	1,855	1,660

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Annual plan	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	332	163	224	297	1,343	1,264	1,676	2,319	611	618	681
- to improve the level of service	532	2,741	844	1,574	3,718	4,427	3,506	3,563	1,897	1,938	1,968
- to replace existing assets	2,034	1,928	2,131	2,286	8,241	9,038	9,183	12,814	7,561	7,693	7,799
Increase (decrease) in reserves	3,796	4,293	6,127	7,689	2,048	1,188	1,104	(2,423)	3,248	3,431	3,574
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	6,693	9,125	9,325	11,846	15,350	15,917	15,469	16,273	13,317	13,680	14,021
Surplus (deficit) of capital funding (C - D)	(6,072)	(5,892)	(7,641)	(9,593)	(10,076)	(10,544)	(10,543)	(10,828)	(11,335)	(11,825)	(12,362)
FUNDING BALANCE ((A - B) + (C - D))	0	0	0	0	0	0	0	0	0	0	0

Capital expenditure for the ten years ending 30 June 2034

Wastewater

	Total Ten Years	2024/25 LTP	2025/26 LTP	2026/27 LTP	2027/28 LTP	2028/29 LTP	2029/30 LTP	2030/31 LTP	2031/32 LTP	2032/33 LTP	2033/34 LTP
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Thames											
Treatment Plant upgrade	202	0	0	0	0	0	0	168	34	0	0
Pollen Street redevelopment - infrastructure upgrade	4,803	0	0	0	317	1,293	1,317	1,875	0	0	0
Tōtara Valley Road services extension - wastewater	549	51	53	445	0	0	0	0	0	0	0
Matarangi											
Treatment plant upgrade	22,042	500	750	1,042	4,233	4,310	4,389	6,817	0	0	0
Whitianga											
Additional Whitianga WWTP screw press	733	0	0	0	0	733	0	0	0	0	0
Wharekaho wastewater extension	3,162	0	0	260	1,027	1,045	830	0	0	0	0
Cooks Beach											
Treatment plant upgrade	1,095	227	206	208	453	0	0	0	0	0	0
Pāuanui											
Treatment plant odour control	2,052	2,052	0	0	0	0	0	0	0	0	0
Hāhei											
Wastewater extension	3,304	0	0	0	218	165	557	564	573	583	643
Whangamatā											
Hetherington Road rising main	2,523	255	448	453	460	469	438	0	0	0	0
District											
Wastewater process control upgrade	1,262	77	77	78	106	108	110	168	171	175	192
Renewals	60,913	1,543	1,537	1,541	6,350	6,465	6,583	8,958	9,141	9,339	9,456
Consent renewals	1,406	126	127	129	138	140	143	146	149	152	157
Total capital expenditure	104,044	4,832	3,199	4,157	13,302	14,729	14,365	18,695	10,068	10,249	10,448

Wai Inu Water Supply

This activity helps us provide sustainable services and infrastructure.

Our water supply service treats and distributes water that we source from groundwater bores and rivers in the district. Our water supplies are required to comply with the Drinking Water Quality Assurance Rules.



THIS ACTIVITY GROUP HELPS
US PROVIDE SUSTAINABLE
SERVICES AND
INFRASTRUCTURE.

What we do

Clean drinking water is an essential service. In urban areas where properties often don't have room for a private water tank, it is more efficient for a network of drinking water infrastructure to be provided. We provide reliable, high-quality and safe treated water supply to nine urban areas as well as two rural water supplies south of Te Kauaeranga | Thames.

Our 630km of pipes service over 20,000 water connections across the Coromandel. The water is drawn from various sources before being treated and distributed. Due to the dispersed nature of our settlements, our water supply infrastructure network is large with 48 reservoirs, over 600km of pipes as well as hydrants, pipelines and water meters. We must ensure water is used sustainably so we implement water restrictions when demand is high or available water is reduced.

As part of managing effective and efficient water use, our Council will continue with the installation of water meters on properties within the serviced areas across the district, and volumetric charging for water. As part of this, for example Whitianga and Whangamatā will pay the connected and metered targeted rate for water supply, and the volumetric charge rather than the connected and unmetered rate. Volumetric charging for water usage already occurs in some parts of the district.

We had planned to be exiting these services as the responsibilities were to be transferred to a regional delivery entity (as required under the new water services legislation passed in 2021 and 2022). However, as the new Government elected in 2023 has repealed the

new legislation, we are assuming that we'll maintain responsibility for these services.

In a world of ever-increasing costs, changing climate and legislative requirements, our programme ahead remains a challenge, especially as some parts of our water supply network are ageing and will need renewing over the next 30 years. In the next 10 years, our focus will be on replacing a number of our treated water reservoirs and upgrading a water main in Whitianga. We are also upgrading the Thames South water infrastructure which will bring the supply up to national drinking water standards and this is now forecast to be completed in 2027/28.

We'll also be extending water supply to new areas including Tōtara Valley Road in Thames and we'll be consulting with our Wharekaho and Hāhei communities about whether to extend services in their areas too. Like our other infrastructure, having enough capacity in our networks is critical if we are to provide for future land subdivision and development.

We'll continue our installation of universal water meters across the district to manage demand.

In the longer term, costs are likely to continue increasing. Indications are that the environmental standards we must meet when treating and discharging water supply may increase. What these standards look like and the impact on our assets is uncertain and we will be monitoring legislative requirements. As the effects of climate change become more certain we will need to take steps to ensure that our assets are able to cope.



What you can expect us to deliver

Activity	The service you can expect from us	How we'll measure whether we delivered	Latest result (2022/23)	Our targets			
				2024/25	2025/26	2026/27	2027-34
Water supply	We'll provide safe and reliable potable water for household and business use in urban areas. Our Thames South water supply won't be potable until a new water treatment plant is commissioned (planned for 2027/28)	The Non-Financial Performance Measures Rules 2013 required local authorities to report their compliance with the bacterial and protozoal contamination criteria of the New Zealand Drinking Water Standards 2005. These standards have been superseded by the Water Services (Drinking Water Standards for New Zealand) Regulations 2022 (the regulations) and therefore the Council is reporting against these measures relying upon the relevant incorporation by reference provisions in New Zealand law.					
		Bacterial:					
		Thames South	Not compliant	Not compliant	Not compliant	Not compliant	Not compliant 2027/28* *Compliant from 2028/29
		Thames	Compliant	Compliant	Compliant	Compliant	Compliant
		Coromandel	Compliant	Compliant	Compliant	Compliant	Compliant
		Matarangi	Not compliant	Compliant	Compliant	Compliant	Compliant
		Whitianga	Compliant	Compliant	Compliant	Compliant	Compliant
		Hāhei	Compliant	Compliant	Compliant	Compliant	Compliant
		Tairua	Compliant	Compliant	Compliant	Compliant	Compliant
		Pāuanui	Compliant	Compliant	Compliant	Compliant	Compliant
		Onemana	Not compliant	Compliant	Compliant	Compliant	Compliant
		Whangamatā	Not compliant	Compliant	Compliant	Compliant	Compliant

Activity	The service you can expect from us	How we'll measure whether we delivered	Latest result (2022/23)	Our targets			
				2024/25	2025/26	2026/27	2027-34
Water supply		Protozoal:					
		Thames South	Not compliant	Not compliant	Not compliant	Not compliant	Not compliant 2027/28* *Compliant from 2028/29
		Thames	Not compliant	Compliant	Compliant	Compliant	Compliant
		Coromandel	Not compliant	Compliant	Compliant	Compliant	Compliant
		Matarangi	Not compliant	Compliant	Compliant	Compliant	Compliant
		Whitianga	Compliant	Compliant	Compliant	Compliant	Compliant
		Hāhei	Not compliant	Compliant	Compliant	Compliant	Compliant
		Tairua	Compliant	Compliant	Compliant	Compliant	Compliant
		Pāuanui	Not compliant	Compliant	Compliant	Compliant	Compliant
		Onemana	Not compliant	Compliant	Compliant	Compliant	Compliant
		Whangamatā	Not compliant	Compliant	Compliant	Compliant	Compliant
	Our Water Supply activity meets the needs of our communities	Our community's satisfaction with our Water Supply services as measured by an annual customer satisfaction survey	New	Establish initial baseline results	Set target once baseline is known	Set target once baseline is known	Set target once baseline is known
	We'll promote the efficient and sustainable use of water	Percentage of real water loss from our Council's networked reticulation system					

Activity	The service you can expect from us	How we'll measure whether we delivered	Latest result (2022/23)	Our targets			
				2024/25	2025/26	2026/27	2027-34
Water supply		<i>The following schemes have universal metering and will use an Annual Water Balance methodology</i>					
		Thames	Not measured	≤39%	≤39%	≤39%	≤39%
		Coromandel	Not measured	≤37%	≤37%	≤37%	≤37%
		Pāuanui	Not measured	≤13%	≤13%	≤13%	≤13%
		<i>The following schemes do not have meters and will use appropriate alternative methodologies to measure losses</i>					
		Thames South	Not measured	≤40%	≤40%	≤40%	≤40%
		Matarangi	Not measured	≤45%	≤45%	≤45%	≤45%
		Whitianga	Not measured	≤25%	≤25%	≤25%	≤25%
		Hāhei	Not measured	≤50%	≤50%	≤50%	≤50%
		Tairua	Not measured	≤40%	≤40%	≤40%	≤40%
		Onemana	Not measured	≤60%	≤60%	≤60%	≤60%
		Whangamatā	Not measured	≤40%	≤40%	≤40%	≤40%
		The average consumption of drinking water per day per resident (currently based on normally resident population)	433 litres ⁺	≤575 litres	≤575 litres	≤575 litres	≤575 litres
		⁺ Our 2022/23 result was unusually low, as we had fewer people on the Coromandel due to the severe weather events and road closures during what would normally be a peak season. Our target for the next 10 years is consistent with our 2021/22 result (573 litres per day)					

Activity	The service you can expect from us	How we'll measure whether we delivered	Latest result (2022/23)	Our targets			
				2024/25	2025/26	2026/27	2027-34
Water supply	We'll provide a responsive call-out service to attend to customers' issues with their water supply	Median response time for attendance for urgent call-outs, from the time that our Council receives notification to the time that service personnel reach the site	30 minutes	≤30 minutes	≤30 minutes	≤30 minutes	≤30 minutes
		Median response time for resolution of urgent call-outs, from the time that our Council receives notification to the time that service personnel confirm resolution of the fault or interruption	1:34 hours	≤1:40 hours	≤1:40 hours	≤1:40 hours	≤1:40 hours
		Median response time for attendance for non-urgent call-outs, from the time that our Council receives notification to the time that service personnel reach the site	40 minutes	≤40 minutes	≤40 minutes	≤40 minutes	≤40 minutes
		Median response time for resolution of non-urgent call-outs, from the time that our Council receives notification to the time that service personnel confirm resolution of the fault or interruption	2:47 hours	≤2:30 hours	≤2:30 hours	≤2:30 hours	≤2:30 hours
		The total number of complaints received, per 1,000 connections:					
		Clarity	1.09	≤2	≤2	≤2	≤2
		Taste	0	≤2	≤2	≤2	≤2
		Odour	0.05	≤2	≤2	≤2	≤2
		Pressure or flow	1.88	≤5	≤5	≤5	≤5
		Continuity of supply	7.08	≤5	≤5	≤5	≤5
		Response to any of the issues above	0.5	≤3	≤3	≤3	≤3

Significant negative effects

Supplying high quality drinking water is important to ensure public health and safety.

If we don't manage the delivery of this activity adequately there is the potential for significant negative effects. In addition to adverse health impacts on people, the excessive abstraction of water from the natural environment could have a negative environmental effect. We minimise this effect by complying with the New Zealand Drinking Water Quality Assurance Rules and resource consent requirements.

The leakage in water reticulation networks that wastes this precious resource is mitigated through leak detection, universal metering, renewal programmes and system improvements and reactive responses.

How we fund these activities

Our water supply operating costs will continue to be funded through targeted rates and fees and charges.

Water Funding impact statement

For the ten years ending 30 June 2034

	2023/24 Annual plan (\$000)	2024/25 LTP (\$000)	2025/26 LTP (\$000)	2026/27 LTP (\$000)	2027/28 LTP (\$000)	2028/29 LTP (\$000)	2029/30 LTP (\$000)	2030/31 LTP (\$000)	2031/32 LTP (\$000)	2032/33 LTP (\$000)	2033/34 LTP (\$000)
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	0	0	0	0	0	0	0	0	0	0	0
Targeted rates	13,944	14,703	17,042	19,420	20,748	21,963	22,947	23,919	24,755	25,594	26,267
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	0	9	9	9	9	10	10	10	10	11	11
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	13,944	14,712	17,051	19,429	20,758	21,973	22,957	23,929	24,766	25,604	26,278
Applications of operating funding											
Payments to staff and suppliers	7,784	8,151	9,123	10,401	10,614	10,852	11,082	11,312	11,533	11,763	11,985
Finance costs	850	1,145	1,324	1,606	2,112	2,520	2,762	2,915	3,105	3,175	3,320
Internal charges and overheads applied	1,483	1,597	1,664	1,755	1,792	1,813	1,971	2,080	2,237	2,318	2,316
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	10,117	10,893	12,111	13,762	14,518	15,185	15,814	16,307	16,875	17,257	17,622
Surplus (deficit) of operating funding (A - B)	3,826	3,819	4,940	5,667	6,239	6,788	7,142	7,622	7,891	8,348	8,656
Sources of capital funding											
Subsidies and grants for capital expenditure	0	-	-	-	-	-	-	-	-	-	-
Development and financial contributions	815	549	500	684	1,391	1,453	1,546	1,522	1,475	1,454	1,378
Increase (decrease) in debt	4,370	4,394	8,505	7,082	9,894	3,556	3,601	3,306	2,592	1,268	1,125
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	5,185	4,943	9,005	7,766	11,285	5,009	5,147	4,827	4,067	2,722	2,503

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Annual plan	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	931	1,333	2,430	2,100	2,661	97	224	425	434	35	38
- to improve the level of service	4,344	3,833	6,883	6,036	9,005	4,629	4,541	4,180	3,517	2,744	2,618
- to replace existing assets	2,181	2,404	3,293	3,419	7,077	7,106	5,929	5,006	4,408	4,329	4,508
Increase (decrease) in reserves	1,556	1,193	1,339	1,879	(1,219)	(35)	1,595	2,839	3,598	3,962	3,996
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	9,012	8,763	13,945	13,433	17,524	11,797	12,289	12,450	11,957	11,070	11,159
Surplus (deficit) of capital funding (C - D)	(3,826)	(3,819)	(4,940)	(5,667)	(6,239)	(6,788)	(7,142)	(7,622)	(7,891)	(8,348)	(8,656)
FUNDING BALANCE ((A - B) + (C - D))	-0	0	0	0	0	0	0	0	0	0	0

Capital expenditure for the ten years ending 30 June 2034

Water Supply

	Total Ten Years	2024/25 LTP	2025/26 LTP	2026/27 LTP	2027/28 LTP	2028/29 LTP	2029/30 LTP	2030/31 LTP	2031/32 LTP	2032/33 LTP	2033/34 LTP
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Thames											
Thames South water improvements and Pūiri water treatment plant	19,445	2,527	5,147	5,210	6,561	0	0	0	0	0	0
Pollen Street redevelopment - infrastructure upgrade	2,760	0	0	0	0	1,078	1,097	585	0	0	0
Tōtara Valley Road services extension - water	802	51	53	376	323	0	0	0	0	0	0
WTP clarifier replacement	1,956	306	851	798	0	0	0	0	0	0	0
Coromandel											
Coromandel replace treated water reservoir	1,741	0	0	0	0	0	329	784	628	0	0
Matarangi											
Matarangi replace treated water reservoir	1,969	0	0	0	0	0	0	0	343	817	809
Whitianga											
Whitianga additional treated water reservoir	1,913	0	0	0	0	0	329	784	800	0	0
Whitianga universal water meter - unbundling	2,687	0	0	0	1,062	539	549	537	0	0	0
Moewai Road water reservoir replacement	3,049	0	0	313	1,058	1,078	600	0	0	0	0
Watermain upgrade - Moewai Road to Captain Wood Avenue	2,990	0	332	1,042	1,058	558	0	0	0	0	0
Wharekaho water extension	3,103	0	0	333	1,042	1,078	649	0	0	0	0
Hāhei											
Water extension	3,548	0	0	0	486	850	895	886	431	0	0
Pāuanui											
Pāuanui additional treated water reservoir	1,648	0	0	0	317	754	576	0	0	0	0

	Total Ten Years \$000	2024/25 LTP \$000	2025/26 LTP \$000	2026/27 LTP \$000	2027/28 LTP \$000	2028/29 LTP \$000	2029/30 LTP \$000	2030/31 LTP \$000	2031/32 LTP \$000	2032/33 LTP \$000	2033/34 LTP \$000
Whangamatā											
Onemana replace treated water reservoir	1,328	0	0	0	317	754	256	0	0	0	0
Water system optimisation	1,292	0	0	0	159	754	379	0	0	0	0
District											
Renewals	32,330	1,448	1,447	1,454	3,704	3,771	3,840	3,986	4,068	4,156	4,454
Universal metering district wide	13,781	0	1,045	1,851	2,442	402	973	1,769	1,804	1,843	1,652
Consent renewals	1,021	97	98	99	106	108	110	112	114	117	61
Water process control upgrade	1,257	77	77	78	106	108	110	168	171	175	188
Drinking water standards upgrades	6,618	3,063	3,555	0	0	0	0	0	0	0	0
Total capital expenditure	105,239	7,570	12,605	11,554	18,743	11,832	10,694	9,611	8,360	7,108	7,163

Our Water and Sanitary Services Assessment

In 2005 we assessed the adequacy of our district's water and other sanitary services including wastewater and stormwater. We identified and assessed the services supplied to 46 communities across the Coromandel. We're required to let you know of any major variations between that assessment and what we've proposed in this long-term plan. We have identified the following variations:



Water Supply

Water supply upgrade for Matatoki, Hikutaia, Pūriri and Ōmahu

When the water and sanitary assessment (WASA) was prepared, the water supply provided to residents of Matatoki, Hikutaia, Pūriri and Ōmahu (known as Thames South) was classed as a rural water supply and was not required to meet drinking water standards. We required the installation of two stage filtration systems as a condition of housing building consents issued in these areas. We also installed disk filters to filter the water for each supply. The Thames South water supplies do not meet Drinking Water Quality Assurance Rules and there is a permanent boil water notice in place.

We've identified budget in the 2024-2034 Long Term Plan for construction of a new water treatment plant at Pūriri. This plant will have future capacity built into it, as well as capacity for expansion to Matatoki and possibly south to Ōmahu. The project is planned to start in 2024/25 and be completed by 2027/28.

Water treatment plant upgrades

Several water treatment plants have been upgraded over the last six years. These include Whitianga, Tairua, Pāuanui, Whangamatā (Moana Point, Beverly Hills, and Wentworth Valley), Onemana and Coromandel. The Hāhei and Matarangi water treatment plant upgrades are forecasted to be completed by December 2024 and June 2025 respectively.

Education programme for small water supplies

The 2005 WASA stated that we would be conducting an education programme to offer residents information concerning the dangers, problems and solutions involved in small water supplies. As part of this we published content on our website about water conservation measures and the need for water restrictions from time to time.

We will continue to focus its activities on providing water supplies to its existing customers.

Wastewater

Education programme for efficient septic tank management

The WASA stated that we would be engaging in an education programme to promote efficient septic tank management, however this is not proposed to be carried out under this Long Term Plan as this work is the role of the regional council.

Administration of trade waste bylaw

We do not have a trade waste bylaw currently, but it is proposed to develop a new bylaw, should three waters remain in Council ownership.

Matarangi Wastewater Treatment Plant upgrade

The 2024-2034 Long Term Plan has identified a capital budget for the upgrade of the Matarangi wastewater treatment plant. A resource consent application for this project has been lodged with Waikato Regional Council. The project implementation timeline is dependent on us securing this resource consent.

Cooks Beach Wastewater Treatment Plant upgrade

The 2024-2034 Long Term Plan has identified a capital budget for the upgrade of the Cooks Beach wastewater treatment plant.

Stormwater

Thames - Albert Street Stormwater upgrade

A stormwater upgrade was planned to commence in Albert Street, Thames in 2005/06 to address some flooding issues, and was delayed in previous long term plans due to the significant capital costs associated with the project. A technical investigation has now commenced for the Albert Street area to determine the optimal design and construction for the stormwater upgrade. In the meantime, disposal of any excessive stormwater is managed by using a pump.

Whitianga improvements

Over the last 15 years several works have been completed to improve the performance of the stormwater system in Whitianga. Work is planned to be undertaken for the Cook Drive stormwater network this financial year with further improvements to be undertaken during the term of the 2024-2034 Long Term Plan.

Other District Stormwater Improvement projects

Community engagement teams have been set up to review current stormwater issues in Whangamatā, Cooks Beach, Whitianga (Austin Drive) and Matarangi. Technical investigations and design work has commenced in Whangamatā, and work will continue during the term of the 2024-2034 Long Term Plan.

Para Totoka

Solid waste

This activity helps us provide sustainable services and infrastructure.

Our Rubbish and Recycling and Waste Minimisation activities are focused on providing for waste to be properly disposed of to help protect public health and the environment. We provide reliable and sustainable kerbside collection and transfer station services. We want to work together with our communities to reduce waste, encourage reuse and protect our environment. Our Waste Management and Minimisation Plan guides and supports these activities.

What we do

We help promote a sustainable district by providing options to safely dispose of and minimise our waste. Many of our households can use our new kerbside foodscrap waste and recycling and rubbish bins, which are collected regularly. Rubbish and recycling can also be dropped off at our transfer stations at Coromandel, Matarangi, Pāuanui, Tairua, Thames, Whangamatā and Whitianga. These facilities complement our community kerbside collections and are especially important when our part-time residents and visitors, who can put pressure on our services during holiday periods, are visiting. We have planned to build a new transfer station in Whitianga to meet the growing needs of this town. We're also planning to replace buildings, roading infrastructure and other assets at our transfer stations and meet health and safety requirements.

We promote initiatives across the district that encourage waste minimisation, including educational programmes. We encourage the reuse of waste by working collaboratively with our communities, including local resource recovery groups. In addition, we manage closed landfill sites on the Peninsula.



THIS ACTIVITY GROUP HELPS
US PROVIDE SUSTAINABLE
SERVICES AND
INFRASTRUCTURE.



What you can expect us to deliver

Activity	The service you can expect from us	How we'll measure whether we delivered	Latest result (2022/23)	Our targets			
				2024/25	2025/26	2026/27	2027-34
Rubbish and recycling	We'll provide kerbside pickup services to eligible properties within the solid waste collection area, so long as it is safe to do so	Number of justified* complaints that collection is not completed on the scheduled day, measured by the Council's request for service (RFS) system *where there is a reasonable case for the complaint	2.07 valid complaints per annum per 1,000 rating units	≤3 valid complaints per year per 1,000 eligible solid waste rating units	≤3 valid complaints per year per 1,000 eligible solid waste rating units	≤3 valid complaints per year per 1,000 eligible solid waste rating units	≤3 valid complaints per year per 1,000 eligible solid waste rating units
	We'll maintain closed landfill sites	Number of formal warnings issued by the Waikato Regional Council for non-compliance with resource consent(s)	0	0	0	0	0
Waste minimisation	We'll implement waste minimisation education programmes	Number of schools / early childhood education centres (ECEs) participating in waste education programmes	New	≥8 schools / ECEs participating in waste education programmes	≥8 schools / ECEs participating in waste education programmes	≥8 schools / ECEs participating in waste education programmes	≥8 schools / ECEs participating in waste education programmes
Rubbish and recycling and Waste minimisation	Our Rubbish and recycling and Waste minimisation activities meet the needs of our communities	Our community's satisfaction with our Rubbish and recycling and Waste minimisation services as measured by an annual customer satisfaction survey	New	Establish initial baseline results	Set target once baseline is known	Set target once baseline is known	Set target once baseline is known

Variations to our Waste Management and Minimisation Plan

We have not identified any variations between our Waste Management and Minimisation Plan (WMMP) and the proposals in this Long-Term Plan. Our content in this Long-Term Plan is in alignment with the 'Physical Infrastructure' section (table 8.1) of the WMMP.

Significant negative effects

Not collecting and suitably disposing of rubbish and recycling will have significant adverse public health and environmental effects.

Significant negative effects can also result from the discharge of leachate from

closed landfills that we manage, and this will continue to be managed carefully. The management of closed landfills is subject to compliance with resource consents.

Odour emanating from transfer station sites can impact negatively on people in the immediate vicinity. Observing good operating standards will minimise the risk of odour problems.

How we fund these activities

Our rubbish and recycling operating costs will continue to be funded through rates (general and targeted) and fees and charges. Our waste minimisation operating costs will be funded through subsidies and grants.

Solid Waste Funding impact statement

For the ten years ending 30 June 2034

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Annual plan	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP	LTP
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	1,798	2,068	2,207	2,419	2,284	2,271	2,299	2,724	2,126	2,167	2,283
Targeted rates	9,119	9,423	10,096	10,345	10,807	11,146	11,461	11,382	12,348	12,629	12,851
Subsidies and grants for operating purposes	0	0	0	0	0	0	0	0	0	0	0
Fees and charges	7,543	6,055	6,181	6,333	6,486	6,645	6,797	6,950	7,102	7,255	7,408
Internal charges and overheads recovered	0	0	0	0	0	0	0	0	0	0	0
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	0	0	0	0	0	0	0	0	0
Total operating funding (A)	18,461	17,546	18,484	19,098	19,577	20,062	20,558	21,056	21,576	22,052	22,542
Applications of operating funding											
Payments to staff and suppliers	17,034	15,675	16,000	16,376	16,751	17,108	17,484	17,860	18,236	18,611	18,987
Finance costs	228	363	444	518	593	650	678	677	688	683	699
Internal charges and overheads applied	737	855	903	921	879	856	879	882	902	910	904
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	17,999	16,893	17,348	17,815	18,222	18,614	19,040	19,418	19,826	20,204	20,590
Surplus (deficit) of operating funding (A - B)	462	653	1,136	1,283	1,355	1,448	1,518	1,638	1,750	1,847	1,952
Sources of capital funding											
Subsidies and grants for capital expenditure	0	2,000	3,787	-	-	-	-	-	-	-	-
Development and financial contributions	26	52	49	52	65	68	54	53	50	49	42
Increase (decrease) in debt	1,715	2,092	3,864	(162)	57	85	(218)	(292)	(132)	(155)	(166)
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	1,741	4,144	7,701	(110)	122	153	(165)	(239)	(82)	(106)	(124)

	2023/24 Annual plan (\$000)	2024/25 LTP (\$000)	2025/26 LTP (\$000)	2026/27 LTP (\$000)	2027/28 LTP (\$000)	2028/29 LTP (\$000)	2029/30 LTP (\$000)	2030/31 LTP (\$000)	2031/32 LTP (\$000)	2032/33 LTP (\$000)	2033/34 LTP (\$000)
Applications of capital funding											
Capital expenditure											
- to meet additional demand	0	41	196	82	185	189	27	-	-	-	-
- to improve the level of service	2,102	4,306	7,800	186	323	361	214	190	366	374	388
- to replace existing assets	245	521	635	820	650	632	622	1,461	834	385	466
Increase(decrease) in reserves	(143)	(71)	206	85	319	419	490	(253)	468	982	974
Increase(decrease) in Investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	2,203	4,797	8,837	1,173	1,477	1,601	1,353	1,399	1,668	1,741	1,828
Surplus(deficit) of capital funding (C - D)	(462)	(653)	(1,136)	(1,283)	(1,355)	(1,448)	(1,518)	(1,638)	(1,750)	(1,847)	(1,952)
FUNDING BALANCE ((A - B) + (C - D))	-0	0	0	0	0	0	0	0	0	0	0

Capital expenditure for the ten years ending 30 June 2034

Solid Waste

	Total Ten Years \$000	2024/25 LTP \$000	2025/26 LTP \$000	2026/27 LTP \$000	2027/28 LTP \$000	2028/29 LTP \$000	2029/30 LTP \$000	2030/31 LTP \$000	2031/32 LTP \$000	2032/33 LTP \$000	2033/34 LTP \$000
Thames											
Thames refuse pit renewal	672	0	0	0	0	0	0	672	0	0	0
Whitianga											
Whitianga refuse transfer station	11,574	4,000	7,574	0	0	0	0	0	0	0	0
District											
RTS greenwaste dropoff zones	144	71	0	73	0	0	0	0	0	0	0
RTS additional bunkers	490	82	83	164	53	54	55	0	0	0	0
RTS permanent dropoff facility	189	31	31	31	32	65	0	0	0	0	0
RTS additional weighbridges	950	0	309	0	317	323	0	0	0	0	0
RTS bunker renewals	905	0	0	0	0	0	0	448	457	0	0
RTS compactor renewals	1,082	160	161	167	238	168	0	0	0	0	188
RTS scrapmetal dropoff zones	402	0	0	0	0	0	77	78	80	82	85
RTS weighbridge renewals	483	0	0	156	0	162	165	0	0	0	0
RTS site resilience and adaptation improvements	1,271	61	0	0	0	108	110	112	286	292	303
RTS fencing and security renewals	164	15	15	16	16	16	16	17	17	18	18
RTS hopper renewals	329	31	31	31	32	32	33	34	34	35	36
RTS new fencing and security	208	102	0	0	106	0	0	0	0	0	0
RTS electrical and minor civil renewals	636	51	51	52	53	54	55	56	86	88	91
RTS kiosk and equipment renewals	663	0	0	104	106	0	110	112	114	117	0
RTS pod renewals	877	82	82	83	85	86	88	90	91	93	97
RTS road renewals	1,216	182	294	211	121	113	156	34	34	35	36
Total expenditure	22,255	4,868	8,631	1,088	1,158	1,181	863	1,652	1,200	759	854



Nga rautaki me ngā kaupapa here

Part 3: Strategies and Policies

Forecasting the Future – Our Assumptions

The table below identifies key assumptions underpinning our 2024-34 LTP. The assumptions have been informed by ongoing monitoring and analysis of significant issues, events and trends that are likely to have an impact (positive or negative) on the Thames-Coromandel District over the next 10-30 years.

No.	Assumption	Risk	Level of uncertainty	Potential effects and mitigation measures																												
Demographics																																
The projection data for this topic were produced by Infometrics Ltd, who were contracted to provide comprehensive employment, population, household dwelling and rating unit projections for Thames-Coromandel District covering the period 2022-2054. Council has adopted Infometrics’ medium growth scenario in its planning for this LTP																																
1.	<p>Our Population Growth</p> <p>A medium growth scenario is assumed under which the District’s population will grow at 0.4% per annum over 2023 to 2034 and 0% per annum over 2034 to 2054. The population will increase to around 35,900 people in 2034, then ease slightly to around 35,700 people in 2054.</p> <p>Population by Community Board</p> <p><i>(Infometrics medium projection)</i></p> <table><tr><th>Community Board</th><th>2023</th><th>2034</th><th>2054</th></tr><tr><td>Coromandel-Colville</td><td>3,681</td><td>3,869</td><td>3,718</td></tr><tr><td>Mercury Bay</td><td>10,618</td><td>11,752</td><td>12,438</td></tr><tr><td>Tairua-Pāuanui</td><td>3,200</td><td>3,331</td><td>3,335</td></tr><tr><td>Thames</td><td>11,641</td><td>11,363</td><td>10,364</td></tr><tr><td>Whangamatā</td><td>5,120</td><td>5,597</td><td>5,883</td></tr><tr><td>Total</td><td>34,260</td><td>35,911</td><td>35,737</td></tr></table>	Community Board	2023	2034	2054	Coromandel-Colville	3,681	3,869	3,718	Mercury Bay	10,618	11,752	12,438	Tairua-Pāuanui	3,200	3,331	3,335	Thames	11,641	11,363	10,364	Whangamatā	5,120	5,597	5,883	Total	34,260	35,911	35,737	<p>Population growth across the district, each community board area and settlement occurs at a higher rate than the relatively low rates assumed.</p> <p>The assumed population growth is mainly driven by the District continuing to attract new residents in or near the 65-years-and-older age group.</p> <p>Historically this has been the age group in which the District has made strong internal migration gains due to the lifestyle choices in the District. If the lifestyle preferences of this age group change, the assumed growth may not occur.</p> <p>The population may change at rates different than projected, for example increase due to investment made by Council to attract people and jobs into the district.</p> <p>A reduction in population will impact the rating base and the ability of communities to fund services. Either scenario could result in Council’s planned services not aligning with community needs.</p>	Low	<p>Slower or faster population increases may affect service levels, infrastructure expansion, renewal programmes, and costs (where there are an increased or decreased rates requirements). These effects would be exacerbated by the demands on infrastructure and services during the peak holiday periods.</p> <p>Over or underestimating the demand for services based on planned growth (positive or negative) can have a significant effect on financial estimates.</p> <p>The potential effects include:</p> <ul style="list-style-type: none">• The availability of funding to sustain services• Changes in estimates to reconfigure service levels, for example there can be an additional cost, albeit short-term, to scale back service.• Underestimated demand for service results in a ‘catch-up’ scenario where Council and the community face a reactive situation. <p>The risk of over- or under-estimating the population increase has been factored into the decision to assume a medium growth scenario. Annual reviews of the Council’s rating base will be able to address any major deviations from the assumed population increase.</p> <p>Council will continue to monitor changes in the District’s population and adapt activity provision to efficiently and effectively meet needs.</p>
Community Board	2023	2034	2054																													
Coromandel-Colville	3,681	3,869	3,718																													
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No.	Assumption	Risk	Level of uncertainty	Potential effects and mitigation measures
2.	<p>Age Demographics</p> <p>The New Zealand population as a whole is ageing, and the District's age demographics reflect this trend. Population ageing is caused by the transition to lower birth rates and lower death rates.</p> <p>Under the assumed medium population growth scenario, the population aged 65 years and older is projected to increase from 34% of the District's total population in 2023 to 41% in 2033 and 43% in 2053. This means that from 2033 onwards, over two out of every five residents will be aged 65 years or older. The proportion of the population aged 20-64 years of age will drop from 48% of the population in 2023 to 43% in 2033.</p>	<p>More people aged 65 and over, compared with families with young children, move to the District, and the proportion of older people is greater than projected.</p> <p>A lesser risk is that more young and young working family age groups move to the District, significantly increasing this age group as a proportion of resident population.</p>	Low	<p>The 65+ age demographic often have fixed incomes, and this may affect their ability to pay rates and recover from disaster events. They may also need new or different services and facilities to promote their well-being.</p> <p>Any significant variation to the assumed aging population profile may result in certain sectors of the community experiencing lower than expected levels of service.</p> <p>If the proportion of younger people grows, the Council may have to redirect funding to particular activities to suit a younger population.</p> <p>The Council will continue to monitor demographic change and adapt or redirect activities to meet those needs where possible, within reasonable costs.</p>
3.	<p>Peak Population</p> <p>The District will continue to attract a summer population increase of around five times the number of permanent residents. Although the COVID-19 pandemic and the damage to roads caused by severe weather events in early 2023 reduced the numbers of visitors for a few years, the 'peak population' numbers are assumed to grow again over the medium to long term (3-10 years).</p> <p>The highest proportion of visitors to the District over the peak summer period (22 December to 5 January) will continue to be from the Auckland and Waikato regions.</p>	<p>Further damage to roads, delays with repairing the roading network and other economic or other drivers could significantly decrease visitor numbers in the short term (1-3 years).</p> <p>The key travel routes for visitors are the state highways that are not managed by the Council.</p>	Medium	<p>Visitors' needs for services and facilities at peak periods put pressure on the Council's infrastructure and services because they are far in excess of what the usually resident population requires and raise expected operating expenditure.</p> <p>Council needs to balance its residents' and ratepayers' needs for infrastructure and services with those of visitors who are here during peak population periods.</p> <p>Any significant change in peak population visitors would require a review of funding mechanisms.</p>

No.	Assumption	Risk	Level of uncertainty	Potential effects and mitigation measures																												
4.	<p>Dwelling Growth</p> <p>In 2023 there are around 27,300 dwellings in the District. A medium growth scenario is assumed under which the number of dwellings will increase by 1,500 between 2023 and 2034, at an average of 140 more dwellings per year. This is a steady fall from a peak of 360 in 2023, driven by a challenging macroeconomic environment in the short-term, and slowing population growth in the long term. From 2038, dwelling numbers are assumed to remain static, reflecting flat population and household growth.</p> <p>Dwelling growth will be strongest between 2022 and 2034 in Matarangi (1.0%pa) and Whitianga (0.8%pa). Growth will be solid in Coromandel (1.0%), Cooks Beach (0.7%pa) and Hāhei (0.7%pa).</p> <p>Even under a zero dwelling growth scenario, construction activity is likely to continue as dwellings reach the end of their economic lives, housing intensification requires demolition of old dwellings, and sea level rise prompts retreat in some areas.</p> <p>Dwelling increase by Community Board (Infometrics medium projection)</p> <table><tr><th>Community Board</th><th>2022</th><th>2034</th><th>2054</th></tr><tr><td>Coromandel-Colville</td><td>2,467</td><td>2,693</td><td>2,696</td></tr><tr><td>Mercury Bay</td><td>9,329</td><td>10,311</td><td>10,349</td></tr><tr><td>Tairua-Pāuanui</td><td>4,285</td><td>4,526</td><td>4,529</td></tr><tr><td>Thames</td><td>5,409</td><td>5,568</td><td>5,570</td></tr><tr><td>Whangamatā</td><td>5,488</td><td>5,785</td><td>5,795</td></tr><tr><td>Total</td><td>26,978</td><td>28,885</td><td>28,939</td></tr></table>	Community Board	2022	2034	2054	Coromandel-Colville	2,467	2,693	2,696	Mercury Bay	9,329	10,311	10,349	Tairua-Pāuanui	4,285	4,526	4,529	Thames	5,409	5,568	5,570	Whangamatā	5,488	5,785	5,795	Total	26,978	28,885	28,939	<p>Economic conditions and the discretionary nature of the housing market cause variations in dwelling growth from that assumed.</p> <p>Dwelling growth in settlements, ward areas and across the District occurs at higher or lower rates than assumed.</p>	Low	<p>If dwelling numbers grow slower than is projected, there could be less demand on Council’s infrastructure and services. There could also be fewer properties paying the costs of providing infrastructure services.</p> <p>Higher numbers of dwelling units than projected could put pressure on the Council’s ability to provide infrastructure and services. However, there would be more properties to pay the cost of providing Council infrastructure and services. The Council regularly reviews dwelling unit numbers.</p>
Community Board	2022	2034	2054																													
Coromandel-Colville	2,467	2,693	2,696																													
Mercury Bay	9,329	10,311	10,349																													
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No.	Assumption	Risk	Level of uncertainty	Potential effects and mitigation measures																										
5.	<p>Rating Unit Growth</p> <p>A medium growth scenario is assumed and rating units are projected to increase by 1.0%pa in 2034, and by 0.3%pa in 2054. Residential rating units are projected based on assumed dwelling growth. Industrial and commercial rating units are projected based on forecast districtwide employment growth.</p> <p>All other rating units are assumed to remain constant over time, which reflects that they are either constrained by available land or limited information is available about their growth trend.</p> <p>The forecast for rating units over the next ten years is shown on the table below.</p> <table><tr><th>Year</th><th>Total number of rating units</th></tr><tr><td>2023</td><td>28,210</td></tr><tr><td>2024</td><td>28,480</td></tr><tr><td>2025</td><td>28,694</td></tr><tr><td>2026</td><td>28,896</td></tr><tr><td>2027</td><td>29,061</td></tr><tr><td>2028</td><td>29,226</td></tr><tr><td>2029</td><td>29,396</td></tr><tr><td>2030</td><td>29,508</td></tr><tr><td>2031</td><td>29,613</td></tr><tr><td>2032</td><td>29,701</td></tr><tr><td>2033</td><td>29,781</td></tr><tr><td>2034</td><td>29,832</td></tr></table>	Year	Total number of rating units	2023	28,210	2024	28,480	2025	28,694	2026	28,896	2027	29,061	2028	29,226	2029	29,396	2030	29,508	2031	29,613	2032	29,701	2033	29,781	2034	29,832	Rating unit growth occurs at higher or lower rates than assumed in the District, in the community board areas or settlements.	Low	<p>Economic conditions and the discretionary nature of the housing market can cause variations in rating unit growth from that assumed.</p> <p>The main financial effect of slower than projected growth can be a reduction in budgeted rating revenue and development contributions. It can result in increased debt levels and associated interest expense for capital projects. If the rating base were to reduce, there could be an increase in rates.</p> <p>An increase in the overall rating base could result in a decrease in rates for rating units as the total rates are spread across a larger base. Higher than projected rateable units could put pressure on the provision of some infrastructure, such as wastewater, water supply and stormwater.</p> <p>The Council regularly reviews rating unit numbers.</p>
Year	Total number of rating units																													
2023	28,210																													
2024	28,480																													
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No.	Assumption	Risk	Level of uncertainty	Potential effects and mitigation measures										
External Factors														
6.	<p>Economic Outlook</p> <p>Global and national forecasts signal ongoing slow economic growth. The Treasury forecasts (https://www.treasury.govt.nz/publications/efu/budget-economic-and-fiscal-update-2024) economic conditions will remain soft but gradually strengthen from the second half of 2024 with the easing inflation outlook enabling a gradual reduction in interest rates. Real GDP is forecast to contract 0.2% in the year to June 2024. The economy is expected to gradually strengthen from the second half of 2024. This sees real GDP growth increasing to 1.7% in the year to June 2025 and averaging 2.9% per annum over the final three years of the forecast as follows:</p> <table><tr><td>2024</td><td>0.2%</td></tr><tr><td>2025</td><td>1.7%</td></tr><tr><td>2026</td><td>3.2%</td></tr><tr><td>2027</td><td>2.9%</td></tr><tr><td>2028</td><td>2.7%</td></tr></table> <p>The District’s economic momentum is heavily restrained. Despite experiencing a strong resurgence after the COVID-19 pandemic, the severe weather events in 2023 have caused the momentum to stop. Current estimates show annual growth to 31 March 2024 is zero. The impacts of weather events in 2023 and ebbing of national tourism have however started to reduce, with guest nights in the year to March 2024 reaching their highest level since June 2021. There are also encouraging signs in the agricultural sector with on-farm costs stabilizing. Other parts of the primary sector remain under pressure, with falling forestry prices and low meats prices. The reduced flow of visitors in 2023 and persistent cost-of-living challenges have resulted in very low annual consumer spending growth of 0.5% in the year to March 2024, well below the previous several years.</p> <p>Assuming the roading network is fully restored by mid-2024, economic growth in the longer-term can be assumed to return to pre-pandemic (2019) levels and generally follow the national trend in GDP growth, as it has historically.</p>	2024	0.2%	2025	1.7%	2026	3.2%	2027	2.9%	2028	2.7%	Economic growth stalls or is slower than expected.	High	<p>Ongoing uncertainty in the international, national and local economy has the effect of perpetuating affordability issues, slowing development and delaying cost recovery through rates and development contributions in particular.</p> <p>Infrastructure may not be in place or planned for in response to increasing visitor numbers or business demands.</p> <p>Financial pressures on households and businesses may affect rates affordability (see Assumption 8 below).</p> <p>A cautious approach is needed in the short-term. The Council will regularly monitor economic conditions.</p>
2024	0.2%													
2025	1.7%													
2026	3.2%													
2027	2.9%													
2028	2.7%													

No.	Assumption	Risk	Level of uncertainty	Potential effects and mitigation measures
7.	Tourist and Visitor Numbers The number of visitors to the District is expected to recover from the impacts of the 2023 North Island Storm Events. International Visitor market is also recovering from the disruption of COVID-19. A strong 2023/2024 peak summer season showed that Thames - Coromandel District remains a destination of choice for Domestic and International visitors. In the medium to long term visitor numbers will return to pre-pandemic levels.	Visitor numbers may not return to pre-pandemic levels in the medium to longer term. Worsening general economic conditions may reduce tourism expenditure.	Medium	Our dependence on tourism spend means Thames-Coromandel District is more susceptible to economic shocks. Funding for Tourism Marketing and Promotion has been retained. Economic development business unit continues to provide support and resources for small business. A long-term focus on supporting a more diverse economy will make the District more resilient.
8.	Rates affordability Average household income will remain static, and the individual share of national GDP over previous 30 years will continue to decrease. The average household income in the District was \$73,500 in 2023, which was lower than the New Zealand average of \$125,177. It is assumed economic affluence will not be a key driver of demand for increased Council services from the majority of the community.	A combination of the ageing population and short-term slow economic growth mean rates affordability is unlikely to change in the medium-long term.	Low	Matters affecting people's income are largely outside the Council's control, a cautious approach is needed in the short-term.
9.	Covid-19 Pandemic It is assumed that New Zealand will avoid significant effects from any resurgence of the Covid-19 virus, and that no further lockdowns or major border restrictions will be necessary. The effects of the global Covid-19 pandemic will continue to be felt in the short-term (1-3 years) and the pandemic is likely to have as yet unknown longer term consequences. These effects include: <ul style="list-style-type: none"> Economic impacts – on key sectors such as tourism and related services, on the rural sector due to labour shortages and processing disruptions. Transport impacts – disruption of global supply chains with flow-on effect to local freight and distribution patterns. Travel/work behaviour patterns – more people working from home and more flexible working arrangements; travel demand and customer desire are driving changes that could be embedded in the long term. 	COVID-19 response measures require a lockdown of the District, Waikato region or more broadly. Community expectations about the pandemic being over will have been affirmed by pandemic-related restrictions no longer being in force. Those expectations may flow on to all other aspects of life returning to business-as-usual sooner than is realistically possible. It may also lead to criticism of the Council if progress on Council's work programme is not seen to be being made quickly enough.	High	A new COVID-19 variant may substantially reduce the functionality of some Council activities with consequential negative impacts on revenue. The Council's has operational resilience practices in place to ensure essential activities continue to function in the event of a lockdown, and non-essential services have the capacity to operate as fully as is safely possible. The Government continues to monitor for new variants arriving from overseas.

No.	Assumption	Risk	Level of uncertainty	Potential effects and mitigation measures
10.	Treaty of Waitangi Settlements Legislation currently before Parliament, scheduled to be passed in 2024, will implement three settlements with mana whenua in the District. The settlements are for Ngāti Hei, Ngāti Paoa and Ngāti Tara Tokanui and include returning some Council reserves to iwi and some reserves being co-managed with iwi.	There will be pressure on the Council's resources to implement the settlements.	Low	Council will need to respond effectively to new ways of working with iwi. There will be new demands on operating budgets to achieve this. The Council will monitor progress of the legislation through Parliament and continue to engage with mana whenua in the District about their aspirations.
11.	Availability of Staff and Contractors It is assumed that we will be able to retain and find skilled staff and contractors to undertake work that is required, to the agreed standards, deadlines and cost.	Due to labour market conditions, some staff vacancies will not be able to be filled in a timely manner. The demand for contractors will also be high and impact their availability.	Medium	Council will continue to take measures, including offering employment arrangements such as flexible work options, competitive remuneration, a range of benefits and relocation support, to both retain and attract skilled staff and contractors as required. Roles that can be performed remotely could potentially be more easily filled, though the number of workers who are willing to live remotely from their jobs is limited.
12.	Significant Land Use Changes In some areas of the district, there is insufficient land zoned to meet demand for housing and business activities. Spatial planning initiatives will identify areas where significant land use changes are needed. Changes to the District Plan will be needed to provide for future development indicated in spatial plans. The district plan will become fully operative by the end of 2024, making it easier for private plan changes to be progressed.	Rezoning of land cannot be progressed efficiently, due to appeals on changes to the District Plan. Continuing shortage of land for housing and business activities impact negatively on economic growth and community well-being.	Medium	The Council will need to be proactive and initiate district plan changes to provide appropriately zoned land to enable new growth. It will also need to be ready to respond to any potential private district plan changes.

No.	Assumption	Risk	Level of uncertainty	Potential effects and mitigation measures
Climate Change				
13.	<p>Climate Change Risks and Impacts</p> <p>The expected risks of climate change for Thames-Coromandel District are based on climate science and projections from the Intergovernmental Panel on Climate Change, National Institute of Water and Atmospheric Research (NIWA) and governmental advice from the Ministry for the Environment.</p> <p>Climate change will affect the District at least in line with predicted national changes such as higher temperatures, sea level rise, longer dry periods and more intense rainfall and storm events. Regional projections assume increases in the amount and frequency of rainfall could cause more river flooding in some areas, while longer periods without rainfall will cause drought.</p> <p>Predicted sea level rise and increased storm surges will affect low-lying areas and estuaries and could threaten Council and community infrastructure, affect aquifers by saline intrusion into existing water supply bores, and reduce the efficiency of land drainage in coastal and estuarine areas. This will worsen coastal erosion and flooding and may accelerate long term erosion.</p>	<p>There is risk that negative effects associated with climate change occur at a faster rate and with more detrimental effects.</p> <p>If projections are not considered in Council planning, this could impact on asset management, community resilience and legal liabilities.</p>	Moderate	<p>The Council will continue to implement current climate change work in several areas, including the Shoreline Management Pathways project.</p> <p>A Climate Change Strategy will be developed during the first three years of the LTP to identify, integrate and co-ordinate further mitigation and adaptation measures required across Council and the community.</p> <p>Included in the new Climate Change Strategy will be the development of a Climate Change Risk Assessment to inform planning of future mitigation and adaptation/resilience actions.</p>
14.	<p>Greenhouse Gas Emissions</p> <p>Current policies (as set out in Aotearoa New Zealand's Emissions Reduction Plan) will be implemented and New Zealand's (and the Council's) emissions will reduce in line with emissions budgets.</p>	<p>Government policy may change or alter significantly and require the Council to adjust its operations accordingly. This is unlikely due to cross-party support for reducing emissions.</p>	Low	<p>The Council will include the development of an Emissions Reduction Plan for its own greenhouse gas emissions in its new Climate Change Strategy, and will continue current work to track its progress towards reduction targets, such as:</p> <ul style="list-style-type: none"> • promoting electric vehicle use • upgrading streetlights to cut electricity use • partnering with Waikato Local Authority Shared Services energy management programme to monitor energy use at all sites, investigate opportunities for energy efficiency improvements and increase the use of renewable energy • working with community groups to improve walking and cycling infrastructure; and • putting in place an affordable bus service in Thames.

No.	Assumption	Risk	Level of uncertainty	Potential effects and mitigation measures
15.	<p>New Zealand Emissions Trading Scheme</p> <p>The New Zealand Emissions Trading Scheme (NZ ETS) costs will rise in the medium to long term as a result of amendments to the Climate Change Response Act 2002, including changes in the NZ ETS settings.</p> <p>The Council will continue its existing waste collection arrangements and maintain the existing network of Refuse Transfer Stations and community resource recovery centres. The Council's participation in the NZ ETS will remain limited to its waste management operations.</p>	Government policy may change or alter significantly and require the Council to adjust its operations accordingly. This is unlikely due to the cross-party support for the Emissions Trading Scheme.	Low	No effect unless there is a major change to the ETS that affects Council's carbon accounting.
16.	<p>Natural Hazard/Emergencies</p> <p>Land instability and the resulting slippage is a serious and widespread natural hazard for the District. Coastal erosion also puts many of our communities at risk, particularly if there is a serious weather event.</p> <p>There will be at least one serious weather event every year which will require a State of Emergency to be declared.</p>	Increased rainfall volumes and intensities will cause land instability and more land slippages. Temporary sea water inundation of land, and permanent coastal erosion, will cause risks to life and property, economic and community wellbeing.	Medium	<p>Potential effects include: loss of life; ill-health (physical and mental); partial or complete loss or damage to property; impacts on local businesses, the District's economy and delivery of services; damage or loss of Council and community assets and infrastructure; and insurance premiums increased or withdrawn.</p> <p>Mitigation measures include: increased Council investment in services and asset renewals and replacement in order to return services to pre-impact capacity; and increased resourcing of Council's recovery operations and future planning.</p>
17.	<p>Roading Recovery</p> <p>The following milestones in the Recovery Plan will be implemented and achieved:</p> <ul style="list-style-type: none"> for state highways, the partnership with Waka Kotahi is formed and formalised, 50 priority sites to repair and or build resilience are identified, with work planned and funded by central government to proceed. for local roads, all 114 identified repair sites have initial geotechnical assessments completed to assess ongoing risk. Detailed designs and consents are being progressed. A work programme is in place, and estimated budgets/ funding confirmed, including the FAR contribution to funding from Waka Kotahi. Repairs to Tapu-Coroglen, Colville and Kennedy Bay Roads are 100% funded by the Crown from the Waka Kotahi RSR programme. 	<p>Further severe weather events may cause more damage to the already fragile roading network, hampering recovery in affected communities and requiring additional repair works.</p> <p>Funding for Waikato Regional Council and central government contributions to the Recovery Plan may be reduced following, respectively, completing of the long term planning process and the general election.</p>	Medium	<p>Achievement of some of the milestones for state highways is outside Council's control because it is dependent on central government work and funding. Council will continue to monitor and keep under review.</p> <p>The Council will continue to work with Waikato Regional Council and central government to confirm funding, and include substantial contingencies in budgets for repair of local roads.</p>

No.	Assumption	Risk	Level of uncertainty	Potential effects and mitigation measures
Legislative Reform				
18.	Resource Management Reform The Natural and Built Environments Act 2023 and Spatial Planning Act 2023 have been repealed. The provisions of the Resource Management Act 1991 are the law again though the Government intends to replace it. It is assumed any replacement legislation will continue to require the Council to develop, implement and maintain strategic resource management plans, including spatial plans, and to exercise regulatory authorising, monitoring and compliance functions.	The Government has not announced what the planning framework and system in the replacement legislation will be, or when the new legislation will be enacted. Impacts on local government from the Fast-track Approvals Bill (introduced 07 March 2024) are uncertain, particularly the expanded scope that includes approvals under the Reserves Act 1977.	High	A watching brief will be kept on the changing legislative and resource management policy direction of the new Government.
19.	Future for Local Government Review It is unknown whether (or to what extent) central government will accept the final recommendations of the Review, released in June 2023. No announcements have been made by the Government to indicate its policy position on the Review. It is assumed that: <ul style="list-style-type: none"> the existing role and functions of local government will remain unchanged during the 2024-2034 Long Term Plan timeframe; the Council will not change its current governance model; and there will be no significant change to the range or nature of services. 	The Government decides to action some or all of the Review recommendations in its current term, i.e. by mid-2026.	Low	The Council will keep a watching brief on central government's intentions about acceptance and implementation of the Review's recommendations.
20.	Water Services Reform Programme Water services will continue to be managed by the Council in all ten years of the 2024-2034 Long Term Plan. [The Water Services Acts Repeal Act 2024 reversed the reforms made by the previous Government and new legislation outlining options, tools and models for delivery of water services is planned to be introduced in December 2024].	Any new legislation will not provide for water services to continue to be managed by the Council for all ten years of the 2024-2034 Long Term Plan.	High	If new legislation removes management of water services from the Council's responsibility, the 2024-2034 Long-term Plan and other Council planning documents will need to be amended. A watching brief will be kept on the Government's policy direction.

No.	Assumption	Risk	Level of uncertainty	Potential effects and mitigation measures
Significant Assets				
21.	Lifecycle of significant assets The useful asset life reflects the best estimate available as at forecast date and is based on current asset information held. The useful life of each class of asset is outlined in the Statement of Accounting Policies for Prospective Financial Statements - Depreciation. Some assets may wear out and fail sooner, or later, than calculated.	Some assets may wear out and fail sooner, or later, than calculated. There may be inadequate replacement reserves.	Medium	There is no certainty that asset components will last their design lives exactly. However, replacement is budgeted at the expected end of useful life and earlier replacement will result in a loss on disposal of any residual value. Earlier replacement may result in the deferral of other discretionary capital projects in order to remain within self-imposed debt limits as set out in Council's Financial Strategy.
22.	Resource consent standards/property designations All projects in the Long Term Plan that are required to gain resource consent will do so in a timely manner, within the cost estimates provided. Any new property designations required for new wastewater, water, stormwater and solid waste systems, or for the significant upgrading of existing systems, will be able to be obtained prior to the time that has been scheduled for the actual construction of works in this plan.	Resource consents are appealed to the Environment Court resulting in significant delays. Stringent resource consent conditions and standards lead to high treatment standards being imposed with consequential high costs. Delays due to designations or consents not being obtained, or necessary land purchased, before the scheduled time of construction.	Medium	While recent reforms have expedited appeal processes, consenting processes can still be costly. Designation processes have been streamlined but can still be costly. Risk can be minimised if the Council always commits to a clear and detailed future forward work programme for at least the next three to four years.

No.	Assumption	Risk	Level of uncertainty	Potential effects and mitigation measures
Financial Assumptions				
23.	Capability to deliver projects Capital expenditure projects will be delivered at the same rate or better than previous years (delivery for the 2023/24 financial year is forecast at 85% to 90%).	<p>The delivery of capital expenditure projects could be delayed by one or all of the following: availability of materials and labour, the timing of contracts, reduced funding contributions/subsidies from central government and other agencies (such as Waka Kotahi) and the Council's project management capability.</p> <p>Infrastructure services may not be in place within timeframes required to maintain existing levels of service, or meet demand from peak visitor numbers or growth. Some projects may need to be staggered or delayed.</p> <p>If delivery of the capital programme is delayed, then proposed outcomes will not be achieved in the timeframes originally intended.</p>	High	<p>Delay in the delivery of capital expenditure projects may mean that:</p> <ul style="list-style-type: none"> • infrastructure services may not be in place within timeframes required to maintain existing levels of service, or meet demand from peak visitor numbers or growth • work will be deferred to later years of the Long Term Plan and affected programmes of work will be rephased accordingly. <p>The financial implication of such delays include lower borrowings and a reduction in the need for rates/debt, although it is expected that most of this would be undertaken/made-up in later years of the Long Term Plan.</p> <p>Some government funding from Waka Kotahi depends on delivery within prescribed timeframes. Consequently, this work is being prioritised to be delivered on time.</p> <p>Establish processes to rationalise capital expenditure programme to ensure delivery teams are realistic about what can be delivered.</p> <p>Establish procurement strategies to provide efficiencies to deliver projects or programmes of work. Continue to bolster internal project management resources.</p>
24.	Third party funding – Waka Kotahi/NZTA subsidy The NZTA funding assistance rate has been included at the rate of 51%. The Funding Assistance Rate has been set for a three year period from 2024/25. This will be reviewed in 2026 for the following three years.	<p>There is a risk that the subsidy rates may change. Change in priorities signalled in draft Government Policy Statement on Land Transport (published 04 March 2024) may lead to reduction of subsidy.</p>	Low	<p>A 1% movement in the funding assistance rate would result in total costs of \$210,000.</p>

No.	Assumption	Risk	Level of uncertainty	Potential effects and mitigation measures
25.	Third party funding – Crown funding for roading resilience projects The Coromandel Bypass and Tapu-Coroglen, Colville and Kennedy Bay Road projects will be 100% funded by the Crown from the Waka Kotahi Resilience Strategic Response (RSR) programme.	The Crown will not fund the programme. The Crown will partly fund the programme.	High	The projects would not proceed if the Crown did not fund the resilience programme. A lower level of Crown funding for the programme would result in delay in the delivery of these projects and the entire programme. Council will continue to actively engage with transport network users to retain their support, and work in partnership with Waka Kotahi on the implementation of the resilience programme.
26.	Third party funding for Coastal Hazards projects A third party funding (Crown and or other agency funding) assistance rate has been included at the rate of 60%. The funding assistance rate has been set for the 2024 LTP period. However, this will be reviewed in three years' time as part of the next LTP.	The Crown will not fund the programme. The Crown will partly fund the programme. The Council's coastal protection expenditure in this plan represents a significant change in its level of investment in this activity. The investment is necessary to ensure ongoing protection of our communities from coastal hazards, however, the Council has identified there is a significant funding gap due to the inability of the district's ratepayers to bear the full cost of these projects. The Council has determined there are no other reasonable and prudent options for meeting the shortfall but to seek external funding from third parties but acknowledges that the availability of this funding is uncertain.	High	The Coastal Hazards projects may not be able to proceed if third party funding is not secured for the works programme. A lower level of third party funding for the programme would result in delays in the delivery of these projects and/or the scale/scope of the programme being revised. Council will continue to actively engage with third party funding agencies to secure funding for the proposed Coastal Hazards programme. Council will continue to take an adaptive management approach with the Coastal Hazards programme as proposed in the adopted SMP.

No.	Assumption	Risk	Level of uncertainty	Potential effects and mitigation measures																																
27.	<p>Interest rates on borrowing</p> <p>Interest rates will increase beyond those budgeted for in the 10 year Long Term Plan. Interest on existing and new borrowing is forecast as follows:</p> <table><thead><tr><th>Year ending</th><th>Average cost of funds</th></tr></thead><tbody><tr><td>Jun-24</td><td>5.18%</td></tr><tr><td>Jun-25</td><td>5.01%</td></tr><tr><td>Jun-26</td><td>4.85%</td></tr><tr><td>Jun-27</td><td>4.82%</td></tr><tr><td>Jun-28</td><td>4.98%</td></tr><tr><td>Jun-29</td><td>5.12%</td></tr><tr><td>Jun-30</td><td>5.39%</td></tr><tr><td>Jun-31</td><td>5.48%</td></tr><tr><td>Jun -32</td><td>5.69%</td></tr><tr><td>Jun -33</td><td>5.73%</td></tr><tr><td>Jun-34</td><td>5.81%</td></tr></tbody></table> <p>Source: PWC based on cost of funds modelling</p>	Year ending	Average cost of funds	Jun-24	5.18%	Jun-25	5.01%	Jun-26	4.85%	Jun-27	4.82%	Jun-28	4.98%	Jun-29	5.12%	Jun-30	5.39%	Jun-31	5.48%	Jun -32	5.69%	Jun -33	5.73%	Jun-34	5.81%	Interest rates will increase beyond those budgeted for in the 10 year Long Term Plan	Medium	<p>The cost per annum to the Council given a 1% increase in the interest rate is below:</p> <table><tbody><tr><td>\$25M</td><td>\$250,000</td></tr><tr><td>\$50M</td><td>\$500,000</td></tr><tr><td>\$75M</td><td>\$750,000</td></tr><tr><td>\$100M</td><td>\$1,000,000</td></tr></tbody></table>	\$25M	\$250,000	\$50M	\$500,000	\$75M	\$750,000	\$100M	\$1,000,000
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28.	<p>Refinancing term loans/external funding</p> <p>Loan servicing is calculated on a table basis over 30 years for infrastructure, with early repayment if surplus reserves are available. Refinancing of external loans is assumed to be readily achieved. The Council will take advantage of external funding opportunities where applicable to augment revenue received from rates.</p>	Significant changes in funding or funding sources may result in a revised capital work programme or changes in levels of service.	Low	The Council expects to maintain a significant lead-in time within which it can seek to lock in alternative funding sources. The Council is a guarantor and borrower from the Local Government Funding Agency (LGFA) therefore refinancing risk is low.																																
29.	<p>Vested assets</p> <p>The level of vested assets from resource consents issued is assumed to be at levels over the past ten years during which there has been variable levels of growth, with the average likely to reflect growth into the Long Term Plan period. The value of vested assets may be greater than predicted thereby increasing depreciation expense.</p>	The value of vested assets is greater than predicted thereby increasing depreciation expense.	Medium	<p>Should the level of vested assets be higher than estimated, there will be an increased depreciation expense in the following years.</p> <p>The value of projected Vested Assets is regularly monitored and any material movements that will impact depreciation are built into forecasted depreciation projections.</p>																																

No.	Assumption	Risk	Level of uncertainty	Potential effects and mitigation measures
30.	Sources for funds for future replacement of significant assets It is assumed that funding for the replacement of significant assets will be obtained from the appropriate sources as set out in the Council's Revenue and Financing Policy.	The main risk is that budgets for some capital replacements may not have been included and sources may not meet requirements.	Low	There is little or no risk that sources of funds for replacement of significant assets will not be achieved. Funding of all asset replacement during the life of the Long-term Plan has been disclosed.
31.	Currency movements and related asset values Some components of works in the Long-term Plan may be sourced from overseas. It is assumed that all input components (whether sourced in New Zealand or abroad) will be assessed in New Zealand dollars.	Currency exchange rates will significantly fluctuate	Low	Variations in pricing for large components will have limited impact on rates as these costs are debt-funded and repaid over the life of the assets.
32.	Forestry The value of log prices is anticipated to increase in the future. These prices are affected by demand, by the foreign exchange rate, and whether or not the trees have been irrigated.	Prices will continue to be low for the life of the Long Term Plan and the quality of irrigated trees will be reflected in a lower log price.	Medium	While this assumption has a medium level of uncertainty, it has very a low impact because returns from log sales are projected to be a minimal source of income.
33.	Revaluation of non-current assets Land is revalued bi-annually, buildings and infrastructure assets are revalued annually to ensure that their carrying amounts do not differ materially from fair value.	If actual valuations are different to that estimated, we will need to reflect this in our Statement of Financial Position. There will be an impact on the level of depreciation in the Statement of Comprehensive Revenue and Expenses and affect funding through Rates & User Fees & Charges.	Medium	We will monitor value projections against actuals. The cost of replacing or constructing assets will vary each year from estimates according to market forces. Significant differences will be reflected in budget forecasts and annual plans.
34.	Insurance We will be able to obtain adequate insurance cover for the life of the long term plan.	Due to changes in the insurance market, it may become more difficult to get the same levels of insurance at reasonable pricing, or to get ongoing insurance for some of Council's activities and assets. Significant weather events both nationally and internationally could potentially make insurance unaffordable or worst case we are unable to insure our assets.	Medium	If unable to obtain insurance we would self-insure or use our insurance reserve funds to cover replacement of assets if sufficient funds are available. Alternatively, we could debt fund any losses

No.	Assumption	Risk	Level of uncertainty	Potential effects and mitigation measures
35.	Price level changes – rate of inflation The Local Government Cost Index measures the cost drivers specific to local government (e.g. concrete, reinforcing steel, bitumen, roading chip, building materials, energy, wages etc.). This differs significantly from the inflation pressures that affect households and measured by the Consumer Price Index (CPI). BERL were commissioned to provide an independent report to local authorities with the forecast inflation on key cost drivers - BERL (Business & Economic Research Ltd) Cost <i>adjusters</i> 2023 <i>final update</i> report. The measure of inflation is forecast at 2.3% - 3.8% annually.	Price level changes will vary from those used.	Medium	Inflation is affected by external factors, most of which are outside the Council's control and influence. Actual individual indices will at times vary from what has been assumed in the Long-term Plan. The Council has relied on the Reserve Bank's use of monetary control to keep inflation within the range of 1% to 3%. The effect of any variation up or down will result in a higher or lower rates requirement. Based on projected total expenditure (operating and capital) of \$100 million a plus/(minus) 1% movement in the forecast inflation rate would result in an approximate movement in total costs of plus/(minus) \$1 million. This would then have a flow on effect into all of the remaining years of the Long-term Plan.

Table 1: Operating unit cumulative inflation predictors

Year ending	June 2025	June 2026	June 2027	June 2028	June 2029	June 2030	June 2031	June 2032	June 2033	June 2034
Percentage inflation increase	3.00%	5.30%	7.80%	10.30%	12.80%	15.20%	17.60%	20.00%	22.40%	24.80%

Table 2: Activity units cumulative inflation predictors

Year Ending	Roading	Community Activities	Waste	Transport	Planning and Regulation	Other	Grants	Capex	Payroll	Water
June 2025	3.10%	2.80%	3.10%	2.70%	2.50%	2.80%	2.50%	2.80%	2.30%	3.80%
June 2026	5.20%	4.90%	5.30%	4.90%	4.70%	5.00%	4.70%	5.00%	3.80%	6.50%
June 2027	7.60%	7.20%	7.90%	7.30%	7.00%	7.40%	7.00%	7.40%	5.10%	9.50%
June 2028	10.20%	9.60%	10.50%	9.80%	9.30%	9.80%	9.30%	9.90%	6.10%	12.50%
June 2029	12.70%	11.90%	13.20%	12.10%	11.50%	12.20%	11.50%	12.40%	7.00%	15.40%
June 2030	15.10%	14.20%	15.80%	14.50%	13.70%	14.50%	13.70%	14.80%	7.70%	18.20%
June 2031	17.50%	16.50%	18.40%	16.80%	15.90%	16.90%	15.90%	17.20%	8.50%	21.00%
June 2032	20.00%	18.80%	21.00%	19.20%	18.10%	19.20%	18.10%	19.60%	9.30%	23.70%
June 2033	22.40%	21.10%	23.60%	21.50%	20.30%	21.60%	20.30%	22.00%	10.20%	26.50%
June 2034	24.90%	23.30%	26.20%	23.90%	22.50%	23.90%	22.50%	24.40%	11.20%	29.20%

Our Financial Strategy

Executive summary

Our Financial Strategy describes how we intend to pay for the services and infrastructure we provide to our communities in an affordable and sustainable way, now and into the future.

Over the next 10 years we will respond to our community's needs and aspirations for the future by:

- leading the development of spatial plans and District Plan changes;
- renewing assets as they wear out;
- adapting to climate change by implementing our Shoreline Management Pathways;
- focusing on network resilience;
- investing in new projects;
- continuing to
 - enhance the quality of freshwater;
 - improve our drinking water, wastewater and stormwater infrastructure for as long as they remain our responsibility, and;
 - maintaining services.

To help Thames-Coromandel recover from the effects of the series of severe weather events, our particular focus will be to invest in our roading network and partner with New Zealand Transport Agency/Waka Kotahi and other agencies to improve our roading assets. Waka Kotahi and Council are seeking direct Crown funding to rebuild and increase the resilience of the transport network because the need for investment will outstrip the financial capacity of both entities.

Alongside the infrastructure investment to respond to recovery from Cyclone Gabrielle, a new activity called Community Development has been established under Council's Community and Economic Development Group of Activities, to help develop and support more enduring relationships with stakeholders including iwi, Māori, community groups, government agencies, schools, funders and local social providers. The impetus is to ensure collaborative and positive working relationships are developed to support community social well-being and build resilience now and into the future. This activity reflects the direction of Council to imbed actions from our Recovery Plan into becoming business as usual.

Over the 10 years of the plan Council needs to be adaptive and ready to respond to legislative changes as a result of reform. This will mean working closely with neighbouring Councils, sector agencies such as Local Government New Zealand and Tāitūara, and other Government agencies to achieve the best outcome for our District and the sector.

In our 2021-2031 LTP our proposed rates revenue increases were between 2.8% and 8.8% (an average of 5.1% over the 10 years). Our proposed net debt levels were \$154 million by 2031. We know this approach is unsustainable and investment in our future is needed. We also know that to deliver the services and improvements that our communities want is unaffordable for our 28,000 ratepayers, so we will continue to seek co-funding from external partners where we can.

To fund the Thames-Coromandel 2024-2034 Long Term Plan, our average rates increase will be 4.9% with higher increases in the first three years. Our net external debt over the past three years has risen modestly from \$61 million to \$67 million. We anticipate our net external debt levels to rise to \$246 million by 2034.

By 2034, we anticipate the benefits from the investment Council makes now will start to be realised. The District will have improved drinking water, wastewater and stormwater systems. The availability of land serviced with infrastructure will allow for increased growth and meet the demand for housing. Renewals will be fully funded by depreciation to ensure that current users of infrastructure pay their fair share of the costs of wear and tear on assets. Council's debt will be well controlled, serviceable through income streams and interest payments will be manageable. Debt headroom will be available to respond to emergencies when needed.

The landscape

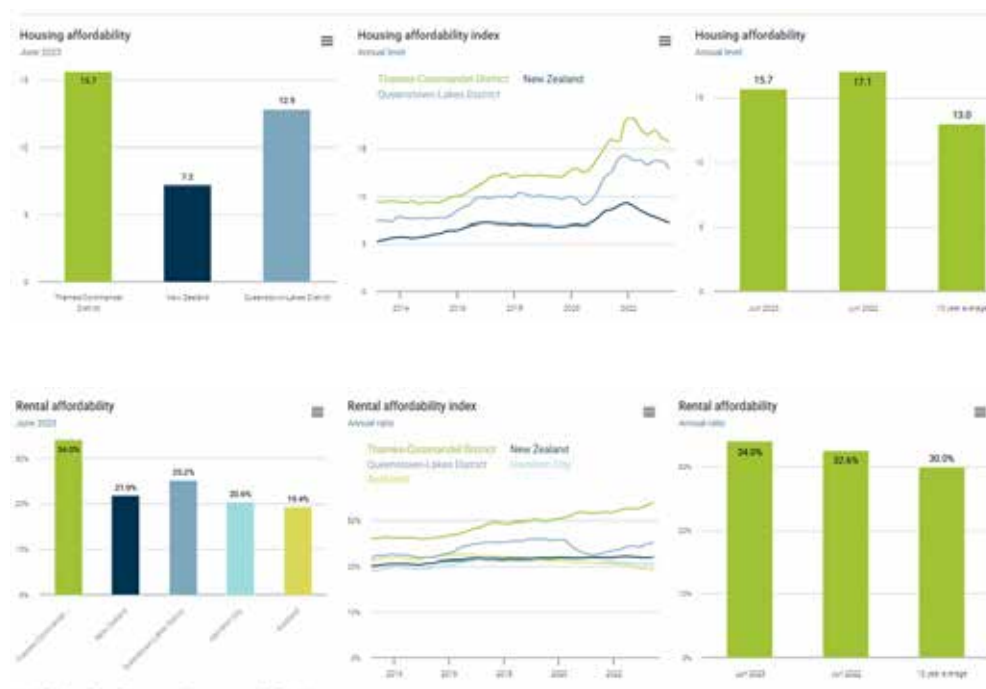
Large district with diverse population

Thames-Coromandel District Council serves many small, diverse communities across 2,208 km². We have a small rating base to fund the significant amount of infrastructure required to service this area, including 704 kms of roads. Our largest settlements are Cooks Beach, Coromandel Town, Matarangi, Pāuanui, Tairua, Thames, Whangamatā, and Whitianga. There are many more small settlements with many people living in rural areas. Each of these main settlements has different population and growth

characteristics. Understanding where, how and when the population of the District is likely to change in the future is critical for the effective planning and management of our infrastructure and our finances.

Different demographic groups have different needs and preferences. Around 51% of our ratepayers do not live in the District full-time and our population varies considerably at different times of the year. The dispersed nature of the District's settlements means that we supply infrastructure to serve the same purpose in a number of different locations with varying technology and methods based on size and topography of the areas. As a result, the cost per household is higher than for larger, more concentrated areas like Auckland or Hamilton.

Exacerbating this is the fact that our district remains the most unaffordable place to buy a house in New Zealand according to the Housing Affordability Index – while in the Rental Affordability Index (comparing household incomes to annualised rents) our district scores worse than Auckland, Queenstown and Hamilton.



As expectations around standards and service levels change, we will need to consider how we ensure that our infrastructure, facilities and services remain fit-for-purpose while ensuring ongoing affordability and financial sustainability.

Rates increases over recent years

Over the past few years we have seen varying rates revenue increases. Our average rates increase for 2023/2024 was 11.6%, almost 4% higher than proposed in the 2021-2031 Long Term Plan. This was the result of inflationary pressures, interest rate increases, supply chain demands, Covid recovery, escalating contract costs, constrained labour market and storm damage. Costs associated with increased depreciation and higher inflation were managed by not funding the extraordinary increases in depreciation, using some of our financial reserves and making some tough calls on our capex and opex programmes. We cannot continue to “kick this can down the road” so the 2024-2034 Long Term Plan must address these issues.

We planned to keep borrowing well inside the Local Government Financial Reporting and Prudence Regulations 2014 Act limits. Actual debt over the past three years has been less than forecast.

Strategic context

Our approach to investing in and managing our infrastructure assets is guided by Council's vision, values and outcomes.

Council's Vision | Moemoeā-a-Kaunihera

The Coromandel – live, work and play | Te Tara o Te Ika-a-Māui – He wāhi nonoho, he wāhi mahi, he wāhi ngangahau

Council's revised Community Outcomes and Values can be read in our 2024-2034 Long Term Plan.

Key Strategic Considerations

In preparing this strategy, many factors that may influence our financial position have been considered. These include:

- A projected moderate population and dwelling growth¹ to 2034 followed by a gradual decline between 2034 and 2054, coupled with a demand for housing which currently outweighs availability, which then affects affordability.

¹ For further information on population and dwelling projections refer <https://ecoprofile.infometrics.co.nz/Thames-Coromandel+District>

- The proportion of people in our District aged 65 or over, many of whom are on fixed incomes. In 2023, 34% of our usually resident population was aged 65 and over. This is more than twice the national average (16%). This increasing trend is projected to continue, with the proportion of people aged 65 and over expected to increase to 41% in 2033, and to 43% in 2053.
- Council's ability to encourage growth and development by addressing existing barriers, such as timely delivery of infrastructure and appropriate land use provisions.
- Council's vision for the District and its ability to contribute to the achievement of that vision.
- Community aspirations and how Council contributes to the well-being of its residents.
- Council's need to balance its residents' and ratepayers' needs for infrastructure and services with those of visitors who are here during peak population periods.
- Legislative changes, such as the revised Drinking Water Standards, the yet unknown direction of the new Government's proposal to the reforms to the Resource Management Act 1991 and the Affordable Waters Reform programme.
- The effects of the global Covid-19 pandemic will continue to be felt in the short-term (1-3 years) and the pandemic is likely to have unknown longer-term consequences.
- The range of responses, including coastal protection works and managed retreat as a result of the implementation of the Shoreline Management Pathways.
- The effects of Greenhouse Gas Emissions and Council's role in reducing its own emissions.
- Returning to fully fund depreciation of its assets by 2026/2027.
- A combination of the ageing population and short-term slow economic growth means rates affordability is unlikely to improve in the medium-long term.
- Council recognises there is a funding gap with what Council needs to deliver services and the ability of the district's ratepayers to pay. Our position is to not fully fund expenditure from rates when there is an assumption that external funding will contribute.
- More direct Crown funding will be required to address the transport network infrastructure deficit and respond to the need for investment to protect shoreline public assets.
- Capability to deliver capital projects. Under-delivery of capital projects affects infrastructure services, borrowings, rates, debt and interest rate forecasts. It could also affect some government funding as funding depends on delivery within prescribed timeframes.
- Inflationary pressures.

What this means for us

Principles

To invest in the District's future, Council has applied the following principles;

1. Everyday costs for services to the district are met from everyday revenues.
2. Sufficient funds are available to renew assets at the end of their economic life.
3. Where future ratepayers use services created today, they will pay their share through prudent use of debt.
4. Financial resilience is retained by having funds, debt capacity and insurance sufficient to fund any unplanned event.
5. Service levels are clearly defined and delivered in an efficient and effective, customer focussed manner, providing value for money.
6. Increasing costs are managed to keep rates affordable, fair and equitable with increases set to provide certainty to ratepayers.
7. Costs may be recovered when there is an identified private benefit and it is efficient to collect.
8. Revenue sources other than rates will be sought to contribute towards significant projects and expenditure.
9. A prudent approach is taken to risk and return on investments.
10. Quality consistent facilities and services for all communities across the district regardless of that community's ability to pay.

Growth and development are ongoing in the district and will continue over the period of the Long Term Plan, but our growth projections indicate a moderate growth for the district to 2034, with a gradual decline to 2054. Council is keen to encourage additional growth and development by addressing barriers like inappropriate zoning and a lack of infrastructure that currently restrict growth in some areas.

While developers are responsible for providing infrastructure directly related to the development (local roads, footpaths etc), or paying a contribution towards the provision of that local infrastructure, Council is responsible for making sure there is sufficient, appropriately zoned land for new housing and employment areas and that our local roads, parks, pipes, and community facilities can provide for the additional population. Council also needs to expand its day to day services to keep pace with that growth.

Added to that, Council needs to respond to the ongoing and increasing impacts of climate change. The Coromandel's 400 kilometre coastline is subject to coastal processes including erosion and inundation and these are likely to be intensified by the effects of climate change and rising sea levels. Our roading network is vulnerable to storm events. These realities will require us to invest in protecting our key assets as well as responding to events such as flooding, major land slips and roading network challenges.

The spatial planning we do will enable us to work with our communities and other key partners and stakeholders to identify appropriate areas for future growth and development and to integrate our land use planning with the timely provision of infrastructure and services. We have already developed a spatial plan for our main settlement, Thames. Spatial plans for other areas in the district will provide us with a clear direction for their future development and the supporting infrastructure and services that will be needed.

Council is operating in a fast-changing legislative environment, especially with regard to water services, resource management and the form and function of local government. These changes will likely affect significant Council activities, including our delivery of water services and our district and spatial plans. They will also likely impact the approach to funding the desired outcomes identified in these plans, so we will need to stay informed and be ready to respond.

Inflationary pressures are forecast to continue at least into the short-term. Council relies on the Reserve Bank's use of monetary control to keep inflation within the range of 1% to 3%. However, global and domestic factors have seen inflation peak at 9.4% in 2022 and the expectation is that it will remain above pre-pandemic levels beyond 2024. Although some price pressures are easing there are some that still pose risk.

This all comes with additional cost to our ratepayers at a time when we are conscious of the impact of high inflation and increasing interest rates on our community – both individuals and businesses.

Balancing these increasing costs with affordability for the community is a key focus for this strategy.

Our current situation

Current financial position

Total debt is forecast to be \$187 million at the end of the 2023/24 financial year, with \$89 million borrowed externally from the New Zealand Local Government Funding Agency (LGFA) and banks, and \$98 million borrowed internally from financial reserves. Planned debt sits comfortably within the Local Government Act 2002 Financial Reporting and Prudence Regulations 2014 debt affordability benchmarks.

Debt affordability benchmarks	AP 2023/2024
Net external debt will be less than 150% of total revenue	60%
Net interest expense on external debt as a percentage of annual rates revenue will not exceed 15%	4%
Net interest expense on external debt as a percentage of annual operating revenue will not exceed 15%	6%

Table 1: 2023/2024 Annual Plan forecast debt affordability benchmarks

Total revenue forecast for the 2023/2024 financial year in our prospective statement of comprehensive revenue and expense is \$148 million with total operating expenditure forecast of \$134 million.

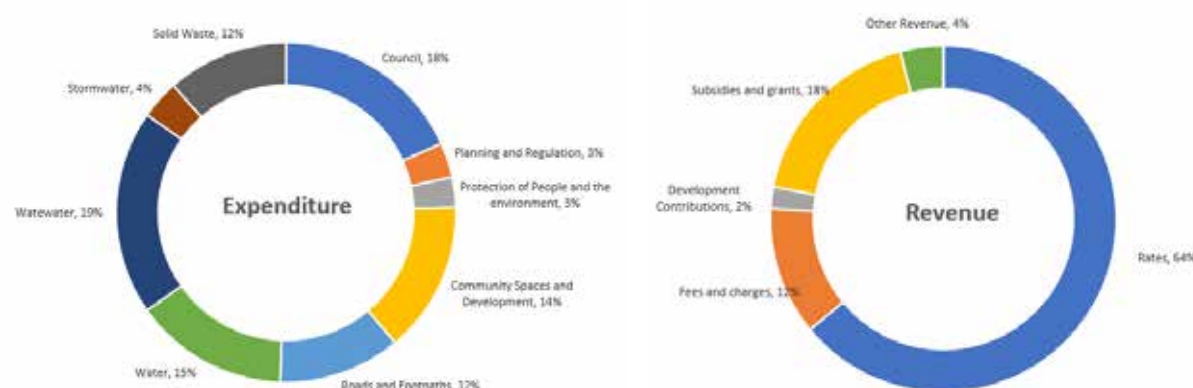


Figure 1: Revenue by category and expenditure by group of activities

Financial reserves

The Council has over 100 financial reserves that have been created for specific purposes. The current value of these reserves is forecast to be \$111 million by the end of the 2023/2024 financial year:

Financial reserves	Annual Plan 2023/2024 (\$000)
Special reserves (includes Power New Zealand and other reserves for a specific purpose)	\$35,003
Depreciation reserves	\$69,723
Retained earnings reserves	\$755
Development contributions reserves	\$5,590
Total reserves	\$111,071

Table 2: 2023/2024 Annual Plan forecast financial reserves

It is important to note the financial reserves are all internally borrowed so do not show as cash reserves on Council's balance sheet. When the reserves are required for the purpose in which they were collected, the internal borrowings are repaid to release the funds. One of the most significant of these reserves is the Power New Zealand shares reserve.

Council is forecast to have \$25.8 million in its Power New Zealand reserve at the end of the 2023/24 financial year. The fund was created using proceeds from the sale of the Power NZ shares that were originally vested in Council in 1994 following the national electricity reforms.

The Power New Zealand reserve is another Council asset that must be managed for the benefit of ratepayers now and in the future. It needs to maintain its value and that means applying some of the interest it earns back to the capital fund (inflation-proofing). This reduces the amount available for the rates subsidy (see below).

Our financial resilience principle is making sure we have sufficient funds for unplanned events. One of the strategies to achieving this is to gradually build up financial reserves over the life of the plan. This will require Council to minimise spending from Council-created financial reserves such as the retained earnings reserves and to set minimum financial reserve levels.

Internal borrowing and rates subsidy

Council borrows from the funds in its financial reserves first before borrowing externally. This saves on the fixed costs associated with borrowing and safeguards against interest rate fluctuations. The activity that borrows from the reserves pays interest at the going rate. For example, some of the wastewater debt to build the three eastern seaboard treatment plants utilised reserve funding and interest on that portion of debt is paid in the same way the activity pays interest on its external debt.

Since at least 1996 the interest earned by most of the Council's financial reserves has been applied to reduce the rates requirement of the UAGC (the uniform annual general charge, which is payable by all ratepayers), in effect providing a rates subsidy. In recent years the rates subsidy has been approximately \$3-5 million annually.

Our financial strategy at a glance

After considering all the factors that influence our financial position, over the next ten years Council will take a cautious and conservative approach to investing in new assets. It will work to minimise costs to the ratepayers of the District where possible while recognising that the costs to deliver services and meet legislative requirements have increased and need to be budgeted for. To achieve this, we intend to:

- Keep rates increases realistic. This will mean an average increase of 4.9% over the 10 years, but with higher increases in the first 3 years.
- Continue to manage debt within our specific borrowing limits.
- Retain current levels of service for the majority of Council's infrastructure and facilities. Where options to reduce the level of service are available, they will be considered while taking into account legislative requirements and customer expectations.
- Secure borrowing by a floating charge over all Council rates levied under the Local Government Act 2002. The security offered by Council ranks equally with other lenders. Our policies on securities against borrowing are described in this strategy under the section of that name.
- Recognise that as a responsible public authority any investments we hold should be low risk where the primary objective when investing is the protection of our investment capital. Our objectives for holding and managing financial investments and equity securities and targets for returns are described in the section Managing financial investments and equity securities.

How we will achieve it

To achieve the limits on rate increases and debt limits we need to:

Be prudent in our financial management by:

- Responsibly managing our reserves and investments to ensure we are meeting the inter-generational equity principle.
- Prudently using our reserves to ensure we use the right reserve for the right use at the right time.
- Aligning our debt protection tools with the current financial situation.

Focus our investment on the district's core infrastructure by having capacity to fund:

- improvements for potential increases in quality standards of core infrastructure
- repairs and resilience work to our damaged roading network
- expansion of our current networks, subject to affordability.

Address the past under delivery in asset management by:

- Improving our levels of asset maintenance and renewals, especially for some of our community facility assets and network infrastructure.

The next 10 years

Significant factors

The key factors that will impact on the management of the Council's finances over the next 10 years are:

- Investing in new assets to accommodate growth.** This will require right sizing infrastructure assets and ensuring timely investment in new infrastructure when it is reasonably certain that the demand will occur.
- Responding to climate change.** Ensuring there is informed and proactive planning to help minimise the direct and indirect costs.
- The need to keep communities supplied with potable (drinking) water.**
- The Affordable Waters Reform programme.** The Government-initiated three year programme to reform the way Councils deliver water services – drinking water, wastewater and stormwater, has changed. The outgoing Government made some changes to the initial 3 Waters Reform programme as a result of consultation and feedback. The incoming Government has repealed this legislation and presented a new bill – Local Government (Water Services Preliminary Arrangements) Bill. This Bill is intended to lay the foundation for a new framework of water services management and financially sustainable delivery models that meet regulatory standards. A further Bill,

to be introduced in December 2024 will set out a comprehensive range of options, tools and models that will enable councils to exercise those choices, contingent on meeting criteria for financial sustainability. In the meantime we are taking a business as usual approach to planning for our three waters services for this Long Term Plan, but the responsibility and/or structure for the delivery of these services could change. This will be a significant change to the Long Term Plan.

- Resource Management Act 1991 (RMA) reforms.** In August 2023, the Natural and Built Environment Act (NBEA) and the Spatial Planning Act (SPA) were enacted. These are two of the three pieces of legislation that are intended to replace the Resource Management Act 1991. Following the October 2023 election, the future of the reform programme is uncertain, as the parties likely to form the new government have indicated their intention to repeal the NBEA and SPA. Council will need to keep informed and be ready to respond to meet legislative requirements.
- Asset renewals.** We need to continue to manage our assets based on quality information and to ensure good stewardship of the investments that we have already made.
- Levels of service.** For the majority of Council's infrastructure and facilities, levels of service are expected to remain the same. Where options to reduce the level of service are available, they will be considered while taking into account legislative requirements and customer expectations.

We are proposing one new activity and one service level change to an existing activity.

Community Development Activity

A new sub-activity called Community Development has been established under Council's Community and Economic Development Group of Activities, to help develop and support more enduring relationships with stakeholders including iwi, Māori, community groups, government agencies, schools, funders and local social providers. The impetus is to ensure collaborative and positive working relationships are developed to support community social well-being and build resilience now and into the future. This activity reflects the direction of Council to imbed actions from our Recovery Plan into becoming business as usual. In the past, Council had a small Community Development budget within the Council activity. The move from a budget to a sub-activity is an increased level of service.

Coastal and Hazard Management Activity

Our Infrastructure Strategy shows we are proposing to spend \$420 million over the next 30 years, (\$93 million in the next 10 year) to adapt to the effects of climate change by starting to implement our Shoreline Management Pathways. This is an increased level of service.

Uncertainty

The impact of the series of recent weather events has caused an increase in the level of uncertainty in relation to our economic and demographic projections. In addition to the negative impact on our tourism sector, there have already been unforeseen impacts, like increased contract costs, increased travel times and a general nervousness around accessibility to some areas of the Coromandel Peninsula. The potential for climate change and severe weather events to alter economic and demographic projections is acknowledged, and we will need to be responsive to change, such as to our demographics, the tourism sector of our economy, development pressures and infrastructure requirements.

There is also a very real level of uncertainty around legislative reform as mentioned above. A watching brief will be kept on the changing legislation and direction of the new Government. This has the potential to significantly impact the Long Term Plan.

Expenditure

Council's ability to provide and maintain existing levels of services and to meet additional demands for services will require \$1.7 billion in operating expenditure and \$745 million in capital expenditure over the 10 years of the Long Term Plan.

Council's principle is to seek external/grant funding where a funding gap has been identified. This means that there will be expenditure in the Long Term Plan prospective financial statements linked to unsecured external funding. Council will need to reconsider the options if external funding is unable to be secured. This may mean an increase in rates funding or a decrease in the level of service for some activities.

The Resilience Roding Programme has capital expenditure of \$100 million over the 10 years of the plan with \$38 million proposed in the first three years. We have assumed that this programme will be 100% Crown funded and will be delivered under a different model to that of our usual capital works programme.

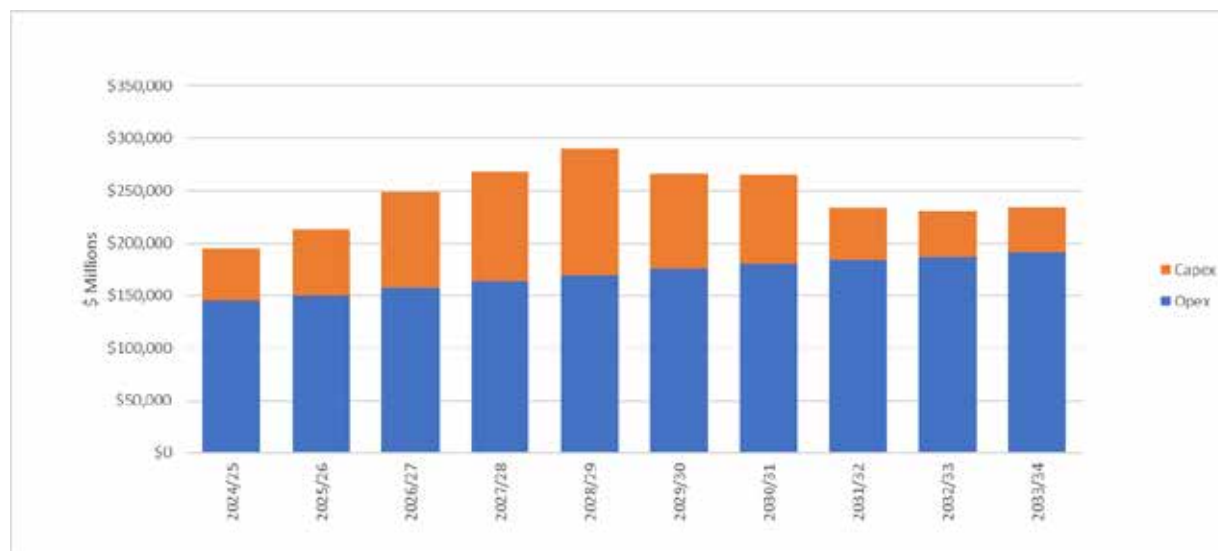


Figure 2 Forecast capital expenditure and operational expenditure for the 10 years of the LTP

Table 3 below shows the total cost of projects over 10 years categorised by type of expenditure. Growth capital expenditure provides new or improved assets which supports more residents to live in our District. These projects are usually funded by development contributions or contributions from external funding sources. Capital expenditure to improve service levels (iLOS) is where we are investing in new assets to service the existing population. These assets are mostly funded by loans. There are instances where capital projects are funded by external funding sources. Renewals restores our current assets to their original function or capacity and are funded by depreciation reserves.

There are additional costs, such as depreciation and loan repayments associated with adding new assets. These costs are included in the rates increase limit.

Activity Group	Growth (\$000)	iLOS (\$000)	Renewals (\$000)	Total (\$000)
Wastewater	9,196	26,174	68,674	104,044
Stormwater	2,233	26,616	36,527	65,378
Water	9,777	47,984	47,478	105,239
Transportation*	4,078	115,020	126,299	245,397
Other	10,386	155,673	58,571	224,630
All activity groups	35,671	371,469	337,549	744,689

Table 3: Capital expenditure funding by activity

*The roading resilience project has included an assumption of 100% direct Crown funding

Balancing the books

Section 100(1) of the Local Government Act 2002 requires Council to balance its budget. This means that we must raise sufficient revenue to cover our operating expenses for each year of the Long Term Plan. However, the legislation also allows Councils to set revenue at a different rate to operating expenses in instances where it is considered prudent to do so.

We consider it prudent to only fund depreciation on our share of the roading activity expenditure. Waka Kotahi (previously New Zealand Transport Agency) contributes a significant amount to roading and we will not fund depreciation on this component as it is expected that the Waka Kotahi subsidy will continue. We also consider it prudent to loan fund large one-off operational expenditure projects that benefit current and future ratepayers. This distributes the cost of the service more equitably across those ratepayers that will benefit from it.

We are proposing to not fund a portion of the increase in depreciation on our revalued assets in the first two years of the Long Term Plan. Although this will have an impact on balancing the books, (see Figure 3) we believe it is more affordable to smooth this effect over two years to lessen the burden on ratepayers in the first year of the Long Term Plan.

Despite not funding depreciation on the recent spike in asset valuations over two years, we are still funding depreciation to a level where there will be sufficient reserves available to renew assets at the end of their economic lives.

Our target of everyday revenues paying for every day costs is more appropriate measure for balancing the books than the balanced budget benchmark prescribed by the Local Government (Financial Reporting and Prudence) Regulations 2014. This is because it excludes capital revenue such as Waka Kotahi capital roading subsidies. Capital revenue is used for building assets and not to pay everyday costs. The result is a more transparent view of what it would normally cost to run the District.

As can be seen from Figure 3 below, even with the funding decisions regarding depreciation and funding of operational expenditure projects with a future benefit, we are still pretty close to our goal of every day revenue paying for every day expenditure.

For the 10 years of the LTP, we are planning to meet the Local Government (Financial Reporting and Prudence) Regulations 2014 balanced budget benchmark.

2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
91%	94%	97%	98%	98%	98%	98%	99%	100%	100%

Figure 3: demonstrates we are close to meeting our principle of every day revenue paying for every day expenses

Impact on rates

Rates are Council's primary income source. The challenges we are facing to keep providing services for the community means that inevitably rates need to increase. However, our principle to seek other revenue sources to contribute towards projects and expenditure means we will be investigating opportunities for growing non-rate revenue such as external funding to reduce the reliance on rates.

After making budget decisions, capping debt and agreeing that paying for everyday costs with everyday revenues was a priority, we have determined the following quantified limits on rates;

- Total rates income will be no more than 80% of total operating revenue.
- Total rates income will increase by no more than Local Government Cost Index (LGCI)² plus a percent.

	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
LGCI ³	3.0%	2.3%	2.6%	2.5%	2.5%	2.4%	2.4%	2.5%	2.4%	2.4%
+%	6.5%	6.5%	6.5%	3.0%	3.0%	2.5%	2.5%	2.0%	2.0%	2.0%
Total increase limit	9.5%	8.8%	9.1%	5.5%	5.5%	4.9%	4.9%	4.5%	4.4%	4.4%

Table 4 shows the percentage rates increase limit for each year

The reality is that we are looking at a double-digit rates increases of 13.2% for the first year of this long term plan. We are also aware that it is not affordable for our communities for rates to continue to increase at this pace. Therefore, Council needs to set a limit on rates increases that is realistic but also considers the increases that are needed to deliver on the plan. Taking this into account, Council has adopted a graduated rates increase limit to get back to LGCI plus 2% by 2031/32, noting that the limit will not be achieved in the first year.

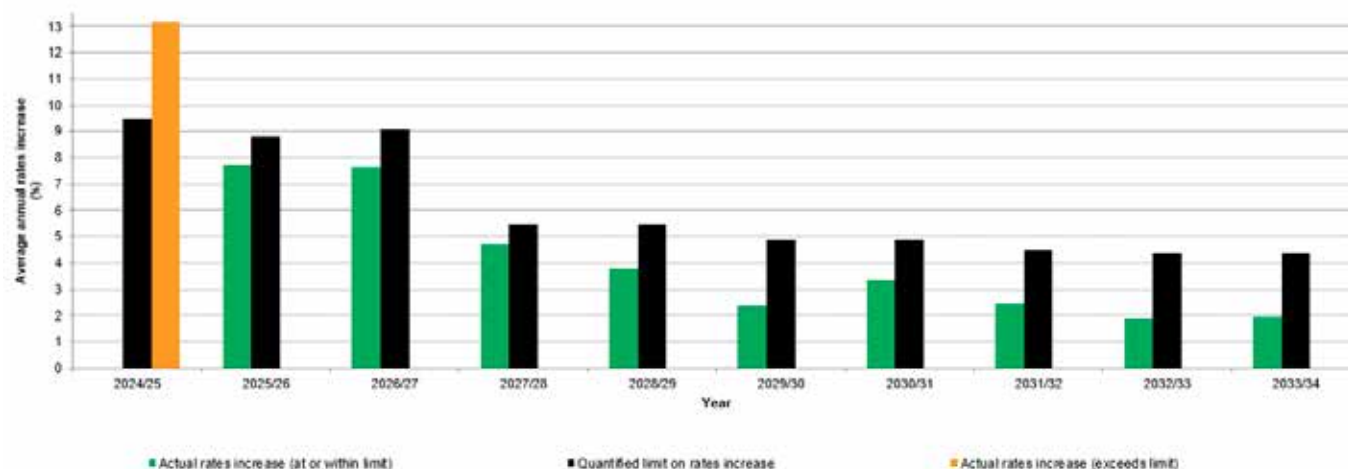


Figure 4: Chart showing forecast rates increase

² LGCI is the inflation index for local government. LGCI is derived from cost structures of New Zealand's local governments such as general goods and services, transport and the three waters capital expenditure as reported by Business and Economic Research Limited (BERL).

³ The LGCI percentages adopted for this long term plan are derived from the 2023 cost adjusters report commissioned by Taituarā from BERL for its members. These cost adjusters will change as they are reforecast each year.

Impact on debt

We use borrowing to fund Council assets that will service ratepayers, both today and into the future. Much of our investment in roads, footpaths, pipes, treatment plants and transfer stations are funded by loans. These are long-life assets, borrowing helps to ensure that all current and future ratepayers contribute to the costs of the assets they will use, commonly referred to as intergenerational equity. However, this needs to be balanced by ensuring that future ratepayers are not overburdened by decisions made today. To find an appropriate balance and provide safeguards for future generations, limits need to be set on borrowing.

Council is investing \$744 million in its capital works programme across the 10 years.

Taking this into consideration, Council has set the following quantified limit on borrowing (external and internal debt)

Debt affordability benchmark	Quantified limit
Total net internal and external debt as a percentage of total revenue.	<200%

Table 6: Council adopted debt affordability limit

In addition to this limit Council has other specific borrowing limits as set in our Treasury Management Policy. The Local Government Funding Agency Limited (LGFA) sets lending policy limits for Councils that borrow from them. Council has taken a conservative approach and has in most instances set these limits lower than those from LGFA. This is to ensure that we only borrow to prudent levels and have sufficient rates and other income to service the loans.

LGFA measures (external debt only)

Measure	Council Limit	LGFA Lending Policy Limit
Net external interest expense as a percentage of annual rates income	<15%	<25%
Net interest expense as a percentage of total revenue	<15%	<20%
Net external debt as a percentage of total revenue	<150%	<175%
External debt plus available committed loan facilities plus liquid investments/cash equivalents over external debt.	are maintained at or above 110%	are maintained at or above 110%

Table 7: LGFA and Council lending policy limits

Figure 5 shows our forecast debt (both internal and external) and how it is tracking over the 10 years compared to our LGFA external debt limit and our self-imposed total debt limit. This shows that internal debt remains fairly constant while external debt increases to meet the costs of the capital works programme.

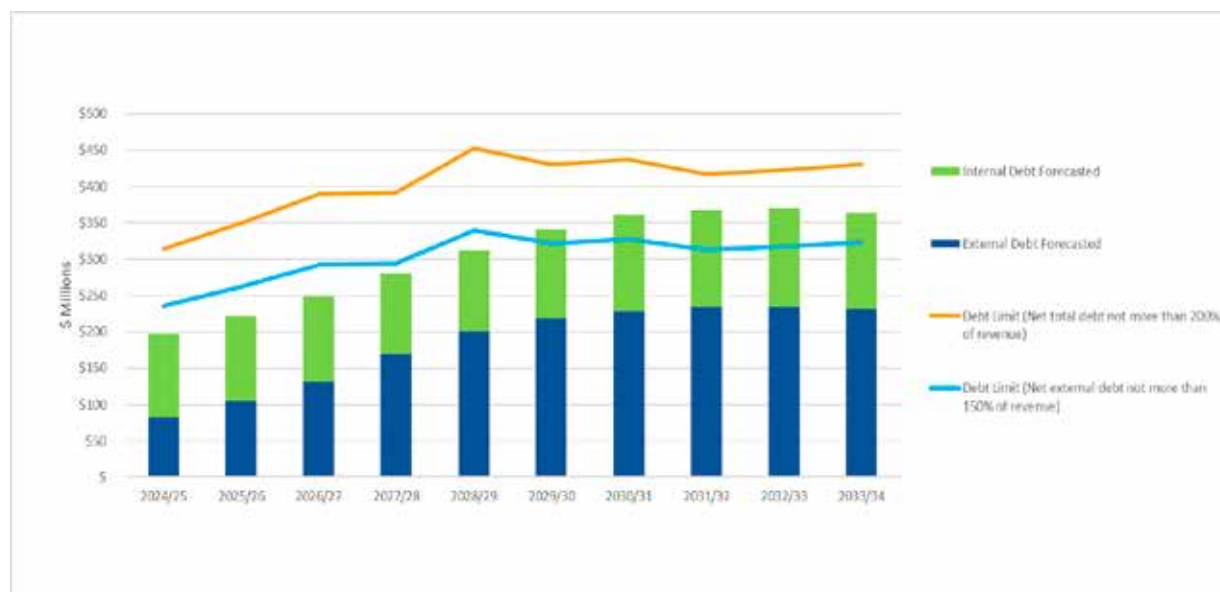


Figure 5: Forecast debt (both internal and external) and debt limits for the 10 years of the LTP

Figure 6 shows the amount of forecast debt per rating unit. It shows that over the 10 years, debt per rating unit is set to increase by 78%. Of course this is dependent on a number of factors such as the capital works programme being complete, the water infrastructure staying on our books and growth in our district.

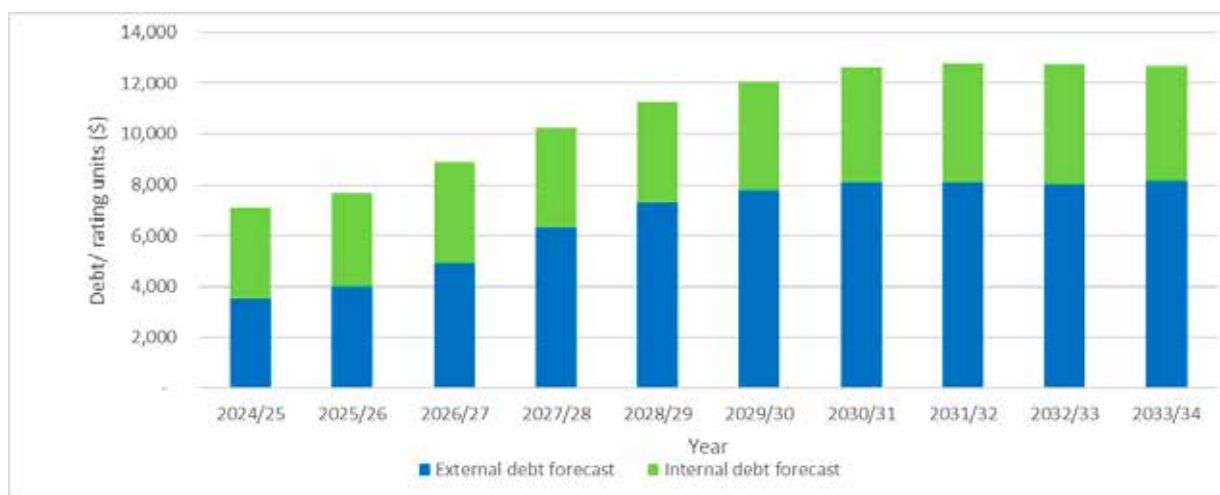


Figure 6: Total debt (internal and external) per rating unit

Unplanned events

Our Long Term Plan provides for the everyday maintenance of assets and the renewal of assets at the end of their economic life. Unplanned events require earlier than planned investment (e.g. Civil Defence emergencies, natural events, fire, theft and safety concerns). These events, if they occur, could result in significant unplanned operating and capital cost.

Council has mitigations that can be executed in the case of such events. We can call on our bank facility (\$10 million) or utilise our average debt headroom (\$84 million). We also have the ability to reprioritise and reduce capital spending as we did in our 2023/2024 Annual Plan.

We also have a collective insurance programme with other Waikato councils through our Council Controlled Organisation Waikato Local Authority Shared Services Limited trading as Co-Lab. This programme will fund some operational costs (e.g. business interruption) and some capital costs where a claimable event occurs.

Managing financial investments and equity securities

Our philosophy towards the management of investments is to optimise returns in the long term while balancing risk and return considerations. We recognise that as a responsible public authority any investments that we hold should be low risk where the primary objective when investing is the protection of our investment capital. Accordingly, only approved creditworthy counterparties are acceptable, and we recognise that lower risk generally means lower returns in our investment activity. We will act effectively and appropriately to:

- protect the Council's investments
- ensure the investments benefit the Council's ratepayers; and
- maintain a prudent level of liquidity and flexibility to meet both planned and unforeseen cash requirements.

Council may hold equity for non-investment purposes provided that the holding advances its community well-being objectives as outlined in the Long Term Plan and may include investments held in CCO/CCTO and other shareholdings.

Council holds equity investments in the New Zealand Local Government Funding Agency Limited, Waikato Local Authority Shared Services Limited trading as Co-Lab and Civic Financial Services Limited.

There are no plans to change our shareholdings. However, in accordance with good practice, this is reviewed regularly. There is a provision in our Treasury Management Policy for any future significant equity investments. Any investments of a significant nature will be externally managed by an appointed investment manager, in accordance with the Statement of Investment Policy and Objectives (SIPO).

Objectives

Our objectives in respect of the management of investments are to:

- manage investments in a manner consistent with current governing legislation and Council's strategic and commercial objectives
- optimise returns while minimising credit and liquidity risks
- manage the overall cash position of the Council's operations
- hold investments necessary to carry out Council operations (consistent with Annual Plans), implement strategic initiatives, or support inter-generational allocations
- hold assets for commercial returns
- provide ready cash in the event of a natural disaster. The use of this cash is intended to bridge the gap between the disaster and the reinstatement of normal income streams and assets.
- invest amounts allocated to accumulated surplus, Council-created restricted reserves and general reserves.
- invest proceeds from the sale of assets.

Further information can be found in our Treasury Management Policy accessed at www.tcdc.govt.nz.

Policy on securities against borrowing

To borrow cash, we must offer our lenders security, just like homeowners do with their mortgages. We secure these borrowings against rates and rates revenue by way of a Debenture Trust Deed. Borrowing is secured by a floating charge over all Council rates levied under the Local Government Act 2002. This security helps keep our interest rates low. However, giving rates as security means that our lenders can make us charge ratepayers more to repay debt. That is why it is important to keep debt at a sustainable level.

In unusual circumstances, security may be offered by providing a charge over one or more of our specific assets. Securities are not provided on our own internal borrowing. Further information on borrowing can be found in our Treasury Management Policy accessed at www.tcdc.govt.nz.

Our Infrastructure Strategy

1 Introduction

Infrastructure provides an important foundation for healthy, thriving communities and prosperous economies.

This Infrastructure Strategy (the Strategy) is prepared under the requirements of section 101B of the Local Government Act 2002 and must cover the infrastructure used to provide roads and footpaths, water supply, wastewater, and stormwater.

The Strategy outlines how TCDC intends to manage its essential infrastructure assets, taking into account the need to:

- renew or replace existing assets
- respond to growth or decline in the demand for services reliant on those assets
- allow for planned increases or decreases in levels of service provided through those assets
- maintain or improve public health and environmental outcomes or mitigate adverse effects on them
- provide for the resilience of infrastructure assets by identifying and managing risks relating to natural hazards and by making appropriate financial provision for those risks
- increasingly work in a collaborative manner with other government agencies, stakeholders and partners.

Investing in and effectively managing our infrastructure assets accounts for a significant proportion of Council's annual expenditure.

1.1 Purpose

The Strategy provides an overview of:

- Issues that we have identified as likely to have a significant impact on our infrastructure over the next 30 years
- Options that we have identified for managing each of these issues and the implications of these options
- Significant capital projects that we expect to undertake over the next 30 years

1.2 Our Infrastructure Strategy at a glance

Our approach to managing our existing assets efficiently and effectively and investing in new infrastructure assets wisely will be based on the following principles:

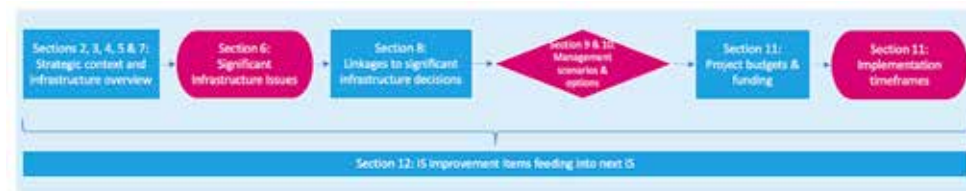
- Making best use of our existing infrastructure and ensuring good stewardship of the investments that we have already made
- Managing our assets based on quality information
- “Right sizing” our infrastructure assets
- Building back better to ensure resilient infrastructure
- Applying an adaptive management approach to infrastructure planning
- Ensuring that we balance the need for enabling infrastructure with long-term demand
- Taking an integrated and collaborative approach to land use and infrastructure provision
- Consideration of differing service levels

1.3 Linkages with other documents

The Strategy provides a 30 year view on infrastructure management issues and requirements and has close alignment and linkage with the Long Term Plan, Financial Strategies, and Asset Management Plans.

1.4 Overview of the IS document

The flow/linkage diagram below provides an overview of the document and indicates how the sections within this Infrastructure Strategy link together:



The linkage diagram above is included at the start of each key section of the document to help the reader understand where they are in the IS and how the sections integrate.

2 Our Strategic Context

The document linkage diagram below highlights where you are in the IS:



Our approach to investing in and managing our infrastructure assets is guided by Council's vision, values, and outcomes.

2.1 Council's Vision and Key Priorities

Vision:

Our Coromandel – the place to live, work and play.

Priorities

- A collaborative district
- A vibrant and safe district
- A connected and resilient district
- Sustainable services and infrastructure

2.2 Council's Values

- Financially responsible with ratepayers' money
- Integrity, transparency, and accountability in our actions
- Creating strong partnerships with our district's iwi
- Working with and having meaningful relationships with both our resident and non-resident communities
- Being an effective, innovative, and responsive organisation

3 Our Infrastructure Journey

Over the last three years, we have:







- Experienced severe weather and cyclone events in 2023 that have affected our key infrastructure assets including roads, solid waste transfer stations and 3 Waters. Response and recovery initiatives have affected routine operational activities and planned project delivery with resources and funding diverted to cyclone recovery priorities.
- We have made significant investment in our water treatment plants in response to the new drinking water standards. Thus far, upgrades have been completed at Whitianga, Tairua, Coromandel, Pāuanui, Wentworth Valley, Moana Point, Beverley Hills. The remaining treatment plants are programmed to be upgraded over the next three to four years.
- The Shoreline Management Pathways project was adopted in September 2022. This has started to have significant influence on the strategic direction and long-term adaptation of Council's infrastructure.
- The Thames and Surrounds Spatial Plan was adopted in October 2022. This will provide strategic planning direction and prioritisation of future infrastructure servicing in the area.
- Bedded in a new roading professional services contract. As part of this contract, a co-located model with our roading consultant was established.
- Improved the performance of real time monitoring for our water and wastewater treatment systems.
- Commenced a water treatment and improvement programme.
- Continued the development of consistent asset management processes and practices to guide how all assets are managed.
- Continue to roll out detailed investigations into the underground 3-waters assets to help inform renewal planning.
- 3-waters stimulus funding from central government was used to support the installation of water meters in Whitianga and Whangamatā as part of the water reform process. This project is still in progress.

While we have made good progress, this Strategy signals that further work is needed.

4 Overview of Infrastructure Assets

The Strategy draws together information from the Asset Management Plans for the following activities:

Table 4 1: Infrastructure Categorisation

Infrastructure		Planning & Management	Operations	Capital Delivery
	Roads and footpaths	Inhouse	Outsourced	Outsourced
	Coastal and Hazard Management	Inhouse	Inhouse	Outsourced
	Solid Waste	Inhouse	Outsourced	Outsourced
	Water supply	Inhouse	Outsourced	Outsourced
	Stormwater	Inhouse	Outsourced	Outsourced
	Wastewater	Inhouse	Outsourced	Outsourced
The infrastructure assets are covered in this Strategy in accordance with the Local Government Act 2002 Section 101B Infrastructure strategy requirements.				

The value of these assets is estimated at \$1.558M¹, and ranges from pipes under the ground to reservoirs, roads, footpaths, bridges, refuse transfer stations, and coastal and hazard management assets.

Some of our assets are defined as “critical assets”. These are assets where failure would result in unacceptable consequences. The failure of a critical asset may, for example, have an unacceptable impact on our ability to deliver necessary services, on the health and safety of our communities, on our economy, or on the quality of our environment. Key information about each of the infrastructure types covered in this Strategy is provided in the following section.

¹ Asset values in this document are based on market valuation for buildings and depreciated replacement cost for all other assets. Total value referenced from 2023/2024 Annual Report p. 90.

4.1 Roads and Footpaths



Council is responsible for the planning, provision, development, operation and maintenance of the District’s land transportation network and facilities to local communities, including local roads, footpaths, service lanes, street lighting, bridges and carparks owned by us. This ensures that the movement of people and goods around our District and within local communities is safe, efficient, convenient and pleasant.

Critical roading and footpath assets include bridges and large culverts and retaining structures. We have 697 kilometres of roads (498 kilometres sealed, 205 kilometres unsealed), 175 bridges, and 294 kilometres of footpaths. The land transport activity represents almost half of our infrastructures’ value, at \$974.6 million.

4.2 Coastal and Hazard Management



The key objective of the Coastal and Hazard Management strategy is to provide protection for coastal communities, coastal facilities, coastal reserves, and public spaces across 400km of coastline around the Coromandel Peninsula. The activity will support resilient communities, recreation, tourism, commercial fishing, public amenities, and aquaculture activities. These works include seawalls, backstop walls, groynes, and storm bunds which provide coastal protection to property, reserves and roads. Council also undertakes dune replenishment and beach re-nourishment to manage the effects of coastal hazards on existing development and infrastructure. We currently manage 18 hard protection coastal assets – including critical assets at Moanataiari, Buffalo Beach, Flaxmill Bay, Thames, Te Puru and Cooks Beach.

Council understands that climate change is a significant issue for the District and undertook the Shoreline Management Pathway project, adopted in 2022, to help plan and prioritise for expected impacts. These impacts include sea level rise, increasing storm intensity, increased coastal erosion and coastal inundation. 138 coastal adaptation pathways (or action plans) were developed to set out a strategy for individual locations in the District to respond to climate change overtime. The adaptation pathways also include recommendations relating to coastal protection assets (i.e. build, remove, enhance). These documents have informed the Coastal AMP, which covers both hard and soft coastal assets.

As a result of the strategies developed in the coastal adaptation pathways, five new significant projects within the next ten years have been identified – storm bunds (with seawalls in places) at Tairua, Thames, Te Puru and Tararu and a seawall at Macrocarpa Reserve, Buffalo Beach and Whangamatā within the next 15-20 years. We also expect the need for these projects to increase over time as the impacts of climate change increase.

4.3 Solid Waste



Solid Waste activity vision defined in the new Waste Management and Minimisation Plan (WMMP) (2023-2029)² is 'to take action towards a circular economy and sustainable future'. The WMMP, adopted by Council in September 2023, has been prepared in accordance with the requirements of the Waste Minimisation Act 2008, and sets a number of key objectives and actions relating to the management of the community's waste over the 2023-2029 period; key activities include rubbish and recycling collection and disposal to protect public health and the environment. We promote recycling, reuse and resource recovery with the objective of reducing the amount of waste going to landfill. We operate a weekly kerbside refuse and food scraps collection, and a fortnightly recyclables collection service. We operate seven transfer stations where refuse and recycling can be dropped off.

The operation of the seven refuse transfer stations and collection and disposal of household kerbside refuse, recycling and food scraps is outsourced to an external contractor under a long-term contract. We also manage and monitor seven closed landfill sites.

Critical solid waste assets include the Coromandel, Matarangi, Pāuanui, Tairua, Thames, Whangamatā and Whitianga refuse and recycling transfer stations. Should there be any new developments (for example by private developers) in the vicinity of any refuse transfer station facility, then Council may consider alterations to these facilities to accommodate upcoming community needs.

4.4 Water supply



Water supply is the provision of clean water to dwellings and commercial premises. It helps to ensure the availability of safe water for drinking and cleaning purposes to maintain public health, and the provision of water for firefighting to assist public safety.

In addition, we promote efficient water use and ensure that water demand management practices are implemented. Critical water supply assets include water sources, treatment plants, filter stations, pump stations, reservoirs and large trunk mains.

Our water supply network draws approximately 60% of the water supplies directly from rivers or streams and approximately 40% from groundwater via wells. Unlike large

² <https://www.tcdc.govt.nz/Our-Services/Rubbish-and-Recycling/Waste-Minimisation/Waste-Management-Minimisation-Plan>

urban areas, where scale allows for a large, interconnected network of water sources and supplies, our District has a number of separate water supply systems, each serving a distinct community. The Council operates 12 water supplies and 48 reservoirs, with over 600 kms of pipes supplying water to approximately 19,700 water connections across the district. Due to their physical separation, it is not practicable to connect our water supplies up to allow the transfer of water from one community to another. This means that each community must rely solely on its own supply. The exception is when water is tanked in from other areas in times of severe water shortages.

4.5 Stormwater



Stormwater is the result of heavy or sustained rainfall resulting in the need to manage the disposal of surface water. This District is particularly vulnerable to heavy rainfall due to its geography. We have several stormwater systems located throughout the peninsula to manage runoff and reduce surface ponding, and to reduce risks to public health, safety, and property. Critical stormwater assets include five stormwater pump stations, along with seven stormwater detention ponds, 221 km of stormwater pipelines, soakage cells and bulk stormwater assets which convey large quantities of stormwater. There is a strong linkage between the Stormwater and Coastal and Hazard Management activity.

4.6 Wastewater



Council collects, treats and safely disposes of treated wastewater (sewage) from properties and businesses. Effective management of the District's wastewater is important to maintain public and environmental health. In areas where they are in place, wastewater systems help to protect the environment by ensuring that untreated wastewater does not infiltrate our water catchments and coastal areas. Critical wastewater assets include 10 wastewater treatment plants, 131 pump stations and over 400 kms of piped mains.

5 Overview of the Thames-Coromandel District

5.1 Physical Context

Thames-Coromandel District covers around 230,000 hectares of land, of which about 65% is covered by indigenous forest. Approximately one third of the District is conservation land managed by the Department of Conservation. The District is divided by the steep, rugged Coromandel Ranges which run down the middle of the peninsula. The nature of the peninsula means that some parts of the District are prone to landslides, subsidence, geological instability and rock falls.

The peninsula's 400 km coastline consists mostly of short beaches and bays separated by rocky cliffs. The Coromandel township area and eastern coast of the peninsula are characterised by natural harbours. The coastal environment is subject to coastal processes including erosion and inundation and the effects of climate change.

The climate is moderate, with warm summers and moderate winters. The District experiences fairly high rainfall due to the high ranges, although this varies depending on location. The geography means that it is prone to adverse weather events and natural hazards such as landslides and flooding, and low-lying areas are at risk of tsunamis.

It is expected that climate change will impact the environment globally and locally, with changes in wind and weather patterns, sea level rise, and increased flood risk and frequency of extreme weather events predicted. Climate change is not expected to create new hazards, but it may change the frequency and intensity of hazards. Changes in climate are likely to affect the low-lying and coastal areas of the District.

Coastal erosion is expected to increase as a result of sea level rise and an increase in the frequency and magnitude of storm surges. For a number of coastal roads and townships around the District, coastal erosion combined with rising sea levels could become a significant issue for our infrastructure.

The peninsula shows considerable signs of historic volcanic activity and is situated on remnants of the Coromandel Volcanic Zone. Geothermal activity is still present on the peninsula, with hot springs in several places, including at Hot Water Beach.

5.2 District Growth

Council recognises that growth and development are ongoing in the District and will continue over the period of the 2024-2034 Long Term Plan. While our growth projections indicate a moderate level of growth to 2029, and a gradual decline to 2054, Council is keen to encourage new growth and development by addressing any infrastructure and zoning barriers that currently exist.

Our current financial constraints limit our ability to fund the infrastructure required to support new growth in the short term. In the longer term, Council anticipates that it will be in a better position to support growth through infrastructure provision. Spatial planning is a useful tool for integrating our infrastructure and land use planning and spatial plan for our main settlement, Thames, was adopted in October 2022. Spatial plans for other areas in the district will provide us with a clearer direction for future growth and infrastructure provision.

5.3 Long-term Impact of COVID-19

The COVID-19 pandemic has caused an increase in the level of uncertainty in relation to our economic and demographic projections. In addition to the negative impact on our tourism sector, there have already been unforeseen impacts, like a stronger housing market. The potential for COVID-19 to alter demographics and projections is acknowledged, and we will need to be responsive to changes, such as to our demographic projections, the tourism sector of our economy, development pressures and infrastructure requirements.

5.4 Demographic Context

Understanding where, how and when the population of the District is likely to change in the future is critical for the effective planning and management of our infrastructure. Different demographic groups have different needs and preferences.

Our largest settlements are Cooks Beach, Coromandel, Matarangi, Pāuanui, Tairua, Thames, Whangamatā, and Whitianga. Each of these main settlements has different population and growth characteristics.

5.5 Population change³

Population growth in the District was relatively modest from 1996 to 2013, as the District grew from 25,400 to 27,300. From 2013, the rate of growth picked up, and the District reached 34,260 in 2023. The recent increase in growth has been driven by increased flows of people from Auckland and overseas. The extended closure of the country's borders in response to the 2020 COVID-19 pandemic has affected the District's short-term growth, and there is ongoing uncertainty about its projected growth in the medium to long term. For this reason, the Council has adopted a medium-growth projection for this Strategy.

Looking ahead, under the medium growth projection, the population is projected to grow modestly to reach 35,911 in 2034, and 35,737 by 2054.

³ Forecasts based on 2024 LTP Assumption information based on Infometrics Ltd report

In the coming 10 years, while the overall population in the District is growing, the strongest growth is expected in the Mercury Bay Community Board area, increasing from 10,618 in 2023 to 11,752 in 2034 under the medium projection.

5.6 Demographic Change ⁴

The District has an ageing population. In 2023, around 34% of our usually resident population was aged 65 and over, which is approximately twice the national average. The over-65 age group will continue growing strongly in the near term to reach 41% in 2033, before growing more slowly to reach 43% by 2053.

The proportion of the population aged 20-64 years of age will drop from 48% of the population in 2023 to 43% in 2033.

5.7 Dwelling and rating unit growth⁵

In 2023 there are around 27,300 dwellings in the District. A medium growth scenario is assumed under which the number of dwellings will increase by 1,500 between 2023 and 2034, at an average of 140 more dwellings per year. This is a steady fall from a peak of 360 in 2023, driven by a challenging macroeconomic environment in the short-term, and slowing population growth in the long term. From 2038, dwelling numbers are assumed to remain static, reflecting flat population and household growth.

Dwelling growth will be strongest between 2022 and 2034 in Matarangi (1.0%pa) and Whitianga (0.8%pa). Growth will be solid in Coromandel (1.0%), Cooks Beach (0.7%pa) and Hāhei (0.7%pa).

Even under a zero dwelling growth scenario, construction activity is likely to continue as dwellings reach the end of their economic lives, housing intensification requires demolition of old dwellings, and sea level rise prompts retreat in some areas.

A medium growth scenario is assumed, and rating units are projected to increase by 1.0%pa to 31,600 in 2034, and by 0.3%pa to 33,800 in 2054.

Residential rating units are projected based on assumed dwelling growth. Industrial and commercial rating units are projected based on forecast districtwide employment growth.

All other rating units are assumed to remain constant over time, which reflects that they are either constrained by available land or limited information is available about their growth trend.

⁴ Forecasts based on 2024 LTP Assumption information based on Infometrics Ltd report

⁵ Forecasts based on 2024 LTP Assumption information based on Infometrics Ltd report

6 Overview of Significant Infrastructure Issues

The document linkage diagram below highlights where you are in the IS and how this section relates to the next sections in the IS:



We recognise that we plan, deliver and manage infrastructure in an increasingly complex, dynamic and ever-changing environment. Being mindful of our local context (detailed in Section 5), key significant issues and impacts helps us make good infrastructure management decisions for the community. These significant issues are detailed below:

Table 6-1: Significant Infrastructure Issues

Key issue	Description	Significance rating 1-low, 5-high
Key Interdependencies	Identifying infrastructure assets and services interdependencies and the need for inter-agency management collaboration is of increasing importance.	5
Affordability	Significant cost increases are being experienced. There is the need to respond, prioritise and fund infrastructure investment requirements	5
Climate change, Natural hazards, Coastal hazards, and resilience	The emerging climate change impacts and issues are increasingly impacting on communities in the District.	4
Peak demand	This issue of large influx of holidaymakers over summer particularly affects: Water supply – where management arrangements are under review as part of the Water Services Reform Solid waste services	4

Key issue	Description	Significance rating 1-low, 5-high
Age and condition of assets	There are significant numbers of aging assets across the asset portfolio and infrastructure condition assessment and renewals is important as assets age	3
Changing standards and service expectations	Increasing regulatory requirements and community infrastructure service expectations	2
District Growth	District growth spatial and structure planning and associated implementation plans support development of the District. There is particular focus on enabling Thames and surrounds growth.	2.5
Water Services Reform	The reform programme direction is awaited from the new Government. Until this becomes clearer, Council will continue to operate and maintain 3 Waters services	5 (short term)

6.1 Key Interdependencies

A new key issue on Interdependencies has been added in response to the changes over the past 3 years and the recognition of the increasing importance of identifying infrastructure assets and services interdependencies and the need for management collaboration within TCDC and across agencies. Simply put, there are assets and services provided by others that TCDC is reliant on or impacted by. These include:

- Regional Solid waste disposal at a private landfill facility at Tirohia.
- National roads, SH25 and 25a, managed and operated by Waka Kotahi impacting:
 - TCDC solid waste haulage
 - Tourism
 - Council operations.
- Flood protection infrastructure owned and managed by Waikato Regional Council.
- Potential Water Services provision arrangements yet to be determined under new Government direction.

- Stormwater control and management utilising TCDC parks and reserves as overflow and detention areas.
- TCDC development and growth planning requiring other agency input and collaboration.

These points highlight the range of interdependencies with other agencies and the need for increased Council engagement and collaboration. This will require additional time allocation by asset managers and engineers and their consultants.

6.2 Affordability

The District's ratepayers vary in their profiles, background and ability to pay. For example, while some ratepayers may be considered more affluent, there are also significant elements of socio-economic deprivation. This, coupled with an older and ageing population, can create significant affordability issues.

The issue of affordability presents constraints for the ongoing provision of cost-effective infrastructure services. Projects have had to be prioritised, and in some cases deferred. Throughout this process of evaluation, more weight has been given to Council's core infrastructure and associated services and to critical assets. There is potential for this prioritisation and budget constraint to increase risks to the delivery of services or require unbudgeted expenditure. Prioritisation and management of risk will continue to be a focus throughout the delivery of Council's activities.

6.3 Climate Change and Coastal Hazards

Climate change poses an increasing risk to our coastal areas. The peninsula's 400 km coastline is subject to coastal processes including erosion and inundation and these are likely to be intensified by the effects of climate change and rising sea levels.

Coastal erosion is expected to increase as a result of rising sea levels and fluctuations, the frequency and magnitude of storm surges, changes in tides and rainfall patterns. Rising sea levels combined with coastal erosion could have a significant impact on our infrastructure assets particularly those in low-lying and coastal areas. Some of our infrastructure is already at risk from coastal hazards.

Rising sea levels could also result in a higher groundwater table, causing salination of low-lying water supplies and reducing how quickly water drains away after rain. This may in turn have a negative impact on water quality and on the health of our communities and natural ecosystems.

Informed and proactive planning will help to minimise the direct and indirect costs of climate change. Infrastructure planning will need to ensure that future assets are located appropriately, are of sufficient standard and have adequate capacity to cater for predicted climate change. Future infrastructure works (to build new or renew existing infrastructure) will need to consider projected sea level rise. Relocation of assets may need to be considered if they are at risk.

The Council uses guidance and direction from the New Zealand Government to inform how we plan and prepare for the predicted impacts of climate change. We have developed a Coastal Management Strategy and are now developing a Shoreline Management Plan. This will allow us to undertake effective planning to support the adaptation of council assets, services and our coastal communities to coastal hazards.

The Shoreline Management Plan was adopted in September 2022 and an adaptive management strategy has been developed. The outcome of this project has implications for infrastructure and is driving future funding requirements (e.g. Coastal Hazards projects and Transportation and 3-waters resilience/improvement related projects). Council will need to stay informed regarding changing legislation as this will likely impact the SMP and project priorities.

6.4 Natural Hazards

The District is exposed to a variety of other natural hazards that can result in disruption to services and damage to our assets, which can lead to unforeseen and often high costs to remedy. These include:

- Flooding
- Severe storm events
- Landslides and slips
- Tsunami
- Drought
- Earthquakes
- Volcanic eruption

The Coromandel Ranges attract high intensity rainfall events on a regular basis which makes the District prone to significant water ponding and inundation. The ranges have short, steep catchments which provide short warning times before the effects of heavy

rain impact; this can be exacerbated by coastal locations and high tides. Predictions suggest that climate change may result in increased frequency and intensity of some hazards, such as storm events and flooding.

The potential effects natural hazards can have on infrastructure can be catastrophic. In order to reduce the impacts and protect the community Council aims to provide resilient infrastructure. This is achieved through:

- Adopting safety and resilience in design
- Monitoring natural trends and patterns
- Developing policies strategies and programmes
- Developing contingency and emergency response plans
- Identifying vulnerable and at-risk assets and categorising them in asset data systems
- Reporting on emerging trends and issues

6.5 Peak Demand

Around half of our ratepayers do not live in the District full-time and our population varies significantly at different times of the year. Demand on infrastructure is at its highest during the summer period, when the population of the District is estimated⁶ to increase to around five times the normal resident population. This is due to the large proportion of non-resident ratepayers who occupy their holiday homes over this period and other holidaymakers and tourists who visit the District.

The District also experiences fluctuating peaks during long weekends and popular events held during the non-summer holiday period. This presents some challenges for how we plan for, and provide, infrastructure and services.

There is some uncertainty about how COVID-19 will continue to affect tourism. However, domestic tourism is expected to remain high in the short term, and longer term the total projected visitor numbers to the District are expected to continue to increase. This means that peak demand pressures will continue and are likely to increase over the next 30 years.

Managing demand for services and usage of our assets during peak periods will be a key part of our response.

⁶ A study by Qrious estimated that during the period between 22 December 2016 and 22 January 2017 our population reached a peak of around 126,298 overnight visitors and around 146,456 day visitors.

6.6 Age and Condition of Assets

The age and condition of our assets affects the level of service that Council can deliver and the likelihood that assets will fail. Regular maintenance, renewal and replacement of our infrastructure, in particular our critical assets, are important to ensure that they continue to deliver services and provide the foundation for a prosperous economy and healthy, thriving communities across the District.

Managing our assets for their full lifecycle requires integrated planning and good underlying data. Decision-makers need reliable information about assets to manage maintenance and renewal needs and to make sound decisions about when to invest in new infrastructure assets. Accurately and regularly assessing the condition of many of our infrastructure assets can be difficult, particularly for those that are underground, like water supply pipes. While we have good information about the age and condition of some of our assets, like roads and footpaths, we need to improve the age and condition information for many of our 3-waters and coastal assets. This will continue to be a focus over the 2024 LTP period.

We will need to ensure that we minimise our costs through the application of good asset management practices and by providing services for the least whole of life cost.

Limited change is expected in the management of our assets, as long-term maintenance contracts are in place to ensure continuity of service to specified standards. These contracts were all secured through the Council's adopted procurement practices.

Council has developed fit for purpose project management systems to ensure that we maintain assets and build new assets in a professional manner. These systems are continually being reviewed and revised.

6.7 Changing Standards and Service Expectations

National standards and expectations around how we treat our environment have been changing and are likely to continue to change over the next 30 years. Some of our infrastructure assets need resource consents, which require assets to meet certain standards or conditions around the impact that they have on our natural environment. For example, resource consents place restrictions on the amount of water allowed to be drawn from a water supply source and on the impact that stormwater and wastewater discharges have on our environment and water quality. As our assets age, or when resource consents are renewed, new standards or conditions may be required. If our assets do not meet the consent conditions, there are likely to be costs associated with

renewing or upgrading them so that they comply with higher standards.

National standards require that buildings owned by Council meet standards, including how they would perform in the event of an earthquake. A new national system for identifying and managing earthquake prone buildings was introduced in 2017; priority issues have been addressed and there are no IS infrastructure related buildings requiring major improvements.

As the expectations, preferences and demands of our communities for different types of services change, we will need to consider how we ensure infrastructure and facilities remain fit for purpose while ensuring ongoing affordability and financial sustainability.

6.8 District Growth - Enabling Thames and Surrounds

Thames is the District's key service town and is strategically located about an hour's drive to three major urban growth centres: Tauranga, Auckland and Hamilton. To date the growth experienced in these centres has not spilled over to Thames, despite consistent GDP and employment growth in the Thames ward.

A number of factors have contributed to this, including the area being constrained by topography and natural hazards, unsupportive planning provisions, underinvestment in enabling infrastructure, perceived lack of recreational and other amenities, and a town centre that does not inspire development. For some areas of Thames, significant infrastructure investment is required to enable development.

In October 2022 Council adopted the Thames and Surrounds Spatial Plan to help overcome some of these barriers. Thames Township, Kauaeranga Valley, Tōtara Valley, Kōpū, and Matatoki North/Kirikiri have been identified for urban intensification and growth in the short to medium term, with long term growth signalled for Matatoki and Pūriri.

The spatial plan has identified the Key Infrastructure Moves required to enable growth. Multi modal transport connections will connect new growth nodes to the town centre, and new public transport connections will improve access to Auckland and Hamilton. Water treatment and storage capacity needs to be increased, and extensions made into Totara and Matatoki. A future water take from the Kirikiri stream should be investigated, as well as connections to the improved Thames South water network. The existing wastewater treatment plant is near capacity and will need to be complemented with, or replaced by, a new WWTP closer to where future growth will occur (works are planned

over the period 2024-2029, see Section 10.6). Investment in stormwater management and coastal protection as described in the Coastal Adaptive Pathways Plan will protect the commercial centre and low lying residential and employment areas from the impacts of climate change (Works are planned in Thames and Kōpū over the period 2027-2034).

The speed of development of new growth areas is dependent on the timing and sequencing of infrastructure investment, appropriate district plan provisions, and market demand.

The impacts that these significant issues have on infrastructure planning and delivery are highlighted in the following sections of this Strategy.

6.9 Water Services Reform

Late in 2020, the previous Government introduced a Three Waters Reform programme followed by a number of key pieces of legislation having been enacted that will affect future service delivery arrangements. However, following the 2023 general elections the new Government has signalled a change in Water Services reform direction and it is envisaged that the reform process may well have a protracted timeframe. Council is awaiting information about the future direction of 3 Waters reform.

Infrastructure challenges such as renewal, resilience, service standards and changes in growth and demand exist regardless of the agency that provides these services. Therefore, Council will continue to apply the same standards of completeness and robustness as if these activities were to stay in local authority ownership.

7 30 Year Infrastructure Strategy

Managing infrastructure with modest population growth and increasing standards and service level expectations, coupled with seasonal population fluctuations, is challenging. Finding the right balance between competing demands, preferences and needs against available financial resources, extreme weather events and the rugged topography of the Coromandel are just some of the unique challenges that we must manage together.

7.1 AM Policy and Maturity Targets

Good asset management processes and practice is a key enabler that facilitates the implementation of the Infrastructure Strategy. The Council adopted a revised Asset Management Policy in 2020 (A review of this Policy is proposed in 2024).

The policy stipulated that target Asset Management practice maturity index is at least 'Core'. Based on this the AM maturity index for Council's core infrastructure (Land Transport and the 3Waters) is 'Intermediate' and the other infrastructure portfolios AM maturity index is 'Core'.

7.2 Management Approach

Our approach to ensuring that we manage our existing assets efficiently and effectively and invest in new infrastructure assets wisely is based on the following key principles:

- Making best use of our existing infrastructure and ensuring good stewardship of the investment that we have already made
- Regular, programmed and prudent maintenance
- Cost-effective programmed renewals, while maintaining service levels and managing risk
- Wise new capital investment based on sound forecasting and assessment of the significant issues
- Collaborative management approach with all stakeholders and partners
- Build in infrastructure resilience wherever possible
- Development of adaptive infrastructure management strategies able to respond to regulatory and climate change

7.3 Infrastructure Information and Data Management

Infrastructure information management is a core aspect of asset management and there are a range of processes and systems across the TCDC asset portfolio. The core infrastructure activities have more complex and detailed asset systems. Continuous asset data improvement is applied across the asset portfolio.

Asset information informs a wide range of asset management activities including:

- Asset performance monitoring
- Asset condition assessments
- Customer complaints and mitigations
- Maintenance and repairs record keeping and analysis
- Consent monitoring and management
- Modelling
- Renewals planning
- Growth planning
- Asset revaluations
- Financial forecasting
- Performance reporting

The table below summarises the information and data confidence levels across the infrastructure portfolio; more detailed information can be found in the asset management plans.

Table 7-1: Data confidence grading, criticality, and improvements

Infrastructure Class	Data confidence*	Criticality rating? Yes/No	Key Improvement
Land Transport	B-Reliable Reliable +/- 2-10% uncertainty	Yes (Based on Road Classifications)	Ongoing data improvement focus on unsealed road condition and bridge condition
Flood management & control	C-Medium Reasonably Reliable +/- 10-25% uncertainty	No	Ongoing data improvement -focus on asset audits
3Waters	B-Reliable Reliable +/- 2-10% uncertainty	Yes	Update of Criticality ratings Ongoing data improvement -focus on below ground assets
Solid Waste	B-Reliable Reliable +/- 2-10% uncertainty	No	Ongoing data improvement-focus on asset audits

*See Appendix 1 data confidence grading chart for confidence definitions

Analysis of asset data aids AM decision making and renewals forecasting programmes, therefore, there are ongoing asset data improvement activities across the infrastructure asset classes. Focus is on ensuring completeness of asset data information and then on improving the levels of asset information including asset makes, models, pipe diameters and materials, technical information installation dates, condition, criticality and remaining life, unit rates. More detailed information can be found in the asset management plans.

7.4 Assumptions

The table below identifies potential key assumptions for the 2024-34 LTP which have been informed by the environmental scan. The assumptions will inform the 2024-34 LTP and will be included as part of the consultation document and draft LTP for community consultation.

Please note:

1. Actual results will likely vary from the information presented, but the assumptions are based on the best information known at the time. These assumptions have been developed specifically for the Council's ten year planning purposes.
2. "NEW" before an assumption title indicates the assumption is not in the 2021-2031 Long-term Plan but is proposed to be included in the 2024-2034 Long-term Plan.
3. The 'Level of Uncertainty' column is colour coded to indicate the level of uncertainty: red = high, amber = medium, green = low.

Table 7-2: 2024 LTP/IS Assumptions

No.	Assumption	Risk	Level of uncertainty	Potential effects and mitigation measures																												
Demographics																																
The projection data for this topic were produced by Infometrics Ltd, who were contracted to provide comprehensive employment, population, household dwelling and rating unit projections for Thames-Coromandel District covering the period 2022-2054. Council has adopted Infometrics’ medium growth scenario in its planning for this LTP																																
1.	<p>Our Population Growth</p> <p>A medium growth scenario is assumed under which the District’s population will grow at 0.4% per annum over 2023 to 2034 and 0% per annum over 2034 to 2054. The population will increase to around 35,900 people in 2034, then ease slightly to around 35,700 people in 2054.</p> <p>Population by Community Board (Infometrics medium projection)</p> <table><tr><th>Community Board</th><th>2023</th><th>2034</th><th>2054</th></tr><tr><td>Coromandel-Colville</td><td>3,681</td><td>3,869</td><td>3,718</td></tr><tr><td>Mercury Bay</td><td>10,618</td><td>11,752</td><td>12,438</td></tr><tr><td>Tairua-Pāuanui</td><td>3,200</td><td>3,331</td><td>3,335</td></tr><tr><td>Thames</td><td>11,641</td><td>11,363</td><td>10,364</td></tr><tr><td>Whangamatā</td><td>5,120</td><td>5,597</td><td>5,883</td></tr><tr><td>Total</td><td>34,260</td><td>35,911</td><td>35,737</td></tr></table>	Community Board	2023	2034	2054	Coromandel-Colville	3,681	3,869	3,718	Mercury Bay	10,618	11,752	12,438	Tairua-Pāuanui	3,200	3,331	3,335	Thames	11,641	11,363	10,364	Whangamatā	5,120	5,597	5,883	Total	34,260	35,911	35,737	<p>Population growth across the district, each community board area and settlement occurs at a higher rate than the relatively low rates assumed.</p> <p>The assumed population growth is mainly driven by the District continuing to attract new residents in or near the 65-years-and-older age group.</p> <p>Historically this has been the age group in which the District has made strong internal migration gains due to the lifestyle choices in the District. If the lifestyle preferences of this age group change, the assumed growth may not occur.</p> <p>The population may change at rates different than projected, for example increase due to investment made by Council to attract people and jobs into the district.</p> <p>A reduction in population will impact the rating base and the ability of communities to fund services. Either scenario could result in Council’s planned services not aligning with community needs.</p>	Low	<p>Slower or faster population increases may affect service levels, infrastructure expansion, renewal programmes, and costs (where there are an increased or decreased rates requirements). These effects would be exacerbated by the demands on infrastructure and services during the peak holiday periods.</p> <p>Over or underestimating the demand for services based on planned growth (positive or negative) can have a significant effect on financial estimates.</p> <p>The potential effects include:</p> <ul style="list-style-type: none">• The availability of funding to sustain services• Changes in estimates to reconfigure service levels, for example there can be an additional cost, albeit short-term, to scale back service.• Underestimated demand for service results in a ‘catch-up’ scenario where Council and the community face a reactive situation. <p>The risk of over- or under-estimating the population increase has been factored into the decision to assume a medium growth scenario. Annual reviews of the Council’s rating base will be able to address any major deviations from the assumed population increase.</p> <p>Council will continue to monitor changes in the District’s population and adapt activity provision to efficiently and effectively meet needs.</p>
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2.	<p>Age Demographics</p> <p>The New Zealand population as a whole is ageing, and the District's age demographics reflect this trend. Population ageing is caused by the transition to lower birth rates and lower death rates.</p> <p>Under the assumed medium population growth scenario, the population aged 65 years and older is projected to increase from 34% of the District's total population in 2023 to 41% in 2033 and 43% in 2053. This means that from 2033 onwards, over two out of every five residents will be aged 65 years or older. The proportion of the population aged 20-64 years of age will drop from 48% of the population in 2023 to 43% in 2033.</p>	<p>More people aged 65 and over, compared with families with young children, move to the District, and the proportion of older people is greater than projected.</p> <p>A lesser risk is that more young and young working family age groups move to the District, significantly increasing this age group as a proportion of resident population.</p>	Low	<p>The 65+ age demographic often have fixed incomes, and this may affect their ability to pay rates and recover from disaster events. They may also need new or different services and facilities to promote their well-being.</p> <p>Any significant variation to the assumed aging population profile may result in certain sectors of the community experiencing lower than expected levels of service.</p> <p>If the proportion of younger people grows, the Council may have to redirect funding to particular activities to suit a younger population.</p> <p>The Council will continue to monitor demographic change and adapt or redirect activities to meet those needs where possible, within reasonable costs.</p>
3.	<p>Peak Population</p> <p>The District will continue to attract a summer population increase of around five times the number of permanent residents. Although the COVID-19 pandemic and the damage to roads caused by severe weather events in early 2023 reduced the numbers of visitors for a few years, the 'peak population' numbers are assumed to grow again over the medium to long term (3-10 years).</p> <p>The highest proportion of visitors to the District over the peak summer period (22 December to 5 January) will continue to be from the Auckland and Waikato regions.</p>	<p>Further damage to roads, delays with repairing the roading network and other economic or other drivers could significantly decrease visitor numbers in the short term (1-3 years).</p> <p>The key travel routes for visitors are the state highways that are not managed by the Council.</p>	Medium	<p>Visitors' needs for services and facilities at peak periods put pressure on the Council's infrastructure and services because they are far in excess of what the usually resident population requires and raise expected operating expenditure.</p> <p>Council needs to balance its residents' and ratepayers' needs for infrastructure and services with those of visitors who are here during peak population periods.</p> <p>Any significant change in peak population visitors would require a review of funding mechanisms.</p>

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4.	<p>Dwelling Growth</p> <p>In 2023 there are around 27,300 dwellings in the District. A medium growth scenario is assumed under which the number of dwellings will increase by 1,500 between 2023 and 2034, at an average of 140 more dwellings per year. This is a steady fall from a peak of 360 in 2023, driven by a challenging macroeconomic environment in the short-term, and slowing population growth in the long term. From 2038, dwelling numbers are assumed to remain static, reflecting flat population and household growth.</p> <p>Dwelling growth will be strongest between 2022 and 2034 in Matarangi (1.0%pa) and Whitianga (0.8%pa). Growth will be solid in Coromandel (1.0%), Cooks Beach (0.7%pa) and Hāhei (0.7%pa).</p> <p>Even under a zero dwelling growth scenario, construction activity is likely to continue as dwellings reach the end of their economic lives, housing intensification requires demolition of old dwellings, and sea level rise prompts retreat in some areas.</p> <p>Dwelling increase by Community Board (Infometrics medium projection)</p> <table><tr><th>Community Board</th><th>2022</th><th>2034</th><th>2054</th></tr><tr><td>Coromandel-Colville</td><td>2,467</td><td>2,693</td><td>2,696</td></tr><tr><td>Mercury Bay</td><td>9,329</td><td>10,311</td><td>10,349</td></tr><tr><td>Tairua-Pāuanui</td><td>4,285</td><td>4,526</td><td>4,529</td></tr><tr><td>Thames</td><td>5,409</td><td>5,568</td><td>5,570</td></tr><tr><td>Whangamatā</td><td>5,488</td><td>5,785</td><td>5,795</td></tr><tr><td>Total</td><td>26,978</td><td>28,885</td><td>28,939</td></tr></table>	Community Board	2022	2034	2054	Coromandel-Colville	2,467	2,693	2,696	Mercury Bay	9,329	10,311	10,349	Tairua-Pāuanui	4,285	4,526	4,529	Thames	5,409	5,568	5,570	Whangamatā	5,488	5,785	5,795	Total	26,978	28,885	28,939	<p>Economic conditions and the discretionary nature of the housing market cause variations in dwelling growth from that assumed.</p> <p>Dwelling growth in settlements, ward areas and across the District occurs at higher or lower rate than assumed.</p>	Low	<p>If dwelling numbers grow slower than is projected, there could be less demand on Council’s infrastructure and services. There could also be fewer properties paying the costs of providing infrastructure services.</p> <p>Higher numbers of dwelling units than projected could put pressure on the Council’s ability to provide infrastructure and services. However, there would be more properties to pay the cost of providing Council infrastructure and services.</p> <p>The Council regularly reviews dwelling unit numbers.</p>
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5.	<p>Rating Unit Growth</p> <p>A medium growth scenario is assumed, and rating units are projected to increase by 1.0%pa in 2034, and by 0.3%pa in 2054.</p> <p>Residential rating units are projected based on assumed dwelling growth. Industrial and commercial rating units are projected based on forecast districtwide employment growth.</p> <p>All other rating units are assumed to remain constant over time, which reflects that they are either constrained by available land or limited information is available about their growth trend.</p> <p>The forecast for rating units over the next ten years is shown in the table below.</p> <table><tr><th>Year</th><th>Total number of rating units</th></tr><tr><td>2023</td><td>28,210</td></tr><tr><td>2024</td><td>28,480</td></tr><tr><td>2025</td><td>28,694</td></tr><tr><td>2026</td><td>28,896</td></tr><tr><td>2027</td><td>29,061</td></tr><tr><td>2028</td><td>29,226</td></tr><tr><td>2029</td><td>29,396</td></tr><tr><td>2030</td><td>29,508</td></tr><tr><td>2031</td><td>29,613</td></tr><tr><td>2032</td><td>29,701</td></tr><tr><td>2033</td><td>29,781</td></tr><tr><td>2034</td><td>29,832</td></tr></table>	Year	Total number of rating units	2023	28,210	2024	28,480	2025	28,694	2026	28,896	2027	29,061	2028	29,226	2029	29,396	2030	29,508	2031	29,613	2032	29,701	2033	29,781	2034	29,832	Rating unit growth occurs at higher or lower rates than assumed in the District, in the community board areas or settlements.	Low	<p>Economic conditions and the discretionary nature of the housing market can cause variations in rating unit growth from that assumed.</p> <p>The main financial effect of slower than projected growth can be a reduction in budgeted rating revenue and development contributions. It can result in increased debt levels and associated interest expense for capital projects. If the rating base were to reduce, there could be an increase in rates.</p> <p>An increase in the overall rating base could result in a decrease in rates for rating units as the total rates are spread across a larger base. Higher than projected rateable units could put pressure on the provision of some infrastructure, such as wastewater, water supply and stormwater.</p> <p>The Council regularly reviews rating unit numbers.</p>
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External Factors														
6.	<p>Economic Outlook</p> <p>Global and national forecasts signal ongoing slow economic growth. The Treasury forecasts (https://www.treasury.govt.nz/publications/efu/budget-economic-and-fiscal-update-2024) economic conditions will remain soft but gradually strengthen from the second half of 2024 with the easing inflation outlook enabling a gradual reduction in interest rates. Real GDP is forecast to contract 0.2% in the year to June 2024. The economy is expected to gradually strengthen from the second half of 2024. This sees real GDP growth increasing to 1.7% in the year to June 2025 and averaging 2.9% per annum over the final three years of the forecast as follows:</p> <table><tr><td>2024</td><td>0.2</td></tr><tr><td>2025</td><td>1.7%</td></tr><tr><td>2026</td><td>3.2%</td></tr><tr><td>2027</td><td>2.9%</td></tr><tr><td>2028</td><td>2.7%</td></tr></table> <p>The District’s economic momentum is heavily restrained. Despite experiencing a strong resurgence after the COVID-19 pandemic, the severe weather events in 2023 have caused the momentum to stop. Current estimates show annual growth to 31 March 2024 is zero. The impacts of weather events in 2023 and ebbing of national tourism momentum have however started to reduce, with guest nights in the year to March 2024 reaching their highest level since June 2021. There are also encouraging signs in the agricultural sector with on-farm costs stabilizing. Other parts of the primary sector remain under pressure, with falling forestry prices and low meats prices. The reduced flow of visitors in 2023 and persistent cost-of-living challenges have resulting in very low annual consumer spending growth of 0.5% in the year to March 2024, well below the previous several years.</p> <p>Assuming the roading network is fully restored by mid-2024, economic growth in the longer-term can be assumed to return to pre-pandemic (2019) levels and generally follow the national trend in GDP growth, as it has historically.</p>	2024	0.2	2025	1.7%	2026	3.2%	2027	2.9%	2028	2.7%	Economic growth stalls or is slower than expected.	High	<p>Ongoing uncertainty in the international, national and local economy has the effect of perpetuating affordability issues, slowing development and delaying cost recovery through rates and development contributions in particular.</p> <p>Infrastructure may not be in place or planned for in response to increasing visitor numbers or business demands.</p> <p>Financial pressures on households and businesses may affect rates affordability (see Assumption 8 below).</p> <p>A cautious approach is needed in the short term. The Council will regularly monitor economic conditions.</p>
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7.	Tourist and Visitor Numbers The number of visitors to the District is expected to recover from the impacts of the 2023 North Island Storm Events. International visitor market is also recovering from the disruption of COVID-19. A strong 2023/24 peak summer season showed that the Thames-Coromandel District remains a destination of choice for Domestic and International visitors. In the medium to long term visitor numbers will return to pre-pandemic levels.	Visitor numbers may not return to pre-pandemic levels in the medium to longer term. Worsening general economic conditions may reduce tourism expenditure.	Medium	Our dependence on tourism spend means Thames-Coromandel District is more susceptible to economic shocks. Funding for Tourism Marketing and Promotion has been retained. Economic development business unit continues to provide support and resources for small business. A long-term focus on supporting a more diverse economy will make the District more resilient.
8.	Rates affordability Average household income will remain static, and the individual share of national GDP over the previous 30 years will continue to decrease. The average household income in the District was \$73,500 in 2023, which was lower than the New Zealand average of \$125,177. It is assumed economic affluence will not be a key driver of demand for increased Council services from the majority of the community.	A combination of the ageing population and short-term slow economic growth mean rates affordability is unlikely to change in the medium-long term.	Low	Matters affecting people's income are largely outside the Council's control, a cautious approach is needed in the short-term.

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9.	<p>Covid-19 Pandemic</p> <p>It is assumed that New Zealand will avoid significant effects from any resurgence of the Covid-19 virus, and that no further lockdowns or major border restrictions will be necessary.</p> <p>The effects of the global Covid-19 pandemic will continue to be felt in the short-term (1-3 years) and the pandemic is likely to have as yet unknown longer-term consequences. These effects include:</p> <ul style="list-style-type: none"> Economic impacts – on key sectors such as tourism and related services, on the rural sector due to labour shortages and processing disruptions. Transport impacts – disruption of global supply chains with flow-on effect to local freight and distribution patterns. Travel/work behaviour patterns – more people working from home and more flexible working arrangements; travel demand and customer desire are driving changes that could be embedded in the long term. 	<p>COVID-19 response measures require a lockdown of the District, Waikato region or more broadly.</p> <p>Community expectations about the pandemic being over will have been affirmed by pandemic-related restrictions no longer being in force. Those expectations may flow on to all other aspects of life returning to business-as-usual sooner than is realistically possible. It may also lead to criticism of the Council if progress on Council's work programme is not seen to be being made quickly enough.</p>	High	<p>A new COVID-19 variant may substantially reduce the functionality of some Council activities with consequential negative impacts on revenue.</p> <p>The Council's has operational resilience practices in place to ensure essential activities continue to function in the event of a lockdown, and non-essential services have the capacity to operate as fully as is safely possible. The Government continues to monitor for new variants arriving from overseas.</p>
10.	<p>Treaty of Waitangi Settlements</p> <p>Legislation currently before Parliament, scheduled to be passed in 2024, will implement three settlements with mana whenua in the District. The settlements are for Ngāti Hei, Ngāti Paoa and Ngāti Tara Tokanui and include returning some Council reserves to iwi and some reserves being co-managed with iwi.</p>	There will be pressure on the Council's resources to implement the settlements.	Low	<p>Council will need to respond effectively to new ways of working with iwi. There will be new demands on operating budgets to achieve this.</p> <p>The Council will monitor progress of the legislation through Parliament and continue to engage with mana whenua in the District about their aspirations.</p>
11.	<p>Availability of Staff and Contractors</p> <p>It is assumed that we will be able to retain and find skilled staff and contractors to undertake work that is required, to the agreed standards, deadlines and cost.</p>	Due to labour market conditions, some staff vacancies will not be able to be filled in a timely manner. The demand for contractors will also be high and impact their availability.	Medium	<p>Council will continue to take measures, including offering employment arrangements such as flexible work options, competitive remuneration, a range of benefits and relocation support, to both retain and attract skilled staff and contractors as required.</p> <p>Roles that can be performed remotely could potentially be more easily filled, though the number of workers who are willing to live remotely from their jobs is limited.</p>

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12.	<p>Significant Land Use Changes</p> <p>In some areas of the district, there is insufficient land zoned to meet demand for housing and business activities. Spatial planning initiatives will identify areas where significant land use changes are needed.</p> <p>Changes to the District Plan will be needed to provide for future development indicated in spatial plans.</p> <p>The district plan will become fully operative by the end of 2024, making it easier for private plan changes to be progressed.</p>	<p>Rezoning of land cannot be progressed efficiently, due to appeals for changes to the District Plan.</p> <p>Continuing shortage of land for housing and business activities impact negatively on economic growth and community well-being.</p>	Medium	<p>The Council will need to be proactive and initiate district plan changes to provide appropriately zoned land to enable new growth. It will also need to be ready to respond to any potential private district plan changes.</p>
Climate Change				
13.	<p>Climate Change Risks and Impacts</p> <p>The expected risks of climate change for Thames-Coromandel District are based on climate science and projections from the Intergovernmental Panel on Climate Change, National Institute of Water and Atmospheric Research (NIWA) and governmental advice from the Ministry for the Environment.</p> <p>Climate change will affect the District at least in line with predicted national changes such as higher temperatures, sea level rise, longer dry periods and more intense rainfall and storm events. Regional projections assume increases in the amount and frequency of rainfall could cause more river flooding in some areas, while longer periods without rainfall will cause drought.</p> <p>Predicted sea level rise and increased storm surges will affect low-lying areas and estuaries and could threaten Council and community infrastructure, affect aquifers by saline intrusion into existing water supply bores, and reduce the efficiency of land drainage in coastal and estuarine areas. This will worsen coastal erosion and flooding and may accelerate long term erosion.</p>	<p>There is risk that negative effects associated with climate change occur at a faster rate and with more detrimental effects.</p> <p>If projections are not considered in Council planning, this could impact on asset management, community resilience and legal liabilities.</p>	Moderate	<p>The Council will continue to implement current climate change work in several areas, including the Shoreline Management Pathways project.</p> <p>A Climate Change Strategy will be developed during the first three years of the LTP to identify, integrate and co-ordinate further mitigation and adaptation measures required across Council and the community.</p> <p>Included in the new Climate Change Strategy will be the development of a Climate Change Risk Assessment to inform planning of future mitigation and adaptation/resilience actions.</p>

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15.	Greenhouse Gas Emissions Current policies (as set out in Aotearoa New Zealand's Emissions Reduction Plan) will be implemented and New Zealand's (and the Council's) emissions will reduce in line with emissions budgets.	Government policy may change or alter significantly and require the Council to adjust its operations accordingly. This is unlikely due to cross-party support for reducing emissions.	Low	The Council will include the development of an Emissions Reduction Plan for its own greenhouse gas emissions in its new Climate Change Strategy, and will continue current work to track its progress towards reduction targets, such as: <ul style="list-style-type: none"> • promoting electric vehicle use • upgrading streetlights to cut electricity use • partnering with Waikato Local Authority Shared Services energy management programme to monitor energy use at all sites, investigate opportunities for energy efficiency improvements and increase the use renewable energy • working with community groups to improve walking and cycling infrastructure; and • putting in place an affordable bus service in Thames.
16.	New Zealand Emissions Trading Scheme The New Zealand Emissions Trading Scheme (NZ ETS) costs will rise in the medium to long term as a result of amendments to the Climate Change Response Act 2002, including changes in the NZ ETS settings. The Council will continue its existing waste collection arrangements and maintain the existing network of Refuse Transfer Stations and community resource recovery centres. The Council's participation in the NZ ETS will remain limited to its waste management operations.	Government policy may change or alter significantly and require the Council to adjust its operations accordingly. This is unlikely due to the cross-party support for the Emissions Trading Scheme.	Low	No effect unless there is a major change to the ETS that affects Council's carbon accounting.

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16.	<p>Natural Hazard/Emergencies</p> <p>Land instability and the resulting slippage is a serious and widespread natural hazard for the District. Coastal erosion also puts many of our communities at risk, particularly if there is a serious weather event.</p> <p>There will be at least one serious weather event every year which will require a State of Emergency to be declared.</p>	Increased rainfall volumes and intensities will cause land instability and more land slippages. Temporary sea water inundation of land, and permanent coastal erosion, will cause risks to life and property, economic and community wellbeing.	Medium	<p>Potential effects include: loss of life; ill-health (physical and mental); partial or complete loss or damage to property; impacts on local businesses, the District's economy and delivery of services; damage or loss of Council and community assets and infrastructure; and insurance premiums increased or withdrawn.</p> <p>Mitigation measures include: increased Council investment in services and asset renewals and replacement in order to return services to pre-impact capacity; and increased resourcing of Council's recovery operations and future planning.</p>
17.	<p>Roading Recovery</p> <p>The following milestones in the Recovery Plan will be implemented and achieved:</p> <ul style="list-style-type: none"> for state highways, the partnership with Waka Kotahi is formed and formalised, 50 priority sites to repair and or build resilience are identified, with work planned and funded by central government to proceed. for local roads, all 114 identified repair sites have initial geotechnical assessments completed to assess ongoing risk. Detailed designs and consents are being progressed. A work programme is in place, and estimated budgets/ funding confirmed, including the FAR contribution to funding from Waka Kotahi. Repairs to Tapu-Coroglen, Colville and Kennedy Bay Roads are 100% funded by the Crown from the Waka Kotahi RSR programme. 	<p>Further severe weather events may cause more damage to the already fragile roading network, hampering recovery in affected communities and requiring additional repair works.</p> <p>Funding for Waikato Regional Council and central government contributions to the Recovery Plan may be reduced following, respectively, completing of the long term planning process and the general election.</p>	Medium	<p>Achievement of some of the milestones for state highways is outside Council's control because it is dependent on central government work and funding. Council will continue to monitor and keep under review.</p> <p>The Council will continue to work with Waikato Regional Council and central government to confirm funding and include substantial contingencies in budgets for repair of local roads.</p>

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Legislative Reform				
18.	<p>Resource Management Reform (To be reviewed up to June 2024)</p> <p>The Natural and Built Environments Act 2023 and Spatial Planning Act 2023 have been repealed. The provisions of the Resource Management Act 1991 are the law again though the Government intends to replace it.</p> <p>It is assumed any replacement legislation will continue to require the Council to develop, implement and maintain strategic resource management plans, including spatial plans, and to exercise regulatory authorising, monitoring and compliance functions.</p>	<p>The Government has not announced what the planning framework and system in the replacement legislation will be, or when the new legislation will be enacted.</p> <p>Impacts on local government from the Fast-track Approvals Bill (introduced 07 March 2024) are uncertain, particularly the expanded scope that includes approvals under the Reserves Act 1977</p>	High	A watching brief will be kept on the changing legislative and resource management policy direction of the new Government.
19.	<p>Future for Local Government Review</p> <p>It is unknown whether (or to what extent) central government will accept the final recommendations of the Review, released in June 2023. No announcements have been made by the Government to indicate its policy position on the Review.</p> <p>It is assumed that:</p> <ul style="list-style-type: none"> the existing role and functions of local government will remain unchanged during the 2024-2034 Long Term Plan timeframe; the Council will not change its current governance model; and there will be no significant change to the range or nature of services. 	<p>The Government decides to action some or all of the Review recommendations in its current term, i.e. by mid-2026..</p>	Low	The Council will keep a watching brief on central government's intentions about acceptance and implementation of the Review's recommendations.
20.	<p>Water Services Reform Programme</p> <p>Water services will continue to be managed by the Council in all ten years of the 2024-2034 Long Term Plan. [The Water Services Acts Repeal Act 2024 reversed the reforms made by the previous Government and new legislation outlining options, tools and models for delivery of water services is planned to be introduced in December 2024].</p>	<p>Any new legislation will not provide for water services to continue to be managed by the Council for all ten years of the 2024-2034 Long Term Plan.</p>	High	<p>If new legislation removes management of water services from the Council's responsibility, the 2024-2034 Long-term Plan and other Council planning documents will need to be amended.</p> <p>A watching brief will be kept on the Government's policy direction.</p>

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Significant Assets				
21.	Lifecycle of significant assets The useful asset life reflects the best estimate available as at forecast date and is based on current asset information held. The useful life of each class of asset is outlined in the Statement of Accounting Policies for Prospective Financial Statements - Depreciation. Some assets may wear out and fail sooner, or later, than calculated.	Some assets may wear out and fail sooner, or later, than calculated. There may be inadequate replacement reserves.	Medium	There is no certainty that asset components will last their design lives exactly. However, replacement is budgeted at the expected end of useful life and earlier replacement will result in a loss on disposal of any residual value. Earlier replacement may result in the deferral of other discretionary capital projects in order to remain within self-imposed debt limits as set out in Council's Financial Strategy.
22.	Resource consent standards/property designations All projects in the Long Term Plan that are required to gain resource consent will do so in a timely manner, within the cost estimates provided. Any new property designations required for new wastewater, water, stormwater and solid waste systems, or for the significant upgrading of existing systems, will be able to be obtained prior to the time that has been scheduled for the actual construction of works in this plan.	Resource consents are appealed to the Environment Court resulting in significant delays. Stringent resource consent conditions and standards lead to high treatment standards being imposed with consequential high costs. Delays due to designations or consents not being obtained, or necessary land purchased, before the scheduled time of construction.	Medium	While recent reforms have expedited appeal processes, consenting processes can still be costly. Designation processes have been streamlined but can still be costly. Risk can be minimised if the Council always commits to a clear and detailed future forward work programme for at least the next three to four years.

No.	Assumption	Risk	Level of uncertainty	Potential effects and mitigation measures
Financial Assumptions				
23.	Capability to deliver projects Capital expenditure projects will be delivered at the same rate or better than previous years (delivery for the 2023/24 financial year is forecast at 85% to 90%).	<p>The delivery of capital expenditure projects could be delayed by one or all of the following: availability of materials and labour, the timing of contracts, reduced funding contributions/subsidies from central government and other agencies (such as Waka Kotahi) and the Council's project management capability.</p> <p>Infrastructure services may not be in place within timeframes required to maintain existing levels of service or meet demand from peak visitor numbers or growth. Some projects may need to be staggered or delayed.</p> <p>If delivery of the capital programme is delayed, then proposed outcomes will not be achieved in the timeframes originally intended.</p>	High	<p>Delay in the delivery of capital expenditure projects may mean that:</p> <ul style="list-style-type: none"> • infrastructure services may not be in place within timeframes required to maintain existing levels of service, or meet demand from peak visitor numbers or growth • work will be deferred to later years of the Long Term Plan and affected programmes of work will be rephased accordingly. <p>The financial implication of such delays include lower borrowings and a reduction in the need for rates/debt, although it is expected that most of this would be undertaken/made-up in later years of the Long Term Plan.</p> <p>Some government funding from Waka Kotahi depends on delivery within prescribed timeframes. Consequently, this work is being prioritised to be delivered on time.</p> <p>Establish processes to rationalise capital expenditure programme to ensure delivery teams are realistic about what can be delivered.</p> <p>Establish procurement strategies to provide efficiencies to deliver projects or programmes of work. Continue to bolster internal project management resources.</p>
24.	Third party funding – Waka Kotahi/NZTA subsidy The NZTA funding assistance rate has been included at the rate of 51%. The Funding Assistance Rate has been set for a three year period from 2024/25. This will be reviewed in 2026 for the following three years.	<p>There is a risk that the subsidy rates may change. Change in priorities signalled in draft Government Policy Statement on Land Transport (published 04 March 2024) may lead to reduction of subsidy</p>	Low	<p>A 1% movement in the funding assistance rate would result in total costs of \$210,000.</p>

No.	Assumption	Risk	Level of uncertainty	Potential effects and mitigation measures
25.	Third party funding – Crown funding for roading resilience projects The Coromandel Bypass and Tapu-Coroglen, Colville and Kennedy Bay Road projects will be 100% funded by the Crown from the Waka Kotahi Resilience Strategic Response (RSR) programme.	The Crown will not fund the programme. The Crown will partly fund the programme.	High	The projects would not proceed if the Crown did not fund the resilience programme. A lower level of Crown funding for the programme would result in delay in the delivery of these projects and the entire programme. Council will continue to actively engage with transport network users to retain their support, and work in partnership with Waka Kotahi on the implementation of the resilience programme.
26.	Third party funding for Coastal Hazards projects A third-party funding (Crown and or other agency funding) assistance rate has been included at the rate of 60%. The funding assistance rate has been set for the 2024 LTP period. However, this will be reviewed in three years time as part of the next LTP.	The Crown will not fund the programme. The Crown will partly fund the programme. The Council's coastal protection expenditure in this plan represents a significant change in its level of investment in this activity. The investment is necessary to ensure ongoing protection of our communities from coastal hazards, however, the Council has identified there is a significant funding gap due to the inability of the district's ratepayers to bear the full cost of these projects. The Council has determined there are no other reasonable and prudent options for meeting the shortfall but to seek external funding from third parties but acknowledges that the availability of this funding is uncertain.	High	The Coastal Hazards projects may not be able to proceed if third party funding is not secured for the works programme. A lower level of third party funding for the programme would result in delays in the delivery of these projects and or the scale/scope of the programme being revised. Council will continue to actively engage with third party funding agencies to secure funding for the proposed Coastal Hazards programme. Council will continue to take an adaptive management approach with the Coastal Hazards programme as proposed in the adopted SMP.

No.	Assumption	Risk	Level of uncertainty	Potential effects and mitigation measures																																
27.	<p>Interest rates on borrowing</p> <p>Interest rates will increase beyond those budgeted for in the 10 year Long Term Plan. Interest on existing and new borrowing is forecast as follows:</p> <table><tr><th>Year ending</th><th>Average cost of funds</th></tr><tr><td>Jun-24</td><td>5.18%</td></tr><tr><td>Jun-25</td><td>5.01%</td></tr><tr><td>Jun-26</td><td>4.85%</td></tr><tr><td>Jun-27</td><td>4.82%</td></tr><tr><td>Jun-28</td><td>4.98%</td></tr><tr><td>Jun-29</td><td>5.12%</td></tr><tr><td>Jun-30</td><td>5.39%</td></tr><tr><td>Jun-31</td><td>5.48%</td></tr><tr><td>Jun -32</td><td>5.69%</td></tr><tr><td>Jun -33</td><td>5.73%</td></tr><tr><td>Jun-34</td><td>5.81%</td></tr></table> <p>Source: PWC based on cost of funds modelling</p>	Year ending	Average cost of funds	Jun-24	5.18%	Jun-25	5.01%	Jun-26	4.85%	Jun-27	4.82%	Jun-28	4.98%	Jun-29	5.12%	Jun-30	5.39%	Jun-31	5.48%	Jun -32	5.69%	Jun -33	5.73%	Jun-34	5.81%	Interest rates will increase beyond those budgeted for in the 10 year Long Term Plan	Medium	<p>The cost per annum to the Council given a 1% increase in the interest rate is below:</p> <table><tr><td>\$25M</td><td>\$250,000</td></tr><tr><td>\$50M</td><td>\$500,000</td></tr><tr><td>\$75M</td><td>\$750,000</td></tr><tr><td>\$100M</td><td>\$1,000,000</td></tr></table>	\$25M	\$250,000	\$50M	\$500,000	\$75M	\$750,000	\$100M	\$1,000,000
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\$75M	\$750,000																																			
\$100M	\$1,000,000																																			
28.	<p>Refinancing term loans/external funding</p> <p>Loan servicing is calculated on a table basis over 30 years for infrastructure, with early repayment if surplus reserves are available. Refinancing of external loans is assumed to be readily achieved. The Council will take advantage of external funding opportunities where applicable to augment revenue received from rates.</p>	Significant changes in funding or funding sources may result in a revised capital work programme or changes in levels of service.	Low	The Council expects to maintain a significant lead-in time within which it can seek to lock in alternative funding sources. The Council is a guarantor and borrower from the Local Government Funding Agency (LGFA) therefore refinancing risk is low.																																
29.	<p>Vested assets</p> <p>The level of vested assets from resource consents issued is assumed to be at levels over the past ten years during which there has been variable levels of growth, with the average likely to reflect growth into the Long Term Plan period. The value of vested assets may be greater than predicted thereby increasing depreciation expense.</p>	The value of vested assets is greater than predicted thereby increasing depreciation expense.	Medium	<p>Should the level of vested assets be higher than estimated, there will be an increased depreciation expense in the following years.</p> <p>The value of projected Vested Assets is regularly monitored and any material movements that will impact depreciation are built into forecasted deprecation projections.</p>																																

No.	Assumption	Risk	Level of uncertainty	Potential effects and mitigation measures
30.	Sources for funds for future replacement of significant assets It is assumed that funding for the replacement of significant assets will be obtained from the appropriate sources as set out in the Council's Revenue and Financing Policy.	The main risk is that budgets for some capital replacements may not have been included and sources may not meet requirements.	Low	There is little or no risk that sources of funds for replacement of significant assets will not be achieved. Funding of all asset replacement during the life of the Long-term Plan has been disclosed.
31.	Currency movements and related asset values Some components of works in the Long-term Plan may be sourced from overseas. It is assumed that all input components (whether sourced in New Zealand or abroad) will be assessed in New Zealand dollars.	Currency exchange rates will significantly fluctuate	Low	Variations in pricing for large components will have limited impact on rates as these costs are debt-funded and repaid over the life of the assets.
32.	Forestry The value of log prices is anticipated to increase in the future. These prices are affected by demand, by the foreign exchange rate, and whether or not the trees have been irrigated.	Prices will continue to be low for the life of the Long Term Plan and the quality of irrigated trees will be reflected in a lower log price.	Medium	While this assumption has a medium level of uncertainty, it has very a low impact because returns from log sales are projected to be a minimal source of income.
33.	Revaluation of non-current assets Land is revalued bi-annually, buildings and infrastructure assets are revalued annually to ensure that their carrying amounts do not differ materially from fair value.	If actual valuations are different to that estimated, we will need to reflect this in our Statement of Financial Position. There will be an impact on the level of depreciation in the Statement of Comprehensive Revenue and Expenses and affect funding through Rates & User Fees & Charges.		We will monitor value projections against actuals. The cost of replacing or constructing assets will vary each year from estimates according to market forces. Significant differences will be reflected in budget forecasts and annual plans.
34.	Insurance We will be able to obtain adequate insurance cover for the life of the long term plan.	Due to changes in the insurance market, it may become more difficult to get the same levels of insurance at reasonable pricing, or to get ongoing insurance for some of Council's activities and assets. Significant weather events both nationally and internationally could potentially make insurance unaffordable or worst case we are unable to insure our assets.		If unable to obtain insurance we would self-insure or use our insurance reserve funds to cover replacement of assets if sufficient funds are available. Alternatively, we could debt fund any losses.

No.	Assumption	Risk	Level of uncertainty	Potential effects and mitigation measures
35.	Price level changes – rate of inflation The Local Government Cost Index measures the cost drivers specific to local government (e.g. concrete, reinforcing steel, bitumen, roading chip, building materials, energy, wages etc.). This differs significantly from the inflation pressures that affect households and measured by the Consumer Price Index (CPI). BERL were commissioned to provide an independent report to local authorities with the forecast inflation on key cost drivers - BERL (Business & Economic Research Ltd) <i>Cost adjusters 2023 final update</i> report. The measure of inflation is forecast at 2.3% - 3.8% annually.	Price level changes will vary from those used.	Medium	Inflation is affected by external factors, most of which are outside the Council's control and influence. Actual individual indices will at times vary from what has been assumed in the Long-term Plan. The Council has relied on the Reserve Bank's use of monetary control to keep inflation within the range of 1% to 3%. The effect of any variation up or down will result in a higher or lower rates requirement. Based on projected total expenditure (operating and capital) of \$100 million a plus/(minus) 1% movement in the forecast inflation rate would result in an approximate movement in total costs of plus/(minus) \$1 million. This would then have a flow on effect into all of the remaining years of the Long-term Plan.

Table 7-3: Operating unit cumulative inflation predictors

Year ending	June 2025	June 2026	June 2027	June 2028	June 2029	June 2030	June 2031	June 2032	June 2033	June 2034
Percentage inflation increase	3.00%	5.30%	7.80%	10.30%	12.80%	15.20%	17.60%	20.00%	22.40%	24.80%

Table 7-4: Activity units cumulative inflation predictors

Year Ending	Roading	Community Activities	Waste	Transport	Planning and Regulation	Other	Grants	Capex	Payroll	Water
June 2025	3.10%	2.80%	3.10%	2.70%	2.50%	2.80%	2.50%	2.80%	2.30%	3.80%
June 2026	5.20%	4.90%	5.30%	4.90%	4.70%	5.00%	4.70%	5.00%	3.80%	6.50%
June 2027	7.60%	7.20%	7.90%	7.30%	7.00%	7.40%	7.00%	7.40%	5.10%	9.50%
June 2028	10.20%	9.60%	10.50%	9.80%	9.30%	9.80%	9.30%	9.90%	6.10%	12.50%
June 2029	12.70%	11.90%	13.20%	12.10%	11.50%	12.20%	11.50%	12.40%	7.00%	15.40%
June 2030	15.10%	14.20%	15.80%	14.50%	13.70%	14.50%	13.70%	14.80%	7.70%	18.20%
June 2031	17.50%	16.50%	18.40%	16.80%	15.90%	16.90%	15.90%	17.20%	8.50%	21.00%
June 2032	20.00%	18.80%	21.00%	19.20%	18.10%	19.20%	18.10%	19.60%	9.30%	23.70%
June 2033	22.40%	21.10%	23.60%	21.50%	20.30%	21.60%	20.30%	22.00%	10.20%	26.50%
June 2034	24.90%	23.30%	26.20%	23.90%	22.50%	23.90%	22.50%	24.40%	11.20%	29.20%

Table 7-5: Long term 11-30 Year Inflation predictors

Capital	Operational			
	Roading	Waste	Water	Other
2.4% p.a.	2.4% p.a.	2.4% p.a.	2.4% p.a.	2.4% p.a.

7.5 Infrastructure Delivery

The delivery of our infrastructure services is via out-sourced contracts for operations, maintenance, capital projects and renewals, coupled with in-house asset management, planning, contract management, and project management.

7.6 Key Infrastructure Strategy Objectives

The key Strategy objectives are summarised below and detailed in Table 7.3:

- Managing our assets based on quality information
- "Right sizing" our infrastructure assets
- Ensuring infrastructure Resilience/'Building back Better'
- Ensuring that we invest in new infrastructure only where demand is certain and long term
- Consideration of differing service levels
- Linkage to our Financial Strategies

The table below identifies and describes the key Strategy objectives and linkages to the significant issues:

Table 7-6: Infrastructure strategy objectives

Significant Issues	Infrastructure Strategy Objectives	Description
Peak demand Age and condition of assets Changing standards and service expectations District Growth - Enabling Thames and surrounds	Managing our assets based on quality information	Managing our assets for their full lifecycle requires integrated planning and reliable data. Decision-makers need good information about their current asset and future asset needs to manage maintenance, programme renewals and make sound decisions about when to invest in new infrastructure. We need good data about the condition of our assets to help us plan when we should maintain, renew, or replace assets in a manner consistent with best practice. Asset Management Plans have been prepared for the activities that have a high reliance on assets to deliver services. These plans have been prepared based on industry practice and have been peer reviewed. They have been used to forecast the expenditure needed to operate, maintain, and renew assets
Affordability Peak demand District Growth - Enabling Thames and surrounds	"Right sizing" our infrastructure assets	Given the low level of growth projected across the District, we intend to plan for, and build, major asset renewals or new infrastructure with little redundant capacity built in. This approach is intended to provide assets that are 'right sized' for our needs and demands, without creating assets with excessive capacity built in. This approach needs to be supported by demand management to ensure that assets are not placed under undue stress during peak demand periods, which increases the risk of asset failure or impacts on service levels
Climate change and coastal hazards Age and condition of assets Changing standards and service expectations	Ensuring infrastructure resilience	The impacts of climate change, as well as the nature and type of topography of the District means that resilient infrastructure is vital to underpin the community and economy of the District. Developing resilient infrastructure and building back better will be a priority over the term of this Strategy. Resilient infrastructure will be achieved by combining a range of improved approaches from planning and design through construction to the ongoing maintenance strategies. This combined with an adaptive approach will help ensure future resilient infrastructure in the District.

Significant Issues	Infrastructure Strategy Objectives	Description
District Growth - Enabling Thames and surrounds	Ensuring that we invest in new infrastructure only where demand is certain and long-term	The approach taken for much of our infrastructure can be described as ‘meeting average demand, with peaking capacity’. This approach contrasts with a ‘peak capacity all year round’ approach, which would be cost prohibitive for the District. We also use demand management and innovation to assist in managing peak demand, rather than investing in new or additional infrastructure. Given the uncertainty around future growth and demand for infrastructure and services, we intend to take a “just-in-time” approach to the delivery of additional infrastructure. This means that while we need to continue to plan and monitor the demand for new infrastructure, investment in new infrastructure will not commence until it is reasonably certain that the predicted demand will actually occur. Before investing in new infrastructure assets, we will need to carefully assess the expected benefits relative to the cost of building, maintaining, and operating the asset. We will also need to be clear about the potential impacts on future affordability over the lifetime of the asset and understand any potential risks or impacts if the expected benefits or broader objectives are not realised.
Affordability Climate change and coastal hazards Natural hazards	Consideration of differing service levels	Our resident population is expected to decline in some parts of the District. As our population ages, we will have more residents with fixed incomes who may not be able to absorb the cost of increased service levels. Increasing service levels can increase the cost of operating and maintaining our assets, so we need to assess the long-term costs and benefits before increasing service levels. It may also be difficult to reduce costs in future if our population declines and an increased number of households with lower fixed incomes leads to affordability issues. For the majority of Council’s infrastructure and facilities, there are limited opportunities for reducing levels of service. Where options are available, they will be considered while taking into account legislative requirements and customer expectations

Significant Issues	Infrastructure Strategy Objectives	Description
Affordability	Linkage to our Financial Strategies	<p>This Strategy is closely linked with the Council's Financial Strategy. The Financial Strategy sets the direction for Council's finances over the next 10 years and describes how we intend to pay for the services and infrastructure we provide to our communities in a way which is affordable and sustainable now and in the future. Council's Financial Strategy signals that, in relation to infrastructure, our future approach will be to:</p> <ol style="list-style-type: none"> 1. Future proof the District's infrastructure: <ul style="list-style-type: none"> • Have the capacity to fund improvements for potential increases in quality standards for key infrastructure. • Have the capacity to fund expansion of our current networks subject to affordability. • Rebuild and maintain Council's disaster reserve to address damage from recent events and have provision for future events. 2. Address the past under delivery in asset management: <ul style="list-style-type: none"> • Improve our levels of asset maintenance and renewals, especially for some of our community facilities and property assets. • Based on availability and affordability, commence asset management of between 20 and 35 Council-owned roads (depending on the outcome of investigations) that have not previously been maintained by Council (referred to in this strategy as the road maintenance extents programme). <p>Council is responsible for renewing assets to ensure best value from the asset for the benefit of ratepayers now and in the future. We do this by funding the depreciation on our assets to build up depreciation reserves which we use to fund asset renewals. This ensures that all generations that enjoy the benefits from these assets pay a share of the capital cost. New assets (ones that are not replacing an old asset) are loan funded. Funding new assets through debt ensures that future residents and ratepayers contribute a fair share towards the cost of the assets that they use. New assets can also attract external funding, but this is less common for ongoing operational and renewal requirements. We need to be careful that the creation of new assets or services does not overburden future ratepayers.</p>

Our Infrastructure Strategy is also informed by and provides strategic direction to our asset management plans.

7.7 Significant Emerging Issues

Many of the elements that affect and influence long-term infrastructure management are dynamic. Management approaches and strategies need to be regularly reviewed, revised, and adapted based on this ever-changing environment.

The emerging issues that are likely to affect future infrastructure management strategies are detailed in the table below:

Table 7-7: Significant emerging issues

Significant Emerging Issue	Description	Key Issues	Future Decisions
3 Waters Reform	The ongoing 3Waters reform	The establishment of the water Regulator (Taumata Arowai) and the new Government direction regarding future 3Waters management will have an influence on future 3Waters management arrangements within the Council. At this time uncertainty remains about Government direction and the Water sector is awaiting guidance on this.	Responding to the new Government's 3Waters reform directives Timeframe: 1-5 Years
Climate Change	Both the potential effects of climate change and national Climate Change and Zero Carbon policies and programmes	The District has many coastal settlements that are low lying and on the coastline. Council has developed a Shoreline Management Plan and is implementing an adaptive management approach to the specific infrastructure most at risk. Trends will be monitored, and future infrastructure strategies revised to address emerging Climate Change trends. Climate change is likely to influence the assumptions that the most likely Strategy scenarios are based on i.e.: <ul style="list-style-type: none"> • lifecycle of assets • growth /decline in demand • increase or decrease in LOS 	Adaptive strategies and responses to emerging Climate change trends including: <ul style="list-style-type: none"> • Infrastructure protection or managed retreat • Stormwater and drainage upsizing • Future location and type of wastewater treatment facilities • Future location/relocation of critical assets Timeframe: 30 Year Horizon
Growth Trends	Demographic trends	Whilst growth trends are not highlighting large future growth, we recognise the dynamic and very large land development/housing demand nationally. Monitoring of growth and demand trends will be ongoing and infrastructure strategies revised accordingly	Infrastructure and housing growth strategies revised according to emerging trends and demand. Growth projects to be revised and updated every 3 years as part of the LTP / AMP process.
Affordability	Cost Increases and affordability	Recent cost increases of services and supplies are affecting the cost of delivering operations and maintenance activities and capital works. It is anticipated that this trend will continue at least over the short to medium term.	Review of funding strategies. Capital Works Programme prioritisation Procurement strategies developed that aim to optimise procurement of works, materials, and services i.e. via regional local government procurement initiatives

8 Infrastructure Issues, Management Options, and Implications


The document linkage diagram below highlights where you are in the IS and how this section relates to the next sections in the IS. It highlights the linkages between significant infrastructure issues, management scenarios, options and proposed project outcomes and timeframes:




The following tables identify the significant issues by asset class, the related significant Council decision(s), options, and implications that we have considered to mitigate the issues. Our preferred option is highlighted/marked as (Preferred). The funding impacts and projects arising are detailed in Section 10.

8.1 Roads and Footpaths



Table 8-1: Roads and Footpaths issues, options, and implications



Significant infrastructure issues	Significant decisions	Timeframe	Principal options for managing the issue	Implications of the option(s)
 Resilience of the road network: [IS Key Issues: Climate Change, Coastal Hazards and Resilience, Natural Hazards] Some parts of our road network are prone to erosion, flooding or slips due to severe storm events and coastal erosion. Some of our communities, such as Pauanui, have restricted or single access by road and these roads can become blocked. Some of our coastal roads may be damaged or become inaccessible in the event of a tsunami. Our local road network is reliant on the resilience and operation of the state highway.	Decision to fund the establishment and maintenance of a resilient road network	Ongoing over 30 year horizon	<p>Option 1: Continue to minimise reactive renewals by taking a proactive planned approach to renewal of the network. An example of this is the provision of better stormwater drainage systems for our roads.</p> <p>Ongoing investment, maintenance, and renewal activities to ensure that the condition and integrity of the asset is maintained. This includes investment related to bridges.</p> <p>Option 2: (Preferred) Increase expenditure to improve long term network resilience and ability to meet Levels of Service. Note, this is dependent on funding availability.</p>	<p>Extreme weather events continue to cause considerable damage and disruption to our network. The repair and clean up needed to reinstate our infrastructure places considerable financial strain on our resources.</p> <p>Changes in the way that Waka Kotahi (NZ Transport Agency) currently funds disaster repairs may impact on our ability to fund the repair work associated with disaster events.</p> <p>There is a risk of communities being cut off in the event of single access roads being blocked or damaged; or residents may face long detours until damage to roads is repaired and access is restored.</p> <p>In the event of communities being inaccessible by road after a significant event, restoring other critical assets or services may be difficult and this may pose health and safety risks</p> <p>If Option 1 is followed there is an increased risk of catastrophic failure of parts of the roading networks that will impact all levels of service.</p>


Significant infrastructure issues	Significant decisions	Timeframe	Principal options for managing the issue	Implications of the option(s)
 Condition and Age of critical Roading Assets [IS issues: Aging infrastructure Affordability Interdependency with other Activities & Agencies (Whaka Kotahi)] Three significant issues combine to impact on long term funding levels. The current condition of some asset types presents risk of asset failures or required levels of service may not be achievable. Specific areas of concern targeted in the Transportation Asset Management Plan are: <ul style="list-style-type: none"> An ageing bridge stock with average asset condition results in compromised access and resilience issues. The unsealed road network is not meeting the demands created by seasonal peak usage, challenging climate, topography, and remoteness, which can result in a lower level of service and/or increased costs. Inefficient rural stormwater drainage is causing reduced pavement asset life, resulting in increased maintenance and renewals costs.	Decision to fund road network maintenance and renewals to ensure LOS are achieved over the 30 year horizon	Ongoing over 30 year horizon	<p>Option 1: Continue with the current level of investment, which provides for:</p> <ul style="list-style-type: none"> Proactive assessment of asset condition. Prioritisation within renewal programmes and budgets to address the highest risk first. Component level renewal where applicable. Application for funding for these asset types from both TCDC & NZTA. Performance monitoring of the Maintenance Contractor's activities. Workshops with contractors to ensure that the desired outcomes for these assets and the requirements for maintenance or renewal works are clearly understood. Analysis of treatment options, available materials, root cause and timing of treatments to identify optimal treatments. <p>Option 2: Slightly decrease current level of investment. This would result in underinvestment in assets and an increase in whole of life costs. This is not recommended.</p> <p>Option 3: (Preferred) Increase the level of investment which is expected to reduce operating cost and provide better value. Historic investment constraints (Waka Kotahi and TCDC funding constraints) over a prolonged period have led to deteriorated infrastructure in some parts of the network. Investment at current levels will lead to an increasing risk of failure as evidenced by the events of the 2022/23 cyclones.</p>	<p>There is a risk of asset failure or of assets not achieving the desired levels of service.</p> <p>There is a risk of property access being cut off in the event of asset failure on a single access road; or residents may face long detours until access is restored.</p> <p>Reactive maintenance costs will increase if renewal needs are not being met.</p> <p>Increase in the level of investment which will both improve overall optimisation and also reduce some of the risks mentioned above.</p>

8.2 Coastal and Hazard Management

Table 8-2: Coastal and Hazard Management issues, options, and implications.



Significant infrastructure issues	Significant decisions	Timeframe	Principal options for managing the issue	Implications of the option(s)
 Affordability Significant cost increases are anticipated with the five significant projects over the next 10 years. This trend is expected to continue over the longer term. There will be the need to respond to climate change across Council activities (especially infrastructure and roading), this will further compound infrastructure affordability across the district.	Climate change will have an affordability impact on all Council's activities particularly flood protection and control works. Project priorities will need updating, and decisions made on who pays, when and how. This issue will likely require significant external funding and support.	10-year horizon, to reflect the need to prioritise funding options and business case development to support the implementation of significant projects within the 10-year timeframe. There will also be long-term funding and affordability challenges to enable projects set out in the SMP to be implemented.	Option 1: (Preferred) Funding approval through the 2024-2034 LTP and implementation of the key coastal hazard management projects within the proposed timeframes. Council is also preparing a Business Case to central government to provide funding for significant projects. This funding will supplement and potentially fast track delivery. Option 2: Implement a constrained works programme if central government funding is not approved, perhaps over a longer period of time. Assess and report on risks associated with this option.	Coastal protection (flood and control) will not be implemented, and significant coastal hazard risks will remain for the communities identified. This will have significant flow on effects, especially for the Thames area where access to and from key locations (including State Highway), current and potential areas for development (or other community-wide activities) may be impacted.
 Key interdependencies: Key interdependencies have been identified, including: <ul style="list-style-type: none"> increased collaboration and working partnership with external agencies such as Waikato Regional Council, Waka Kotahi and other Crown funding departments Increased collaboration with other TCDC departments such as Roading and Stormwater and Parks and Open spaces 	Council to commit to establish and resource meaningful engagement initiatives and collaborative relationships with the key external agencies, and also between Council departments. This is required to ensure desirable coastal and hazard management outcomes.	10-year horizon, matching the current 2024-2034 LTP process.	Option 1: (Preferred) Funding via the 2024 LTP of the adopted SMP and actions that have been prioritised within Council. As a result, it is expected that the interdependencies will be given the appropriate weight to consider for adoption, and to progress the significant projects. Option 2: There is also the option of business case funding that is currently being applied for and may provide the funds to supplement some of the costs related to all the interdependencies and/or significant projects.	The biggest implication is how the projects will be funded, and if the business case application to central government is successful. If not, the programme timeframes may need to be extended based on Council's ability to fund works. The ability to obtain WRC consent for significant projects will also be important to ensure projects can go ahead. Developing relationships with other agencies will require time and effort from TCDC staff.


Significant infrastructure issues	Significant decisions	Timeframe	Principal options for managing the issue	Implications of the option(s)
 Climate change, coastal hazards, and resilience: The emerging climate change impacts and issues will increasingly impact communities in the district. The Shoreline Management Pathways work brought the coastal hazards together and assessed the risks to infrastructure and associate assets (erosion and inundation). The major climate changes are: <ul style="list-style-type: none"> • changes to extreme events – such as storm intensity, heavy rainfall, drought, wind extremes and thunderstorms rather than a change in average conditions locally • higher temperatures • rising sea levels – the IPCC forecasts just under a metre sea level rise by late this century 	<p>The SMP work has involved a robust process that has considered the hazards, the risks, and actions to help mitigate the (expected) impacts of climate change.</p> <p>The work has recently been prioritised into short term-urgent, medium, and long-term actions, and as a result the significant projects identified in the IS provides a decision-making framework to address the issues.</p> <p>The 2024-2034 LTP needs to confirm project priority, and funding.</p>	<p>It can be viewed as a 10-year with regards to the current LTP process and short-urgent actions, and over the longer term of the 30 year horizon and beyond, to reflect the changing nature of the climate change-related hazards.</p>	<p>Option 1: (Preferred and adopted) Fund and Implement the Council adopted SMP. The SMP process has been the principal method for managing climate change, coastal hazards, and resilience issues.</p> <p>Approval of funding via the 2024 LTP of the Coastal Adaptation Pathways prioritised significant works and project implementation.</p> <p>Option 2:</p> <p>Defer physical protection work due to potential affordability constraints and focus on increasing awareness of climate related hazards, to allow public to make informed decisions related to risks and hazards.</p> <p>Risks to the community will increase over time and more negative impacts from storm events may be experienced.</p>	<p>There will be coastal hazards risk to the areas and communities without the significant projects' completion. This will impact not only the communities but also (and not limited to) state highway access, public amenities use, business and commercial activity, recreation, and tourism.</p> <p>Using the projection hazard information, risk tolerance (acceptability) and thresholds were adopted to action the appropriate pathway and action if coastal hazards were to occur. This work enables community-driven outcomes that will provide for a more resilient Coromandel.</p>
 District growth: The Thames Spatial Plan has been adopted and provides a growth strategy for Thames and surrounds. Significant flood management and control works have been identified for Thames, the implementation of these will support the Thames Spatial Plan.	<p>It is important the effects of climate change-related hazards (especially coastal inundation) are factored into the growth planning in the District. This will enable development but also help 'avoid' development in high-risk areas (see NZCPS 2010; policy 25).</p> <p>District growth implications will also need to align with subsequent planning changes considering coastal (and natural) hazards.</p>	<p>10-year horizon relating to the 2023-2034 LTP; and ongoing over the longer term of the 30 year IS horizon and beyond to reflect the changing nature of the climate change-related hazards.</p>	<p>Option 1: (Preferred) Adoption of the funding for the key interdependencies through the 2024-2034 LTP process</p> <p>Option 2: Potential for supplementary funding through application of the business case to central government</p>	<p>Without the necessary key interdependencies and implementation progress and the appropriate planning requirements to enable sustainable and resilient growth the climate change-related hazards and risks will increase e.g., growth and development in areas with high hazard risks.</p> <p>Not obtaining external funding may affect the timeframes of works and in turn affect the ability to allow growth in areas of higher risk.</p>

Significant infrastructure issues	Significant decisions	Timeframe	Principal options for managing the issue	Implications of the option(s)
 Changing standards and service expectations: The service expectations have been identified through the SMP. This will result in an increase in flood protection and control works. There are also increasing regulatory requirements that will be addressed during implementation of the SMP actions.	<p>The SMP work has gone through a robust process that has considered the hazards, the risks, and actions to help mitigate the (expected) impacts of climate change.</p> <p>The work has recently been prioritised into short-urgent, medium, and long-term actions, and as a result the significant projects identified here are the decision-making framework for address the issues.</p> <p>The 2024-2034 LTP will be the significant decision-making priority and supported by the business case for funding to central government.</p>	<p>10-year horizon relating to the 2023-2034 LTP; and ongoing over the 100 plus year timeframe to reflect the changing nature of the climate change-related hazards.</p>	<p>Option 1: Meeting the signals and triggers identified in the coastal adaptation pathways which then determine the next appropriate action to be taken. This could include increases in levels of service or a shift from protection to managed retreat, for example.</p> <p>Option 2: Additionally, another option for managing would be like that for growth, with a) the adoption of the funding for the key interdependencies and significant projects through the 2024-2034 LTP process. (Both options 1 and 2 are preferred)</p> <p>Option 3: Obtaining potential supplementary funding through application of the business case to central government.</p>	<p>There will be implications around maladaptation in areas that indicate managed retreat (including infrastructure and service retreat), significant and unsustainable potential costs related to storm and flood damage, insurance retreat (prior to the meeting of triggers and implementation of actions), or unrealistic community expectations not being met, for example.</p> <p>Actions within the pathways may also be missed and have similar resulting implications, but also may pose significant health and safety consequences, or risk to life and property.</p>

8.3 Solid Waste


Table 8-3: Solid Waste issues, options, and implications


Significant infrastructure issues	Significant decisions	Timeframe	Principal options for managing the issue	Implications of the option(s)
 RTS Asset age and condition [IS key issue: Age and condition of assets]	Decision to invest in RTS condition investigations and renewals	Ongoing over 30 year horizon	<p>Option 1: (Preferred) Increase the level of investment by:</p> <ul style="list-style-type: none"> -Improving information on RTS asset records and information about asset condition. -Increasing the focus on asset management activities such as investigations, data gathering, systems integration, renewal candidate assessments, field verification and capital lead-in works. -Minimising reactive renewals by taking a proactive planned approach to renewal of the Solid Waste networks. <p>This programme will require increased levels of funding over at least the 10 year horizon.</p> <p>Option 2: Defer increasing funding and retain current levels of investment.</p>	<p>Option 1 will help mitigate the risks of asset failure and potential H&S risks at the RTS that increase as assets age and deteriorate.</p> <p>There are currently deteriorated assets needing renewals and/or upgrade.</p> <p>The District experiences a large tourist influx during summer. This puts significant load on the solid waste infrastructure and the RTS in particular. Undertaking renewals and improvements is essential in order to meet peak demand requirements.</p> <p>Option 2 This will lead to a reduction in LOS, asset condition and potentially increase operational risks as well as risks to personnel at the RTSs.</p>
 RTS capacity peak demand and resilience [IS key issue: Peak demand, Climate change, Natural hazards, Coastal hazards and resilience, District Growth]	Decision to invest in RTS capacity to meet peak demand and build in resilience	Over the 10 year horizon	<p>Option 1: Defer increasing funding and retain current levels of investment. This may lead to capacity constraints at the RTS and potentially increase operational risks as well as risks to personnel at the RTSs. There will be no redundancy to cope with natural hazard events.</p> <p>Option 2: (Preferred) Increase the level of investment to improve RTS capacity and site layout to optimise RTS operations and ensure H&S of customers and operators.</p>	<p>The District experiences a large tourist influx during summer. This puts significant load on the solid waste infrastructure and the RTS in particular. Undertaking RTS assessments and improvements is essential in order to meet peak demand requirements.</p> <p>Implementing option 2 will build in redundancy at the RTS and the improvement works will help ensure RTS capacity in the event of a natural hazard event.</p>

Significant infrastructure issues	Significant decisions	Timeframe	Principal options for managing the issue	Implications of the option(s)
 Increasing legislative requirements related to collections services and monitoring and reporting on waste [IS key issue: Changing standards and service expectations]	Decision to invest in collection services and infrastructure to meet legislative requirements	Ongoing over 30 year horizon	<p>Option 1: Defer increasing funding and retain current levels of investment. This may lead to increased risk of legislative non-compliance.</p> <p>Option 2: (Preferred) Increase the level of investment in services, systems and procedures to meet legislative monitoring and reporting requirements.</p> <p>Option 3: Work with regulators to obtain approval of alternative approaches to meeting legislative requirements. This could be seeking of exemptions or time extensions.</p>	<p>Additional weighbridge infrastructure and monitoring and reporting systems are required to meet legislative requirements.</p> <p>Expansion of collection services has recently been implemented to meet legislative requirements.</p>

8.4 Water Supply

Table 8-4: Water supply issues, options and implications

Significant infrastructure issues	Significant decisions	Timeframe	Principal options for managing the issue	Implications of the option(s)
 <p>Asset age and condition</p> <p>Some parts of our water supply network are ageing and will reach the end of their economic life over the next 30 years.</p> <p>In particular, some parts of the Thames South water supply network are nearing the end of their useful life and are in need of renewal.</p> <p>Many of our water supply networks are reliant on single supply pipes. Damage to, or failure of, these assets result in significant service disruption. It is important that we understand the asset's condition and take a proactive approach to the maintenance and renewal of these types of critical assets.</p>	Decision to invest in asset condition investigations and evidence based renewals	Ongoing over 30 year horizon	<p>Option 1: (Preferred) Slightly increase the level of investment by:</p> <ul style="list-style-type: none"> -Improving asset records and information about asset condition. -Increasing the focus on asset management activities such as investigations, data gathering, systems integration, renewal candidate assessments, field verification and capital lead-in works. -Minimising reactive renewals by taking a proactive planned approach to renewal of the water supply networks. <p>Option 2: Invest to undertake renewals to address the theoretical backlog of ageing assets over approximately three years. After considering the cost of this option and the associated risk reduction benefits, this option was not considered preferable.</p>	<p>As our water supply assets age, service interruptions or total failure become more likely, which may affect levels of service and the resilience of our water supply networks.</p> <p>Those parts of our network which are ageing or in poor condition are more likely to leak, meaning that a percentage of all water that we source and/or treat is lost.</p> <p>The District experiences a large tourist influx during summer. We only have a limited number of water sources, and during dry summers these can become depleted. Hence it is imperative to minimise network losses.</p>

Significant infrastructure issues	Significant decisions	Timeframe	Principal options for managing the issue	Implications of the option(s)
 Infrastructure capacity and peak demand <p>The District's water sources are limited, and the amount of water we can take from our current sources is limited by resource consent conditions. Hence, it is paramount that we manage water use proactively.</p> <p>Over the next 30 years, water demand may exceed capacity during peak demand periods for some of our water supply networks. For example, based on expected trends, peak demand is likely to exceed capacity for the Tairua water supply network within the next 30 years.</p> <p>The purpose of the current Drinking Water Standards Upgrade project is to future-proof the District's water treatment plants by optimising their production capacity. Over time, and as the District grows, we will also need to increase our ability to transmit and store water.</p> <p>Demand on the District's infrastructure is at its highest during the summer period. We also experience fluctuating peaks during popular events held during the non-summer holiday period. Providing capacity for peak demand is costly and would result in redundant capacity during non-peak periods.</p> <p>The challenge is how we plan for and provide infrastructure and how we manage the impact of peak demand on our assets and levels of service.</p>	<p>Decision to invest in water treatment upgrades to meet NZDWS and DWQAR</p> <p>Decision to investigate optimisation of water production to meet peak demand</p> <p>Decision to implement water demand management strategies</p>	10 year horizon	<p>Option 1:*: Continue to investigate opportunities for new water sources. Studies are underway and link into water demand management strategies and metering. There are some WTPs that will address source improvement when the WTPs are upgraded e.g. Hahei.</p> <p>Option 2:* – Continue to optimise water treatment plant production capacity. This is being addressed through the current Drinking Water Standards and Drinking Water Quality Assurance Rules Upgrade project.</p> <p>Option 3:* - Increase the capacity of our water supply networks to cater for seasonal peak demand by:</p> <ul style="list-style-type: none"> • Prioritising demand management to reduce the impact of peak demand on our existing infrastructure assets • Ensuring that we invest in new infrastructure or increase the capacity of existing infrastructure only where demand is certain and long term. <p>To ensure we effectively manage demand, Council has adopted a Water Demand Management Strategy. The Strategy provides a suite of demand management tools and techniques, including water metering that we can use to assist us to manage demand. Council's Water Supply Bylaw also helps with managing peak water demands by giving Council the power to impose water restrictions when necessary.</p> <p>*For this issue, progressing all three options concurrently is considered to be the appropriate response.</p>	<p>If we are unable to effectively manage peak demand in our water supply networks, there will be pressure on the network, and this may impact on:</p> <ul style="list-style-type: none"> • Our ability to maintain supply and reduced service levels (e.g. consistency and or quality) during peak demand periods. • The condition of the network, resulting in unplanned water interruptions and increased maintenance and renewals costs. <p>Demand management requires cooperation from our residents and visitors to succeed. We need to educate and communicate well with our communities on this matter. Throughout the year Council releases various messages to the community about the importance of managing water use carefully. The message is ramped up over the summer period.</p>



Resource consent standards

Over the next 30 years the resource consents relating to our water supply will need to be renewed and the standards that we are required to meet are likely to change. For example, the amount of water that we are allowed to draw from a particular water source may change.

The conditions for new resource consents may not be met based on the age, condition and/or design of existing infrastructure.

In 2017 the government released a revised National Policy Statement on Freshwater Management (NPS-FM), which aims to improve freshwater quality over time. This is to be reviewed by the new Government and is anticipated to have an impact on the conditions that we are required to meet when water supply consents are renewed.

Decision to fund renewal of water supply resource consents and possible increased management requirements

Ongoing over 30 year horizon

Option 1: (Preferred) Undertake timely renewal of abstraction resource consents to ensure regulatory compliance of our water supply schemes. The cost of renewing each resource consent will vary depending on the amount of work required.


Non-compliance with regulatory standards and requirements is not acceptable to Council.

Option 2: Work with regulators to obtain approval of alternative approaches to meeting legislative requirements. This could be seeking of exemptions or time extensions.

Direction set out in the 2017 NPS-FM is likely to have an impact on resource consent conditions, but the extent of the impact is not yet clear. The new Government direction on this is also to be taken into consideration.


The Waikato Regional Council will need to consider the new Government policy direction on the NPS-FM, and this will determine to what extent and when water supply resource consent conditions will change. This will determine when and what level of expenditure is required.



There is uncertainty about the impact that the resource management reforms, and any other legislative changes, will have on consent conditions over the next 30 years, and what impact this might have on our water supply and infrastructure assets.

Significant infrastructure issues	Significant decisions	Timeframe	Principal options for managing the issue	Implications of the option(s)
 Higher compliance standards Some of the Council's water supply schemes do not comply with the NZ Drinking Water Standards 2005 (Revised 2008) and Drinking Water Quality Assurance Rules (DWQAR).	Decision to invest in NZDWS and DWQAR upgrades	10 year horizon	<p>Option 1: (Preferred) Our 2021 Infrastructure Strategy acknowledged that not all Council water supply schemes complied with Drinking Water Standards. Work to improve service levels has been undertaken over the last three years, and more is planned.</p> <p>Thus far, upgrades have been completed at Whitianga, Tairua, Coromandel, Pāuanui, Wentworth Valley, Moana Point, Beverley Hills. The remaining treatment plants are programmed to be upgraded over the next three to four years to improve service levels, with the aim of fully meeting the Drinking Water Standards.</p> <p>Option 2: Timing of the work could be extended. This may increase the risk of non-compliance with NZ Drinking Water Standards and Drinking Water Quality Assurance Rules.</p>	The Drinking Water Standards and the DWQARs were introduced by the Government to improve the quality of drinking water and reduce the risk to public health. If we do not undertake this programme of work, our communities will not benefit from improved drinking water quality or reduced public health risk and we would not comply with the NZ Drinking Water Standards and Drinking Water Quality Assurance Rules.

8.5 Stormwater


Table 8-5: Stormwater issues, options, and implications


Significant infrastructure issues	Significant decisions	Timeframe	Principal options for managing the issue	Implications of the option(s)
 Asset age and condition Some parts of our stormwater network are ageing. Most of the Thames network was installed in the 1920s and a significant proportion of this infrastructure is nearing the end of its useful life and needs renewing. The stormwater networks in Coromandel township and in some parts of Whitianga are also ageing and in need of renewal.	Decision to fund renewal of stormwater infrastructure to meet LOS	Ongoing over 30 year horizon	<p>We continue to focus on improving our asset condition information and on asset management activities such as investigations, data gathering, systems integration, renewal candidate assessments, field verification and capital lead-in works. This assists us to plan for and prioritise which parts of our networks most need to be maintained and renewed.</p> <p>As our asset information improves, we will minimise reactive renewals by taking a proactive, planned approach to renewing our stormwater networks.</p> <p>Option 1: (Preferred) Undertake appropriate renewal of assets to address the theoretical backlog of ageing assets over approximately 20 years; timing dependent on funding availability and outcomes of condition investigations.</p> <p>Option 2: Undertake renewals to address the theoretical backlog of ageing assets over approximately three years. After considering the cost of this option and the associated risk reduction benefits, this option was not considered preferable.</p>	<p>As our stormwater assets age, they become more likely to fail which may affect the resilience of our stormwater networks.</p> <p>Ageing or poor condition stormwater assets may also result in:</p> <ul style="list-style-type: none"> Increased flooding in areas which are low lying and/or prone to flooding Increased runoff of untreated stormwater into the natural environment. This may have a negative impact on the quality of our environment and on public health.


Significant infrastructure issues	Significant decisions	Timeframe	Principal options for managing the issue	Implications of the option(s)
 System capacity Increasing frequency and intensity of rainfall events driving the need to increase stormwater network capacity. Reduction of pervious land areas due to new development results in increased run-off into the stormwater network.	Decision to review and plan network capacity upgrades due to land development impacts Decision to review the District Plan land development stormwater provisions	10 year horizon	<p>Option 1:* Fund via the 2024 LTP, plan and implement stormwater network upgrades.</p> <p>Option 2:* Ensure that all new land developments contribute to any necessary network capacity upgrades as part of their land development programmes.</p> <p>Option 3:* Defer funding and projects, assess and report on risks.</p> <p>*For this issue, progressing options 1 and 2 concurrently is considered to be the appropriate preferred response.</p>	Lack of a coordinated approach to managing stormwater runoff can result in surface flooding in developed areas. Ensure that the District Plan provisions related to land development address appropriate management for stormwater as part of the consenting process.
 Increasing standards Our comprehensive stormwater discharge consent expires in 2031 and will need to be renewed. National standards, such as those set out in the National Policy Statement - Freshwater Management (NPS-FM) and the New Zealand Coastal Policy Statement are increasing, e.g. in relation to the impact that stormwater discharges have on water quality. Should compliance standards become more stringent, we may have difficulty meeting the conditions of any new resource consents required for our existing infrastructure. Note the new Government has signalled a review of the National Policy Statement - Freshwater Management.	Decision to invest in stormwater consent renewal in accordance with RMA requirements. Decision to invest in stormwater upgrades in response to consenting outcomes.	10 year horizon	<p>Option 1: (Preferred) Budget, plan, and undertake a programme of work, including renewals, to ensure that stormwater schemes meet resource consent conditions. The actual cost of renewals will vary depending on the amount of work required to meet standards, and the level of acceptable risk.</p> <p>Option 2: Approve a lower level of investment to maintaining current standards and potentially partially meet the increasing standards with the risk of increased non-compliance.</p> <p>Option 3: Work with regulators to obtain approval of alternative approaches to higher compliance standards. This could be seeking of exemptions or time extensions.</p>	<p>The 2017 NPS-FM is likely to have an impact on our comprehensive stormwater consent conditions, but the extent of that impact is not yet clear. New Government direction will also be taken into account.</p> <p>The Waikato Regional Council is undertaking work to consider how they will respond to the NPS-FM and is also undertaking a review of the Waikato Regional Plan and Regional Coastal Policy Statement. This work will determine to what extent and when resource consent conditions will change. This will impact on when and what level of expenditure is required.</p> <p>Some level of uncertainty exists around how much standards and consent conditions will change over next 30 years and what impact this might have on our stormwater infrastructure assets.</p>

8.6 Wastewater

Table 8-6: Wastewater issues, options, and implications

Significant infrastructure issues	Significant decisions	Timeframe	Principal options for managing the issue	Implications of the option(s)
 <p>Asset age and condition</p> <p>Some parts of our wastewater network are ageing.</p> <p>A significant number of pipe assets have an unknown construction date or were constructed prior to 1930. Most of this infrastructure is located in Thames. A significant portion of this infrastructure is now at the end of its useful life and needs renewal.</p> <p>A significant amount of wastewater infrastructure has been installed as part of residential developments. Development peaked in the 1980s and 1990s on the eastern seaboard of the district.</p>	<p>Decision to fund renewal of wastewater infrastructure to meet LOS</p>	<p>Ongoing over 30 year horizon</p>	<p>We continue to focus on improving our asset condition information and on asset management activities such as investigations, data gathering, systems integration, renewal candidate assessments, field verification and capital lead-in works.</p> <p>As our asset information improves, we will minimise reactive renewals by taking a proactive, planned approach to renewal of the wastewater networks.</p> <p>Improved asset information will assist us to plan for and prioritise which parts of our networks most need to be maintained and renewed.</p> <p>Option 1: (Preferred) Fund via the LTP and undertake appropriate renewal of assets to address the theoretical backlog over approximately 20 years.</p> <p>Continue to assess asset condition and use assessment outcomes to refine renewals programming.</p> <p>Option 2: Approve lower levels of funding and extend the renewal programme timeframes this will result in greater risk of asset failure and potential LOS issues.</p>	<p>As our wastewater assets age, they are more likely to experience service interruptions or to fail, which may affect levels of service and reduce the resilience of our wastewater supply networks.</p> <p>Those parts of our network which are ageing or in poor condition are more likely to have a negative impact on the quality of our environment and on public health.</p>

Significant infrastructure issues	Significant decisions	Timeframe	Principal options for managing the issue	Implications of the option(s)
 Higher compliance standards Over the next 30 years, the resource consents relating to our wastewater networks will need to be renewed. The number of national standards, such as those set out in the NPS-FM and the New Zealand Coastal Policy Statement, and regional standards that we must meet are increasing. The conditions for new resource consents may not be met, due to the age, condition and/or design of existing infrastructure. Note the new Government has signalled a review of the National Policy Statement - Freshwater Management.	Decision to invest in renewal of wastewater resources consents based on RMA requirements Decision to invest in investigations to determine wastewater treatment upgrade options Decision to invest in wastewater treatment upgrades based on investigation outcomes	10 Year horizon 10 Year plus horizon	Option 1: (Preferred) Fund and undertake timely renewal of resource consents to ensure regulatory compliance of our wastewater schemes. The cost of renewing each resource consent will vary depending on the amount of work required. Option 2: Work with regulators to obtain approval of alternative approaches to higher compliance standards. This could be seeking of exemptions or time extensions.	The 2017 NPS-FM is likely to have an impact on our wastewater resource consent conditions. However, the new Government policy direction also needs to be taken into consideration. Council will also be undertaking a review of the Waikato Regional Plan and Regional Coastal Policy Statement. This work will determine to what extent and when resource consent conditions will change and will determine when and what level of expenditure is required. Some level of uncertainty exists around how much standards and consent conditions will change over the next 30 years and what impact this might have on our wastewater infrastructure assets.

Significant infrastructure issues	Significant decisions	Timeframe	Principal options for managing the issue	Implications of the option(s)
 Infrastructure capacity and peak demand <p>Demand on the District's infrastructure is at its highest during the summer period. We also experience peaks during popular events held during the non-summer holiday period.</p> <p>This presents some challenges for how we plan for and provide infrastructure and for how we manage the impact of peak demand on our assets and levels of service.</p> <p>Most of our wastewater supply networks have sufficient capacity to cater for peak demand. The Matarangi wastewater scheme is programmed to be upgraded over the next five years to accommodate growth and peak demand. Over the next 30 years, a number of other wastewater schemes, including Whitianga, are likely to require upgrades or optimisation to accommodate projected growth and demand.</p>	<p>Decision to invest in wastewater treatment upgrades to meet demand requirements (linked to higher compliance standards decision)</p>	<p>10 year horizon</p>	<p>Increasing the capacity of our wastewater networks to cater for peak demand would be costly and would result in redundant capacity during non-peak periods. Our approach will be to:</p> <ul style="list-style-type: none"> • Prioritise demand management to reduce the impact of peak demand on our existing infrastructure. • Ensure that we invest in new infrastructure or increase the capacity of existing infrastructure only where demand is certain and long term. <p>Option 1: Undertake timely renewal and upgrades of wastewater treatment plants and build new plants where growth and demand are certain.</p> <p>To cater for growth, we are planning to:</p> <ul style="list-style-type: none"> • build a new wastewater plant at Matarangi, at an estimated cost of \$22 million (2024-26) • upgrade the Cooks Beach wastewater treatment plant at an estimated cost of \$1.09 million, (2024) <p>Option 2: Maintain current assets and levels of services. This option would not cater for growth and would not ensure that resource consent conditions are met.</p>	<p>If we are unable to effectively manage peak demand, it will place pressure on the network and this may:</p> <ul style="list-style-type: none"> • Reduce service levels during peak demand periods. • Have a negative impact on the condition of the network, resulting in interruptions, increased maintenance and renewal costs, and increase the likelihood of asset failure. <p>Wastewater assets which are in poor condition are more likely to have a negative impact on the quality of our environment and on the public health of residents and visitors to the District.</p>

8.7 Issues affecting all infrastructure categories

Table 8-7: Overlapping issues, options, and implications

Significant infrastructure issues	Significant decisions	Timeframe	Principal options for managing the issue	Implications of the option(s)
<p>Climate change and coastal hazards</p> <p>Some of our existing infrastructure is in low-lying and/or coastal areas and will be prone to the effects of rising sea levels, coastal erosion, and inundation.</p> <p>Coastal inundation, storm surges and rising sea levels are expected to result in the degradation of the coast in parts of our District. Council needs to plan for and manage the effects of coastal hazards, such as erosion and inundation. There is ongoing improvement of information on coastal erosion risks for the peninsula as a whole and particularly for the west coast.</p> <p>Over the medium and long-term, as climate changes become more obvious, Council will need to consider the implications of climate change and coastal hazards when planning for residential, commercial, and industrial properties, existing and new infrastructure.</p> <p>Where aquifers are at risk of being affected by salt-water intrusion, alternative water supply methods will need to be considered.</p>	<p>Decision to develop and adopt shoreline management plans.</p> <p>Decision to monitor and investigate climate change trends and potential impacts.</p> <p>Decision to develop and fund infrastructure upgrades in response to emerging trends.</p>	10 year horizon	<p>Informed, proactive and adaptive planning will help to minimise the direct and indirect effects of climate change. Council uses guidance and direction from the New Zealand Government to inform how we plan and prepare for the predicted impacts of climate change.</p> <p>We have developed a Coastal Management Strategy and are now developing a Shoreline Management Plan. This will allow us to undertake effective planning to support the adaptation of council assets, services, and our coastal communities to coastal hazards.</p> <p>The Shoreline Management Plan was adopted in 2022. The outcomes of this project will have implications for infrastructure and may drive funding requirements. The project will consider options as part of its development and recommend those that are likely to be integrated into an adaptive management framework.</p> <p>Our infrastructure planning will need to:</p> <ol style="list-style-type: none"> Ensure that future assets are of sufficient standard and have adequate capacity to cater for predicted climate changes. <ul style="list-style-type: none"> The capacity of assets will be impacted by both increased rainfall intensity and climate challenges like drought. While this will affect a range of assets classes, stormwater and water supply are the two most likely to be affected. Take the potential impacts of rising sea levels and coastal erosion into consideration when investing in infrastructure in low-lying coastal areas. <ul style="list-style-type: none"> Guidance and direction on how to respond will come from the Shoreline Management Plan. The plan will use an adaptive pathways approach that will consider the life of assets, uncertainty, and appropriate triggers for initiating action. 	<p>If council does not take an informed, proactive, and adaptive approach to planning for and making decisions around the long-term impacts of climate change and coastal processes on infrastructure and communities, there could be significant cost implications for council, homeowners, and businesses in some parts of our District.</p> <p>In the short-term there is likely to be continued demand from landowners to protect against the impacts of climate change and rising sea levels. Protecting our coastline, infrastructure, and property for the impacts of climate change and rising sea levels has cost implications that will be investigated as part of the Shoreline Management Plan. It should be noted that not all costs associated with the plan will sit with Council. The cost implications will also affect other agencies, including central government and private landowners.</p>

Significant infrastructure issues	Significant decisions	Timeframe	Principal options for managing the issue	Implications of the option(s)
<p>Resilience</p> <p>The resilience of our infrastructure is affected by a range of factors.</p> <p>The District is subject to a number of natural hazards which can have an impact on our infrastructure, including storm events, inundation, land slips, coastal erosion and tsunamis. Some of these are likely to be intensified by the predicted impacts of climate change and rising sea levels.</p> <p>The age and condition of our assets also affect the resilience of networks, with the likelihood of service interruption or asset failure increasing when asset condition is poor.</p> <p>The nature of our District's settlement patterns also affects the resilience of networked infrastructure. We have many small settlements, each with separate water supply, wastewater and stormwater networks. These small networks can be vulnerable to service interruptions and/or asset failure. For example, many of our water supply networks have single supply pipes from source to treatment plant and if the pipe is damaged, supply to all those on the network will be interrupted.</p>	Continue to fund, plan, and implement resilient infrastructure projects	Ongoing over 30 year horizon	<p>Option 1: When upgrading existing assets or building new assets we will proactively seek to identify cost effective and sustainable opportunities to future proof and improve the resilience of our infrastructure.</p> <p>We will minimise reactive renewals by taking a proactive planned approach to renewals. Regular maintenance, renewal and replacement of our assets are important to ensure that they continue to deliver services and provide the foundation for a prosperous economy and healthy, thriving communities across the District.</p> <p>We will continue to build resilient communities that are prepared for and able to manage during service interruptions. This approach is supported by our Civil Defence and Emergency Management group.</p> <p>Where appropriate, resilience planning may be influenced by the outcomes of the Shoreline Management Plan.</p> <p>Option 2: Upgrading or building new assets for the purpose of adding spare capacity to improve resilience would be expensive. We do not believe that this is a practical or affordable option in our District.</p>	<p>The resilience of our infrastructure affects the risk of communities being:</p> <ul style="list-style-type: none"> • cut off in the event of roads being blocked • without key services, such as water supply, or requiring the removal and treatment of sewage • placed at risk due to flooding • If our approach is not effective, it may result in: <ul style="list-style-type: none"> • Health and safety risks • Damage to our natural environment • Damage to public and private property • Little or no access for emergency services and maintenance services

9 Most Likely Scenario for Managing Infrastructure Assets

Our most likely scenario is to deliver to current day standards while remaining affordable. In order to achieve this scenario over the next 30 years we will focus on:

- Maintenance and renewals programmes based on quality information
- Priority safety improvements
- A small number of growth-related projects
- Investment to improve standards and meet regulatory requirements and consent conditions, where necessary
- Demand management
- Local network improvements

10 Significant Decisions about Capital Expenditure

The document linkage diagram below highlights where you are in the IS and how this section relates to other sections in the IS:






The table below shows the likely timing and estimated cost of significant capital projects or programmes of work, where capital expenditure is estimated to be over \$1 million. The table provides a project description and project linkages to the significant infrastructure issues (detailed in Section 6), key decisions, options, project budgets and timeframes.



Table 10-1: Significant decisions about capital expenditure – core infrastructure



Key	Renewal	Funding for Renewals
	LOS	Funding to meet Level of Service
	ILOS	Funding to increase Level of Service
	AC	Funding for Additional Capacity or Growth


10.1 Roads and footpaths

Table 10-2: Significant roading and footpath decisions about capital expenditure – other infrastructure

		Significant Issue linkage	Key Decision	Description	Options	Preferred Option Timing	Preferred Option Estimated Cost
Project: Te Kouma Rd Intersection							
	Most likely Scenario	District Growth - Enabling Thames and surrounds	Decision to invest in road network improvements to meet growth demand requirements Decision process: 2024 LTP	This project will aim to provide and improve transportation infrastructure to achieve community and economic development objectives. Primary driver: AC	Option 1: Retain current level of road network improvement investment with the risk of not meeting growth demand. Option 2: Defer investment and monitor growth demand trends; reprioritise at a later date. Option 3: (Preferred) Fund and implement proposed project	2026/27-2027/28	\$3.89M
Project: Major Drainage Control							
	Most likely Scenario	Climate change and coastal hazards Age and condition of assets	Decision to invest in renewal of roading drainage systems Decision process: 2024 LTP	Provision of better stormwater drainage systems for our roads to minimise reactive renewals. This is a proactive planned approach which is anticipated to reduce whole of life costs. Primary driver: Renewal (90%)	Option 1: (Preferred) Fund and implement proposed project. Option 2: Defer funding with the increased risk of road drainage issues	2024-34	\$8.69M 11-30 year investment estimate: \$25.0 M
Project: Storm Event Recovery							
	Most likely Scenario	Climate change and coastal hazards	Decision to invest in road network recovery following the impacts of 2023 storm events Decision process: 2024 LTP	Programme of work to repair the roading network damaged by the impacts of the 2023 storm events (Cyclone Hale, Cyclone Gabrielle, 21 July 2023 Storm Event). (Note: Recovery budget is also allocated in 2023/24) Primary driver: ILOS (100%)	Option 1: (Preferred) Fund and implement ongoing works project Option 2: Approved less funding with the increased risk longer term disruptions and loss of LOS.	2024/25-2025/26	\$14.55M (Note there are a number of other projects with resilience drivers) resilience



		Significant Issue linkage	Key Decision	Description	Options	Preferred Option Timing	Preferred Option Estimated Cost
Project: District Bridge Renewals							
	Most likely Scenario	Age and condition of assets Changing standards and service expectations	a) Decision to undertake renewal and upgrade of bridge and bridge components over the 10 year horizon. b) Decision to initially undertake future planning for the renewal and upgrade of bridges. Future decision to invest in and implement bridge upgrades. Decision Process: 2024 LTP and Future Council and LTP	Both short and long term renewal and upgrade of bridges to renew aging infrastructure and meet required standards. This includes: Bridge Component Replacement (\$5.34M) and District Rooding Bridge Renewal (\$1.12M) Primary driver: Renewal (90%) Note: AC (10%)	Option 1: Retain current level of bridge design with the risk of not meeting design standards and the risk of bridge failure. Option 2: (Preferred) Fund and implement bridge renewals based on condition inspections and related works prioritisation. Option 3: Undertake investigations and then plan and implement bridge upgrades in the long-term horizon of the Strategy.	2024/25-2033/34 2035-38 and 2045-2049 (Timing will be refined in future Strategies)	\$6.46M \$8.7M (Budget will be refined in future Strategies)
Project: Network Maintenance, Renewals and Improvements							
	Most likely Scenario	Age and condition of assets Changing standards and service expectations	Decision to invest in at least the current level of maintenance and renewals investment to maintain the network. Decision process: 2024 LTP	Maintenance, renewal and upgrade of roads and footpaths to renew aging infrastructure and meet required standards. The current trend of increasing costs means we are able to get less done with funding we have and are just managing to hold service levels. This programme includes: Area-wide pavement treatment (\$26.46M), Unsealed road renewal (\$13.55M), Maintenance chip seals (\$24.77M), Thin AC surfacing (\$5.33M), Preventative Maintenance (\$3.89M), Traffic services (\$2.28M) Primary Driver: Renewal (90%)	Option 1: Retain current level of renewals investment, this will likely see a reduction in LOS over time. Option 2: (Preferred) 20% increase in the level of renewals investment to maintain roads and footpaths to the required standards and LOS.	2024/25-2033/34	\$76.31M (total renewals across a number of projects) 11-30 year investment estimate- \$521.1M



		Significant Issue linkage	Key Decision	Description	Options	Preferred Option Timing	Preferred Option Estimated Cost
Project: 100% Crown Funded Resilience Projects							
	Most likely Scenario	<p>These projects address a number of 'significant issues':</p> <p>Changing standards and service expectations</p> <p>District Growth - Enabling Thames and surrounds</p> <p>Natural Hazards and Climate Change</p>	<p>Decision to Implement Crown Funded projects that will, improve roading resilience and improve safety.</p> <p>Decision process: 2024 LTP</p>	<p>The following projects have been identified for crown funded roading resilience improvement:</p> <ul style="list-style-type: none"> 100% Crown Funded Resilience - Coromandel Bypass (\$37.23M) 100% Crown Funded Resilience - Tapu-Coroglen Road (\$27.47M) 100% Crown Funded Resilience - Colville Road (\$8.84M) 100% Crown Funded Resilience - Kennedy Bay Road (\$26.53M) <p>Primary driver: ILOS (100%)</p>	<p>Option 1: Retain current situation with vulnerable roading infrastructure, connectivity, and safety risks.</p> <p>Option 2: (Preferred) Fund and implement the proposed project in the proposed timeframe.</p> <p>Option 3: Defer the projects and fund and implement the proposed project at a later time in the future.</p>	2024/25-2033/34	<p>\$100.08M</p> <p>(see description for project cost breakdown)</p>
Project: Totara Valley Road Service Extension							
	Most likely Scenario	<p>Changing standards and service expectations</p> <p>District Growth - Enabling Thames and surrounds.</p>	<p>Decision to invest in the upgrade of the Totara Valley Road.</p> <p>Decision process: 2024 LTP</p>	<p>Totara Valley Road is a narrow road that remains partly unsealed and also has limited water services. The area has been identified for future development of up to 500 additional lots and road improvement and 3Waters servicing is proposed to be implemented in stages.</p> <p>Primary driver for Water, Wastewater and Stormwater: – ILOS (100%)</p> <p>Primary driver for Roading: ILOS (41%)</p> <p>Note: AC (32%), Renewal (27%)</p>	<p>Option 1: Retain current situation and servicing level of the Totara Valley- this has negative impacts on future land development in the area.</p> <p>Option 2: (Preferred) Fund and implement the proposed roading and 3Waters upgrade to facilitate future development of the area.</p> <p>Option 3: Defer the project and fund and implement the proposed project at a later time in the future. - this may have short-term negative impacts on land development in the area.</p>	2024/25-2026/28	<p>\$11.53M (R)</p> <p>\$1.87M (SW)</p> <p>\$0.55M (WW)</p> <p>\$0.80M (W)</p> <p>\$14.75M (Total)</p>



		Significant Issue linkage	Key Decision	Description	Options	Preferred Option Timing	Preferred Option Estimated Cost
Project: Thornton Bay Slip							
	Most likely Scenario	Climate change and Coastal hazards Natural hazards	Decision to invest in slip remediation works	Investigate , plan and implement works to stabilise the Thornton Bay slip.	<p>Option 1: Defer the project and fund at a later date, is not an option due to safety and risk issues</p> <p>Option 2: (Preferred) Fund and implement the proposed slip stabilisation works and mitigate the hazard and risks</p>	2024/25	\$1.3M


10.2 Coastal and Hazard Management


Table 10-3: Significant Coastal and Hazard Management decisions about capital expenditure – other infrastructure

		Significant Issue Linkage	Key Decisions	Description	Options	Preferred Option Timing	Preferred Option Estimated Cost
Project: Moanataiari Coastal Protection (medium term)							
	Most likely Scenario	Climate change and Coastal hazards Natural hazards Changing standards and service expectations Key interdependencies Affordability	Decision to increase the level of service for coastal inundation protection and to buy time before managed retreat will occur. Decision process: community engagement and the 2024-2034 LTP	Projected increases in sea level rise will overtop the existing coastal inundation protection. This project will increase the height of the existing protection, with a new and agreed level of service. This will 'buy time' before the risk of inundation becomes too great (high residual risk). Primary driver: ILOS (100%)	Option 1: Defer funding and project timeframes with the risk of potential flooding, property damage and potential risks to life over time. Option 2: (Preferred) Fund and implement proposed project (including key interdependencies).	2030/31 – 2031/32	\$2.86M
Project: Tairua Coastal Protection							
	Most likely Scenario	Climate change and Coastal hazards Natural hazards Changing standards and service expectations Key interdependencies Affordability	Decision to increase the level of service for coastal inundation protection in two stages for protection over the long-term and as (when) sea levels rise. This will become a multi-year set of works. Decision process: community engagement and the 2024-2034 LTP	Projected increases in sea level rise will overtop the existing coastal inundation protection. This project will increase the height of the existing protection with a new agreed level of service, with some seawall (rock) in places to protect from coastal erosion. This will 'buy time' if sea level rises and the next phase in raising the protection is required. Primary driver: ILOS (100%)	Option 1: Defer funding and project timeframes with the risk of potential flooding and erosion, property damage and potential risks to life over time, and reduced access to parts of the community (including state highway) Option 2: (Preferred) Fund and implement proposed project (including key interdependencies).	2026/27-2027/28 (stage 1) Year 20-25 (stage 2)	\$4.39M stage 1 + \$5M stage 2

		Significant Issue Linkage	Key Decisions	Description	Options	Preferred Option Timing	Preferred Option Estimated Cost
Project: Tararu Coastal Protection							
	Most likely Scenario	Climate change and Coastal hazards Natural hazards Changing standards and service expectations Key interdependencies Affordability District Growth - Enabling Thames and surrounds	Decision to implement transitional coastal inundation protection to buy time before managed retreat will occur. Decision process: community engagement and the 2024-2034 LTP	Projected increases in sea level rise will overtop the existing coastal inundation protection. This project will increase the height of the existing protection with rock wall in places to protect against coastal erosion, and with a new and agreed level of service. This will 'buy time' before the risk of inundation becomes too great (high residual risk). Primary driver: ILOS (100%)	Option 1: Defer funding and project timeframes with the risk of potential flooding, property damage and potential risks to life over time. Option 2: (Preferred) Fund and implement proposed project (including key interdependencies).	2027/28-2028/29	\$2.26M
Project: Te Puru Coastal Protection							
	Proposed Scenario	Climate change and Coastal hazards Natural hazards Changing standards and service expectations Key interdependencies Affordability District Growth - Enabling Thames and surrounds	Decision to implement transitional coastal inundation protection to buy time before managed retreat will occur. Decision process: community engagement and the 2024-2034 LTP	Projected increases in sea level rise will overtop the existing coastal inundation protection. This project will increase the height of the existing protection with rock wall in places to protect against coastal erosion, and with a new and agreed level of service. This will 'buy time' before the risk of inundation becomes too great (high residual risk). Primary driver: ILOS (100%)	Option 1: Defer funding and project timeframes with the risk of potential flooding, property damage and potential risks to life over time. Option 2: (Preferred) Fund and implement proposed project (including key interdependencies).	20227/28-2029/30	\$4.33M (Budget will be refined in future Strategies)



		Significant Issue Linkage	Key Decisions	Description	Options	Preferred Option Timing	Preferred Option Estimated Cost
Project: Thames Coastal Protection & Renewals							
	Most likely Scenario	Climate change and Coastal hazards Natural hazards Changing standards and service expectations Key interdependencies Affordability District Growth - Enabling Thames and surrounds	Decision to implement coastal inundation protection in stages for protection over the long-term and as (when) sea levels rise. This will become a multi-year set of works. Decision process: community engagement and the 2024-2034 LTP	Projected increases in sea level rise will overtop the existing coastal inundation protection. This project will increase the height of the existing protection with rock wall in places to protect against coastal erosion, and with a new and agreed level of service. This will 'buy time' if sea level rises and the next phase in raising the protection is required. Primary driver: ILOS (100%)	Option 1: Defer funding and project timeframes with the risk of potential flooding, property damage and potential risks to life over time. Option 2: (Preferred) Fund and implement proposed project (including key interdependencies).	2027/28 – 2030/31 (stage 1) Year 25-30 (stage 2)	\$78.16M stage 1 + \$62.6M stage 2 (Budget will be refined in future Strategies)
Project: Whangamatā Coastal Protection							
	Most likely Scenario	Climate change and Coastal hazards Natural hazards Changing standards and service expectations Key interdependencies	Decision to implement coastal inundation protection in stages for protection over the long-term and as (when) sea levels rise. This will become a multi-year set of works. Decision process: future engagement and LTP closer to the expected triggers (0.4m of sea level rise) in the coastal adaptation pathway (PU 137)	Projected increases in sea level rise will overtop the road and impact road access, private and public property, and recreational facilities. This project will implement coastal erosion and inundation protection, with a new agreed level of service. Primary driver: ILOS	Option 1: Defer funding and project timeframes, with the risk of potential flooding, property damage and potential risks to life over time. Option 2: (Preferred) Fund and implement proposed project (including key interdependencies).	Year 15-20	\$41.7M (Budget will be refined in future Strategies)


		Significant Issue Linkage	Key Decisions	Description	Options	Preferred Option Timing	Preferred Option Estimated Cost
Project: Coastal Protection for Roding Resilience							
	Most likely Scenario	Climate change and Coastal hazards Natural hazards Changing standards and service expectations Key interdependencies	Council undertook the Shoreline Management Pathway (SMP) project, adopted in 2022, to help plan and prioritise for expected impacts of climate change, including sea level rise, increasing storm intensity, increased coastal erosion and coastal inundation. Decision process: future engagement and LTP closer to the expected triggers	Projected increases in sea level rise will overtop coastal roads and increase coastal erosion. This is anticipated to have a direct impact on road resilience, community access, tourism, and community wellbeing. The programme of work identified draws from the outputs of the Shoreline Management Pathways project which identifies areas of increasing risk and vulnerability. There is uncertainty relating to coastal hazard impact for specific locations but there is a high confidence that significant increase in expenditure is required to respond to this issue if we are to maintain the existing levels of service. Primary driver: ILOS	Option 1: (Preferred) Fund and implement proposed programme of work to maintain current LOS. Option 2: Defer funding and project timeframes with the risk of increased coastal erosion and flooding causing significant reduction in LOS and community resilience.	Year 11-30	Estimated budget range \$75M - \$125M

		Significant Issue Linkage	Key Decisions	Description	Options	Preferred Option Timing	Preferred Option Estimated Cost
Project: Long term coastal hazard and protection assets renewals							
	Most likely Scenario	Climate change and Coastal hazards Natural hazards	Long term investment decision to invest in renewal of aging coastal protection assets Decision process: future engagement and LTP closer to the expected triggers	There is significant investment the coastal hazard and protection assets over the 30 year horizon. Most of this infrastructure renewal will take place beyond the 30 year horizon. Provision for existing aged asset renewal has been made in the 21-30 years. This will involve asset condition assessment, renewals planning and programming. It is likely that investment forecasts will also be amended as planning progresses in the future. Primary driver: Renewals	Option 1: (Preferred) Fund and implement long term renewal planning and programming. Option 2: Defer funding and project timeframes, with the risk of aging asset failure that may cause reduction in LOS and community resilience. Option 3: Accept reduction in LOS over time and manage risk to community through other mechanisms.	Year 21-30	~\$12M

10.3 Solid Waste



Table 10 4: Significant Solid Waste decisions about capital expenditure – other infrastructure



		Significant Issue linkage	Key Decision	Description	Options	Preferred Option Timing	Preferred Option Estimated Cost
Project: RTS Renewals							
	Most likely Scenario	Aging assets	Decision to invest in RTS renewals to address aging infrastructure. Decision process: 2024 LTP	Renewals work at various Refuse Transfer Stations (RTS) is required to replace buildings, water and power infrastructure, minor assets, and pavements. The renewals will help ensure we are providing the agreed level of service, and we meet our health and safety obligations. Primary driver: Renewals (100%)	Option 1: Defer funding and timeframes and retain current level of road network improvement investment with the risk of not meeting growth demand. Option 2: Defer investment and monitor growth demand trends; reprioritise at a later date. Option 3: (Preferred) Fund and implement proposed project	2024/25-2033/34 Year 11-30	\$7.02M ~\$17.1M
Project: New RTS at Whitianga							
	Most likely Scenario	Age and condition of assets Changing standards and service expectations District Growth	Decision to invest in a new RTS at Whitianga Decision process: 2024 LTP	The project will provide an RTS facility for current and future capacity. Build a new Refuse Transfer Station at Whitianga, to renew and replace assets and improve service levels and increase capacity to meet growth requirements. Redevelopment is planned for an existing site approximately 1km from the current refuse transfer station. It would include a new site for green waste, refuse and recycling. Primary driver: ILOS (100%)	Option 1: Defer funding and timeframes and retain current RTS site and not meet LOS requirements. Option 2: (Preferred) Fund and implement the proposed project to construct a new RTS for Whitianga	2024/25-2026/27	\$11.57M



		Significant Issue linkage	Key Decision	Description	Options	Preferred Option Timing	Preferred Option Estimated Cost
Project: RTS Improvements							
	Most likely Scenario	Changing standards and service expectations Climate change and Coastal hazards Natural hazards Peak Demand	Decision to invest in RTS improvements. Decision process: 2024 LTP	There are several drivers for improvements at the RTS including peak demand, legislation requirements, H&S. This investment will help ensure that the RTS across the district will have the capacity and resilience to meet current and future service and regulatory demands. Primary driver: ILOS (100%)	Option 1: Defer funding and timeframes and retain current RTS site and not meet LOS requirements. Option 2: (Preferred) Fund and implement the proposed improvement programme to meet current and future service and regulatory demands	2024/25-2026/27 Year 11-30	\$2.9M ~\$9.8M

10.4 Stormwater

Table 10-5: Significant Stormwater decisions about capital expenditure – other infrastructure



		Significant Issue linkage	Key Decision	Description	Options	Preferred Option Timing	Preferred Option Estimated Cost
Project: Pauanui Holland Stream Improvements							
	Most likely Scenario	Climate change and Coastal hazards Natural hazards Age and condition of assets	Decision to invest in stream improvements to meet current LOS requirements. Decision process: 2024 LTP	Properties along the Holland Stream in Pauanui have repeatedly experienced flood inundation over recent years. The Holland Stream stormwater project will improve the stream and infrastructure in the area to a standard that will meet the agreed level of service. Primary driver: Renewal (80%) Note: ILOS (20%)	Option 1: Defer funding and timeframes with the risk of surface flooding. Option 2: (Preferred) Fund and implement proposed project	2027 – 2031	\$1.21M (capex)
Project: District Stormwater Renewals							
	Most likely Scenario	Age and condition of assets Climate change and Coastal hazards	Decision to invest in renewal of aging stormwater infrastructure to meet LOS Decision process: 2024 LTP	Renewal of stormwater infrastructure to ensure level of service is maintained and to reduce the risk of unplanned maintenance or renewals. Primary driver: Renewal (80%) Note: ILOS (20%)	Option 1: Defer funding and timeframes with the risk of asset failure, increased reactive maintenance and potential reduction in LOS. Option 2: (Preferred) Fund and implement proposed renewals programme.	2024/25-2033/34 2034/35-2053-54	\$21.92M (capex) 11-30 year investment estimate- \$127.1M



		Significant Issue linkage	Key Decision	Description	Options	Preferred Option Timing	Preferred Option Estimated Cost
Project: Whangamatā Stormwater Improvements							
	Most likely Scenario	Climate change and Coastal hazards Age and condition of assets District Growth - Enabling Thames and surrounds	Decision to invest in stormwater network upgrades to increase drainage capacity to meet growth, climate change and resilience requirements. Decision process: 2024 LTP	The primary stormwater management of Whangamatā was ground soakage. The growth of infill subdivisions and the construction of larger and second dwellings, has increased the impermeable surfaces that reduces the area available for soakage. This is an ongoing phased programme of work and improve the capacity of the existing infrastructure by upgrading and increasing the pipe network. The project is focused on four key areas: Williamson Ave, Lincoln Rd / Lindsay Rd, Barbara Ave and Achilles Ave. Primary driver: ILOS (100%)	Option 1: Defer funding and timeframes with the risk of surface flooding. Option 2: (Preferred) Continue to fund and implement phased stormwater improvements.	2024/25 to 2029/30	\$9.17M (capex)
Project: Long Term District Stormwater Improvements							
	Proposed Scenario	Age and condition of assets Changing standards and service expectations Climate change and Coastal hazards	Decision to initially undertake future planning for the renewal and upgrade of the stormwater network. Future decision to invest in and implement stormwater upgrades. Decision Process: Future Council and LTP	This is a long-term horizon project to Monitor Climate Change trends and investigate / plan district wide stormwater and flood control infrastructure upgrades. Based on investigation, upgrade works will be funded and implemented in the long-term horizon of this Strategy. Primary driver: ILOS (70%) Note: Renewals (30%)	Option 1: Defer funding and timeframes and risk potential impacts of rising sea levels and intensity/frequency of storms. Option 2: (Preferred) Initially monitor Climate change trends and then plan, fund, and implement proposed projects	2036-2043 (Timing will be refined in future Strategies)	\$122.7M (Budget will be refined in future Strategies)



		Significant Issue linkage	Key Decision	Description	Options	Preferred Option Timing	Preferred Option Estimated Cost
Project: District Stormwater Network Improvements							
	Proposed Scenario	Climate change and Coastal hazards Age and condition of assets District Growth -	Decision to invest in stormwater network upgrades to increase drainage capacity to meet growth, climate change and resilience requirements at priority locations across the district. Decision process: 2024 LTP	This is an ongoing phased programme of work to improve stormwater network capacity by upgrading and increasing the pipe network. The 2024 LTP priorities include: Austin Drive Stormwater Improvements- \$1.37M - Cooks Beach Stormwater Improvements- \$1.71M Matarangi Stormwater Improvements- \$3.20M Whitianga Stormwater Network Improvements- \$1.61M Drivers of above projects: Renewals (50%) ILOS (50%) Kōpū Stormwater Improvements- \$4.46M Drivers of above project: AC (50%) ILOS (50%)	Option 1: Defer funding and timeframes with the risk of surface flooding. Option 2: (Preferred) Fund and implement phased district stormwater improvements.	2024/25-2033/34	\$12.38M
Project: Thames Albert Street Stormwater Improvements							
	Proposed Scenario	Climate change and Coastal hazards Age and condition of assets District Growth -	Decision to invest in stormwater network upgrades to increase drainage capacity to meet growth, climate change and resilience requirements in Albert Street Thames. Decision process: 2024 LTP	To improve stormwater network capacity in the Albert Street area by upgrading and increasing the pipe network to improve stormwater management and mitigate surface flooding. Primary driver: Renewal (60%) Note ILOS (40%)	Option 1: Defer funding and timeframes with the risk of surface flooding. Option 2: (Preferred) Fund and implement phased district stormwater improvements	2027/28-2031/32	\$11.70M




10.5 Wastewater

Table 10-6: Significant Wastewater decisions about capital expenditure – other infrastructure

		Significant Issue Linkages	Key Decisions	Description	Options	Preferred Option Timing	Preferred Option Estimated Cost
Project: Matarangi Wastewater Treatment Plant							
	Most likely Scenario	<p>Climate change and Coastal hazards</p> <p>Age and condition of assets</p> <p>Changing standards and service expectations</p>	<p>Decision to invest in wastewater treatment upgrades to meet increasing LOS requirements due to climate change and treatment quality.</p> <p>Decision process: 2024 LTP</p>	<p>This project is ongoing and involves the upgrade of the Matarangi wastewater treatment plant. Given that the current site of the plant is relatively low lying, the upgrade will consider the impacts of climate change and the viability of the current location. There is also an element of catering for future growth (additional capacity)</p> <p>Primary driver: Renewal (50%)</p> <p>Note: ILOS (25%) AC (25%)</p>	<p>Option 1: Defer funding and timeframes and risk potential impacts of rising sea levels and coastal erosion.</p> <p>Option 2: (Preferred) Fund and continue to implement the project</p>	2024/5-2030/31	\$22.04M (capex)
Project: Cooks Beach Treatment Plant Upgrade							
	Most likely Scenario	<p>Age and condition of assets</p> <p>Changing standards and service expectations</p> <p>District Growth - Enabling Thames and surrounds</p>	<p>Decision to invest in wastewater treatment quality upgrades and capacity to meet future demand requirements.</p> <p>Decision process: 2024 LTP</p>	<p>This project will upgrade the existing wastewater treatment plant to increase the capacity of the plant to meet the future standards requirements and demand.</p> <p>Primary driver: Renewal (70%)</p> <p>Note: ILOS (20%) AC (10%)</p>	<p>Option 1: Defer funding and timeframes and retain current capacity of the wastewater treatment plant and risk not meeting growth and demand.</p> <p>Option 2: Defer investment, monitor growth demand trends, and reprioritise at a later date.</p> <p>Option 3: (Preferred) Fund and implement proposed project.</p>	2024/25-	\$1.09M (capex)



		Significant Issue Linkages	Key Decisions	Description	Options	Preferred Option Timing	Preferred Option Estimated Cost
Project: District Renewals							
	Most likely Scenario	Age and condition of assets Climate change and Coastal hazards	Decision to invest in renewal of aging wastewater infrastructure to meet LOS Decision process: 2024 LTP	Renewal of wastewater infrastructure to ensure level of service is maintained and to reduce the risk of unplanned maintenance or renewals. Primary driver: Renewal (80%) Note: ILOS (20%)	Option 1: Defer funding and timeframes with the risk of asset failure, increase reactive maintenance and potential reduction in LOS. Option 2: (Preferred) Fund and implement proposed renewals programme.	2024/25-2033/34 2034/35-2053/54	\$60.91M (capex) 11-30 year investment estimate- \$184M
Project: Long Term District Wastewater Treatment Improvements							
	Proposed Scenario	Age and condition of assets Changing standards and service expectations Climate change and Coastal hazards	Decision to initially undertake future planning for the upgrade of wastewater treatment plants to meet future standards and resource consent requirements. Future decision to invest in and implement treatment plant upgrades. Decision Process: Future Council and LTP	This is a long-term horizon project; it will initially monitor legislation changes and requirements regarding treated effluent standards. Then prioritise, plan, and implement upgrades of the existing wastewater treatment plants to meet future required environmental and resource consent standards. Primary driver: ILOS (70%) Note: Renewals (30%)	Option 1: Defer funding and timeframes and risk potential noncompliance with future resource consent and quality requirements - not desirable. Option 2: (Preferred) Initially monitor quality requirements and then prioritise, plan, fund and implement proposed projects	2034-54 (Timing will be refined in future Strategies)	\$196.3M (Budget will be refined in future Strategies)



		Significant Issue Linkages	Key Decisions	Description	Options	Preferred Option Timing	Preferred Option Estimated Cost
Project: Long Term District Wastewater Treatment Improvements							
	Proposed Scenario	Changing standards and service expectations Growth Age and condition of assets	Decision to initially undertake future planning linked to the Thames Spatial Plan for the upgrade of the Thames wastewater treatment plant to meet future growth requirements, discharge quality standards and future resource consent requirements. Future decision to invest in and implement treatment plant upgrades. Decision Process: Future Council and LTP	This is a long-term horizon project linked to the Thames Spatial Plan and will cater for future growth and connectivity of Thames South. it will also respond to legislation changes and requirements regarding treated effluent standards. Primary driver: Growth (90%) Note: Renewals (10%)	Option 1: Defer funding and timeframes and risk capacity wastewater treatment constraints that negatively impact on the implementation of the Thames Spatial Plan. There may also be potential discharge noncompliance with future resource consent and quality requirements. Option 2: (Preferred) Initially monitor quality requirements and then prioritise, plan, fund and implement proposed projects	2039--2043 (Timing will be refined in future Strategies)	\$73M
Project: Hāheī Wastewater Expansion							
	Proposed Scenario	Changing standards and service expectations Growth and demand	Decision to fund and implement the upgrade of wastewater network to meet current and future demand requirements. Decision Process: 2024 LTP	To expand the Hāheī wastewater network to provide adequate capacity for growth and to safeguard the environmental and public health. Primary driver: AC (100%)	Option 1: Defer funding and timeframes and risk potential network constraint issues and negative environmental impacts and potential noncompliance with resource consent and quality requirements. Option 2: (Preferred) Plan, fund and implement proposed wastewater expansion project in Hahei	2027/28-2033/34	\$3.30M



		Significant Issue Linkages	Key Decisions	Description	Options	Preferred Option Timing	Preferred Option Estimated Cost
Project: Whitianga - Wharekaho Extension (Wastewater and Water)							
	Proposed Scenario	Changing standards and service expectations	Decision to fund and implement the extension of the wastewater and water network to meet current and future demand requirements. Decision Process: 2024 LTP	To expand the Whitianga wastewater/water network to service the Wharekaho area to safeguard the environmental and public health. Primary driver: ILOS (100%)	Option 1: Defer funding and timeframes and risk negative environmental impacts and potential LOS issues. Option 2: (Preferred) Plan, fund and implement proposed wastewater network extension to Wharekaho.	Wastewater 2026/27-2029/30 Water 2026/27-2028/29	\$3.16M \$3.10M \$6.26M (total)
Project: Whangamatā Hetherington Road Rising Main							
	Proposed Scenario	Changing standards and service expectations	Decision to fund and implement the renewal and upgrade of the wastewater rising main to meet current and future demand requirements. Decision Process: 2024 LTP	To upgrade the rising main to provide for current and future capacity requirements and safeguard the environment. Primary driver: Renewal (50%) ILOS (50%)	Option 1: Defer funding and timeframes and risk negative environmental impacts and potential LOS issues. Option 2: (Preferred) Plan, fund and implement proposed wastewater rising main upgrade.	2024/5-2029/30	\$2.52M
Project: Pollen Street Redevelopment - Infrastructure Upgrade - Wastewater							
	Proposed Scenario	Age and condition of assets	Decision to fund and implement the renewal and upgrade of the wastewater and water networks to meet current and future demand requirements. Decision Process: 2024 LTP	To upgrade the Pollen Street wastewater and water reticulation to provide for current and future capacity requirements and safeguard the environment. Primary driver: Renewal (100%)	Option 1: Defer funding and timeframes and risk asset failure and disruption and negative environmental impacts. Option 2: (Preferred) Plan, fund and implement proposed reticulation upgrades.	Wastewater 2027/28-2030/31 Water 2028/29-2030/31	\$4.80M \$2.76M \$7.56M (total)




10.6 Water Supply


Table 1077: Significant Water Supply decisions about capital expenditure – other infrastructure

		Significant Issue linkage	Key Decisions	Descriptions	Options	Preferred Option Timing	Preferred Option Estimated Cost
Project: Drinking Water Standards							
	Most likely Scenario	Age and condition of assets Three Waters Reform Changing standards and service expectations	Decision to upgrade water treatment plants to comply with Drinking Water Standards Decision process: 2024 LTP	This is a continuation of the Drinking Water Standards project which includes various upgrades to the existing Water Treatment Plants across the Thames Coromandel District upgrades have been completed at Whitianga, Tairua, Coromandel, Pāuanui, Wentworth Valley, Moana Point, Beverley Hills. The remaining treatment plants are programmed to be upgraded over the next three to four years. Primary driver: ILOS (70%)	Option 1: Defer funding and timeframes with the risk of not complying with the NZ Drinking Water Standards -not desirable. Option 2: (Preferred) Continue to fund and implement proposed project	2024-2034	\$6.62M (capex)
Project: Universal Metering – District wide							
	Most likely Scenario	Affordability Three Waters Reform Changing standards and service expectations	Decision to fund and implement universal metering to manage supply demand. Decision process: 2024 LTP	This programme will provide for the installation of universal water meters to all the reticulation networks throughout the district. The project is proposed to be staged over a seven-year period (rephased in 2024 LTP due to changes in reform programme), based on water metering being progressively instigated throughout the district with the major areas being first to be metered. District Wide Primary driver: ILOS (100%) Whitianga Primary Drivers: Renewal (50%) ILOS (50%)	Option 1: Defer funding and timeframes with the risk of not meeting supply demand. Option 2: (Preferred) Fund and implement proposed project.	2027/28-2033/34 Whitianga 2027/28-2030/31	\$13.78M \$2.68M Long term 11+ year horizon estimate: \$73.6M

		Significant Issue linkage	Key Decisions	Descriptions	Options	Preferred Option Timing	Preferred Option Estimated Cost
Project: Thames South Water – Treatment Plant Pūriri							
	Most likely Scenario	Age and condition of assets Three Waters Reform Changing standards and service expectations	Decision to invest in a new water source to meet future growth demand requirements. Decision process: 2024 LTP	We currently hold water take consents to draw from the Matatoki, Apakura and Ōmahu streams in the Thames Valley. In the long term there is insufficient flow from these water takes to supply the future Thames Valley demand, including the potential future developments in this area. The most practical and cost-effective solution to address this situation is considered to be drawing raw water from a new intake from the Pūriri River and providing treatment through a new Water Treatment Plant at Pūriri. The project funding allocation recognises primary driver for increasing service level and standards and elements of renewal and additional capacity for growth as per the note below. Primary drivers: ILOS (40%) AC (40%) Note: Renewal (20%)	Option 1: Defer funding and timeframes and retain current supply network with the risk of not meeting future demand. Option 2: Defer investment, monitor growth demand trends, and reprioritise at a later date. Option 3: (Preferred) Fund and implement proposed project	2024/25-27/28	\$19.45M (capex)
Project: Long Term Water System Improvements to meet Water standards							
	Proposed Scenario	Age and condition of assets Changing standards and service expectations	Decision to initially undertake future planning for the renewal and upgrade water treatment plants to meet future standards and resource consent requirements. Future decision to invest in and implement water treatment improvements. Decision Process: Future Council and LTP	This is a long term horizon project that will initially monitor legislation/standards changes. Then prioritise, plan, and implement upgrades of the existing water treatment plants and process control to meet future required standards. Primary driver: ILOS (70%) Note: Renewals (30%)	Option 1: Defer funding and timeframes and risk potential noncompliance with future drinking water quality standards and resource consent requirements. Option 2: (Preferred) Initially monitor quality requirements and then prioritise, plan, fund and implement proposed projects	2034/35-2053/54	\$73.62M over the 11-30 year horizon

		Significant Issue linkage	Key Decisions	Descriptions	Options	Preferred Option Timing	Preferred Option Estimated Cost
Project: Treated Water Reservoir Replacement/Improvement							
	Proposed Scenario	Changing standards and service expectations Age and condition of assets	Decision to fund and implement treated reservoir renewal and upgrade to meet standards and requirements	To renew/replace treated water reservoirs to comply with drinking water safety requirements and meet LOS storage requirements for: Coromandel- \$1.74M Matarangi- \$1.96M Onemana- \$1.32M Primary driver of above projects: Renewal (100%) Moewai Road- \$3.05M Primary driver: Renewal (80%) Note: ILOS (20%) Whitianga- \$1.91M Primary drivers: ILOS (50%) AC (50%) Pāuanui-\$1.64M Primary driver: ILOS (100%)	Option 1: Defer funding and timeframes and risk potential noncompliance with drinking water quality standards, fire flow requirements and water shortages. Option 2: (Preferred) Plan, fund and implement proposed projects to renew and upgrade treated water reservoirs.	2025/26-2033/34	\$11.64M
Project: Thames WTP Clarifier Replacement							
	Proposed Scenario	Changing standards and service expectations	Decision to fund and implement treatment improvement at the Thames WTP to meet drinking water quality requirements	To replace the Thames WTP clarifier to meet drinking water quality requirements. Provision for long-term Thames source and storage improvement Primary driver: ILOS (100%)	Option 1: Defer funding and timeframes and risk potential noncompliance with drinking water quality standards. Option 2: (Preferred) Plan, fund and implement proposed WTP clarifier replacement.	2024/25-2026/27 2034/35-2053/54	\$1.95M Long term Source and storage estimate: \$20.86M

		Significant Issue linkage	Key Decisions	Descriptions	Options	Preferred Option Timing	Preferred Option Estimated Cost
Project: Water Renewals							
	Proposed Scenario	Age and condition of assets	Decision to fund and implement water network renewals	To renew water network assets at the end of their economic life. Primary driver: Renewal (80%) Note: ILOS (20%)	Option 1: Defer funding and timeframes and risk potential asset failure and disruption. Option 2: (Preferred) Plan, fund and implement proposed renewals programme	2024/25-2033/34 2034/35-2053/54	\$32.33M Long term 11+ year horizon estimate: \$111.59M
Project: Whitianga Watermain Upgrade - Moewai Road to Captain Wood Avenue							
	Proposed Scenario	Age and condition of assets	Decision to fund and implement water main renewals	To renew water main at the end of their economic life. Primary driver: Renewal (80%) Note: ILOS (20%)	Option 1: Defer funding and timeframes and risk potential asset failure and disruption. Option 2: (Preferred) Plan, fund and implement proposed renewals programme.	2025/26-2028/29	\$2.99M
Project: Hāhei Water Extension							
	Proposed Scenario	Changing standards and service expectations	Decision to fund and implement treatment and network improvements/extension to address Standards requirements	Plan and implement water treatment and network improvements/extensions in Hāhei to address Standards requirements	Option 1: Defer funding and timeframes and risk potential noncompliance with drinking water quality standards, fire flow requirements and water shortages. Option 2: (Preferred) Plan, fund and implement proposed projects to extend the Hahei water network	2024/25-2025/26	\$3.55M

		Significant Issue linkage	Key Decisions	Descriptions	Options	Preferred Option Timing	Preferred Option Estimated Cost
Project: Long Term Water Consents							
	Proposed Scenario	Changing standards and service expectations	Decision to fund and implement future long term abstraction resource consents	Plan, investigate and apply for abstraction resource consents in the 1 year plus horizon.	<p>Option 1: Do nothing and risk regulatory infringement is not an option.</p> <p>Option 2: (Preferred) Plan, fund future long term abstraction resource consent applications.</p>	2034/35-2053/54	\$8.6M

10.7 LTP Deliberation Amendments

The following project and budget amendments have been made to the TCDC Infrastructure Strategy Capital forecast as a result of the Council LTP submissions and deliberations process:

Table 10-8: 10.7 LTP Deliberation Amendments Record

Project	Amendment	Description	Timing	Budget (\$ Million)
Wastewater				
	Rephased the project later	Tōtara Valley Road Service Extension	2024-2027	\$0.55M
	New project added	Pāuanui Wastewater Treatment Plant Odour Control	2024/25	\$2.05M
Water Supply				
	Rephased the project later	Tōtara Valley Road Service Extension	2024-2028	\$0.8M
	New project added	Hāhei Water Extension	2027/28-2031/32	\$3.55M
	Rephased earlier	Universal Metering District Wide	2024/25-2033/34	\$13.78M
Stormwater				
	Rephased the programme budget later (10 year programme)	Tōtara Valley Road Service Extension	2024-2027	\$1.87M
Roading				
	Rephased the project	Tōtara Valley Road Service Extension	2024-2028	\$11.53M
	New project added	Thornton Bay Slip Stabilisation	2024/25	\$1.3M
Solid Waste				
	Increased project budget	Whitianga Refuse Transfer Station	2024/25-2025/26	\$11.57M

11 Financial Estimates

The document linkage diagram below highlights where you are in the IS and how this section relates to the other sections in the IS:



11.1 Total 30 Year Expenditure Estimates

The infrastructure assets covered in this Strategy include local roads and footpaths, water supply, wastewater, stormwater and drainage, solid waste, and coastal and hazard management. Thames-Coromandel District Council currently owns assets, for the purpose of delivering these activities, estimated at over \$700million.

The table below shows total expected capital and operational expenditure for each infrastructure asset group covered in this Strategy, over the 30-year period between 2024 and 2054.

All financial forecasts in this Strategy are inflated in accordance with the inflation tables in Section 7.4.

Table 11-1: Draft 30 year total expenditure estimates

Infrastructure Activity	Capital Expenditure (\$ M)	Operational Expenditure (\$ M)
Roads and Footpaths	943.9	1,132.0
Coastal and Hazard Management	303.9	224.8
Solid Waste	50.1	778.8
Water Supply	401.8	869.9
Wastewater	603.6	1,129.9
Stormwater	394.4	285.8
Total	2.7B	4.4B

The 30 year forecasts are based on 2024 LTP Capex Model V6 (Final) and LTP Opex Final forecasts, with 11-30 year forecasts based on inflated year 10 budgets or rough order standalone projects estimates, that will be refined over time.

Over the next 30 years we expect that:

- Operational expenditure, including the costs of labour, depreciation, materials, and maintenance accounts for the majority of expenditure.
- Given modest estimates of growth in our usually resident population and our strategy of “rightsizing” our infrastructure assets, limited growth-related infrastructure has been planned. There is some potential growth-related infrastructure beyond year 10 which relates to an expansion of the wastewater treatment plant in Whitianga. At this stage the specific project budgets have not been identified, rather a provision has been made under the *Long term Wastewater Treatment Improvements* line item, these forecasts will be refined over time. There are also elements of level of services and renewals project that have growth components.

- Our expenditure on renewals, across all infrastructure categories is variable over the 30-year period. We know that we have ageing infrastructure, and this will be the focus of a prioritised programme of work. We also know that we need to improve our asset information to ensure that we plan and prioritise our renewals programme; this will continue to be a focus.
- Expenditure on levels of service improvements, in the first four years will focus on the continuation of a programme of further work to update our water supply schemes to meet the Drinking Water Quality Assurance Rules.
- Expenditure on levels of service improvements is also anticipated over the 11-30 year horizon to address climate change, resilience, regulatory and quality requirements.

Figure 11-1: Total 30 year Capital Infrastructure Forecast 2024-2054

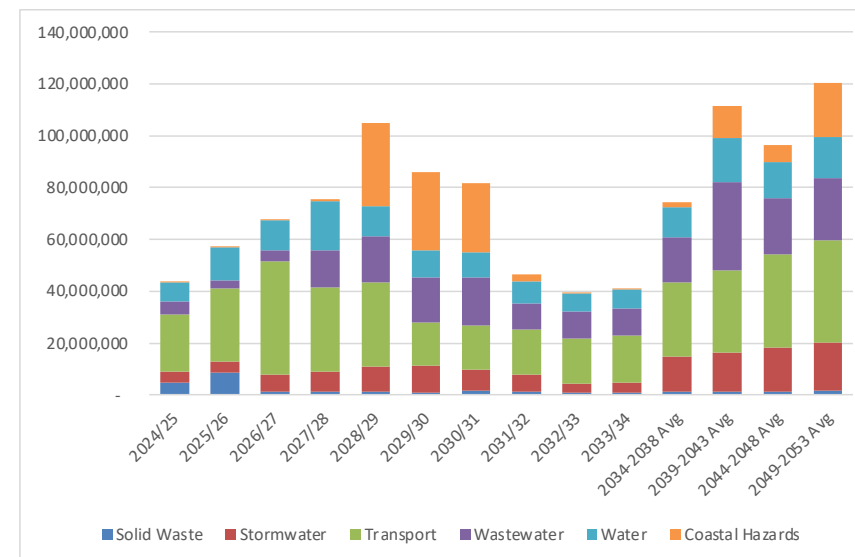
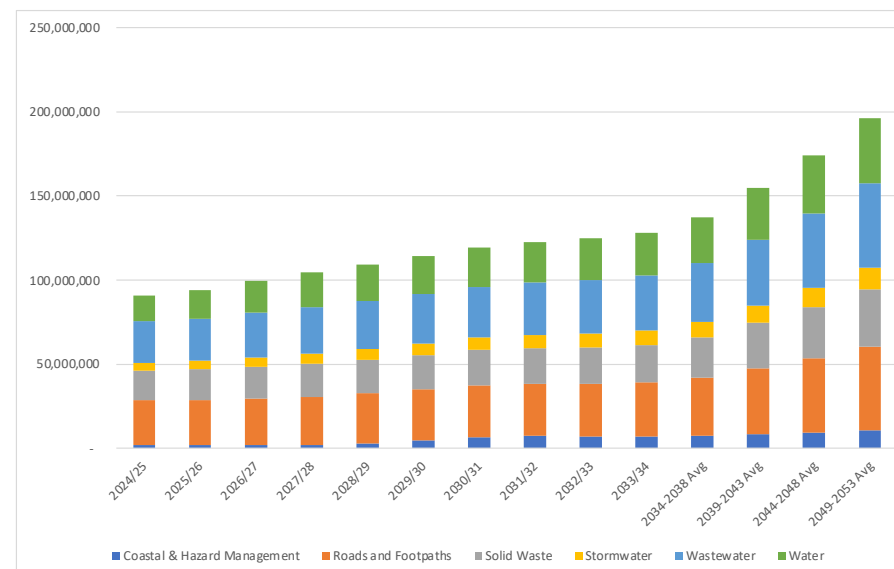


Figure 11-2: Total 30 year Infrastructure Operational Budget Forecast 2024-2054



11.2 Major Projects Timeline

The tables below detail the major projects' (of value greater than \$1 M) timelines. The dollar values shown are the estimated capital values of the projects.

Table 11-2: Roads and Footpaths major projects timeline

(Budget source: 2024 LTP Capital Model Version 6 (Final) plus long term forecasts)

Project Description	2024-2029	2030-2034	2034-2038	2039-2043	2044-2048	2049-2053
100% Crown Funded Resilience - Colville Road	2.39	6.45				
100% Crown Funded Resilience - Coromandel Bypass	37.23					
100% Crown Funded Resilience - Kennedy Bay Road	7.19	19.35				
100% Crown Funded Resilience - Tapu-Coroglen Road	27.48					
21 July 2023 Storm Event	5.95					
Area Wide Pavement Treatment	12.12	14.35				
Area Wide Pavement Treatment-Long Term			16.27	18.32	20.63	23.22
Bridge Component Replacement	2.45	2.9				
District Roading Bridge Renewal	0.63	0.5				
District Roading Bridge Renewal-Long Term					5.24	3.49
Drainage Renewals (Major Drainage)	4.01	4.68				
Drainage Renewals (Major Drainage)-Long Term			5.31	5.98	6.73	7.58
February 23 Cyclone Gabrielle	7.67					
Maintenance Chipseal	11.29	13.49				
Maintenance Chipseal-Long Term			15.3	17.22	19.39	21.83
Mercury Bay Streetlight Renewals	0.53	0.58				
Minor Safety	7.04	7.72				
Minor Safety-Long Term			8.76	9.86	11.1	12.5
Network Improvements-Long Term			26.23	29.53	33.25	37.44
Network Renewals-Long Term			62.95	70.88	79.8	89.85
Preventative Maintenance	1.8	2.1				
Te Kouma Road Intersection Upgrade	3.89					

Project Description	2024-2029	2030-2034	2034-2038	2039-2043	2044-2048	2049-2053
Thames Streetlight Renewals	0.65	1.21				
Thin Ac Surfacing	2.46	2.87				
Tōtara Valley Road Upgrade - Roothing	11.53					
Traffic Services	1.05	1.24				
Unsealed Road Basecourse Renewal	2.51	2.93				
Unsealed Road Renewals-Long Term			8.27	9.32	10.49	11.81
Unsealed Road Wearing Course Renewal	3.74	4.37				
Thornton Bay Slip Stabilisation	1.3					
Total (\$M)	154.91	84.74	143.09	161.10	186.62	207.71

Note: Only major projects of value greater than \$1M are included in this table

Note: See Section 11.3 for project funding detail

Table 11-3: Coastal and Hazard Management major projects timeline

(Budget source: 2024 LTP Capital Model Version 6 (Final) plus long term forecasts)

Project Description	2024-2029	2030-2034	2034-2038	2039-2043	2044-2048	2049-2053
Coastal Asset Renewals-Long Term			0.52	0.59	5.25	5.91
Coastal Protection For Road Resilience-Long Term			10.49	15.74	26.23	36.72
Moanataiari Coastal Protection Medium Term		2.87				
Tairua Coastal Protection	2.3	2.1				
Tairua Coastal Protection-Long Term				5.21		
Tararu Coastal Protection	2.26					
Te Puru Coastal Protection	2.24	2.1				
Thames Coastal Protection	25.83	52.32				
Thames Coastal Protection Asset Renewals Stage 2-Long Term						62.57
Whangamatā Coastal Protection-Long Term				41.97		
Total (\$M)	32.63	59.38	11.02	63.51	31.47	105.20

Note: Only major projects of value greater than \$1M are included in this table

Note: See Section 11.4 for project funding details

Table 11-4: Solid Waste major projects timeline

(Budget source: 2024 LTP Capital Model Version 6 (Final) plus long term forecasts)

Project Description	2024-2029	2030-2034	2034-2038	2039-2043	2044-2048	2049-2053
New Whitianga Refuse Transfer Station	11.57					
RTS Compactor Renewals	0.89	0.19				
RTS Improvements-Long Term			2.10	2.36	2.66	2.99
RTS Renewals-Long Term			3.67	4.13	4.65	5.24
RTS Road Renewals	0.92	0.29				
RTS Site Resilience & Adaptation Improvements	0.17	1.10				
Total (\$M)	13.56	1.58	5.77	6.50	7.31	8.24
RTS Compactor Renewals	0.89	0.19				
Total (\$M)	13.55	1.58	5.77	6.50	7.31	8.24

Note: Only major projects of value greater than \$1M are included in this table

Note: See Section 11.5 for project funding details

Table 11-5: Water major projects timeline

(Budget source: 2024 LTP Capital Model Version 6 (Final) plus long term forecasts)

Project Description	2024-2029	2030-2034	2034-2038	2039-2043	2044-2048	2049-2053
Coromandel Replace Treated Water Reservoir		1.74				
Drinking Water Standards	6.62					
Drinking Water Standards-Long Term			10.49	11.81	13.3	14.97
Matarangi Replace Treated Water Reservoir		1.97				
Moewai Road Water Reservoir Replacement	2.45	0.6				
Onemana Replace Treated Water Reservoir	1.07	0.26				
Pāuanui Additional Treated Water Reservoir	1.07	0.58				
Pollen Street Redevelopment - Infrastructure Upgrade - Water Supply	1.08	1.68				
Thames Source And Storage Improvement-Long Term				20.98		
Thames South Water Improvements & Pūriri Water Treatment Plant	19.45					
Thames WTP Clarifier Replacement	1.96					
Universal Metering District Wide	5.74	8.04				
Universal Metering District Wide-Long Term			15.74	17.72	19.95	22.46
Water Renewals	11.83	20.5				
Water Renewals-Long Term			23.85	26.86	30.24	34.04
Water - Process Control Upgrades	0.91	0.38				
Water - Process Control Upgrades-Long Term		1.91	5.25	5.91	6.65	7.49
Water Consent Renewals	0.51	0.51				
Whangamatā Water System Optimisation	0.91	0.38				
Whitianga Additional Treated Water Reservoir		1.91				
Whitianga Universal Water Metering - Unbundling	1.6	1.09				
Whitianga Water - Wharekaho Water Supply Extension	2.45	0.65				
Whitianga Watermain Upgrade - Moewai Road To Captain Wood Avenue	2.99					
Hāhei Water Extension	1.34	2.21				
Water Consents-Long Term			1.84	2.07	2.33	2.62
Grand Total	61.50	42.93	57.16	85.34	72.46	81.59

Note: Only major projects of value greater than \$1M are included in this table

Note: See Section 11.6 for project funding details

Table 11-6: Wastewater major projects timeline

(Budget source: 2024 LTP Capital Model Version 6 (Final) plus long term forecasts)

Project Description	2024-2029	2030-2034	2034-2038	2039-2043	2044-2048	2049-2053
Cooks Beach Wastewater Treatment Plant Upgrade	1.09					
Hāhei wastewater expansion	0.38	2.92				
Matarangi Wastewater Treatment Plant	10.84	11.21				
Pollen Street Redevelopment - Infrastructure Upgrade - Wastewater	1.61	3.19				
Thames and Thames South Treatment Upgrades(Thames Spatial Plan)-Long term				73.44		
Wastewater renewals	17.44	43.48				
Wastewater renewals-long term			39.34	44.3	49.87	56.15
Wastewater - Process Control Upgrades	0.45	0.82				
Wastewater - Process Control Upgrades-long term			5.25	5.91	6.65	7.49
Wastewater Consent renewals	0.66	0.75				
Wastewater Consent renewals-long term			1.84	2.07	2.33	2.62
Wastewater Treatment Improvements-Long term			41.97	47.25	53.2	59.9
Whangamatā Hetherington Road Rising Main	2.09	0.44				
Whitianga Wastewater - Wharekaho Extension	2.33	0.83				
Pāuanui Wastewater Treatment plant odour control	2.05					
Grand Total	38.94	63.62	88.39	172.96	112.05	126.16

Note: Only major projects of value greater than \$1M are included in this table

Note: See Section 11.8 for project funding details

Table 11-7: Stormwater major projects timeline

(Budget source: 2024 LTP Capital Model Version 6 (Final) plus long term forecasts)

Project Description	2024-2029	2030-2034	2034-2038	2039-2043	2044-2048	2049-2053
Austin Drive Stormwater Improvements	1.38					
Cooks Beach Stormwater Improvements	0.66	1.06				
Kōpū Stormwater Improvements	1.09	3.38				
Matarangi Stormwater Improvements	1.74	1.46				
Pāuanui Holland Stream Stormwater Improvements	0.78	0.44				
Pollen Street Redevelopment - Infrastructure Upgrade - Stormwater	1.61	2.79				
Stormwater Improvements-Long Term			26.23	29.53	33.25	37.44
Stormwater Renewals-Long Term			15.47	17.42	19.61	22.08
Stormwater Renewals	9.08	12.84				
Stormwater Renewals-Long Term			27.17	30.6	34.45	38.78
Stormwater Treatment Devices - Consent	0.86	1.43				
Thames Albert St Area Stormwater Improvements	3.72	7.99				
Tōtara Valley Rd Services Extension - Stormwater	1.87	0.0				
Whangamatā Stormwater Improvements	8.03	1.15				
Whitianga Stormwater Network Improvements	1.62					
Grand Total	32.42	32.55	68.88	77.55	87.31	98.30

Note: Only major projects of value greater than \$1M are included in this table

Note: See Section 11.7 for project funding details

11.3 Roads and Footpaths Infrastructure Expenditure Forecasts



Our road transportation network represents significant investment over many years and is essential for enabling people and businesses to move around our local communities.

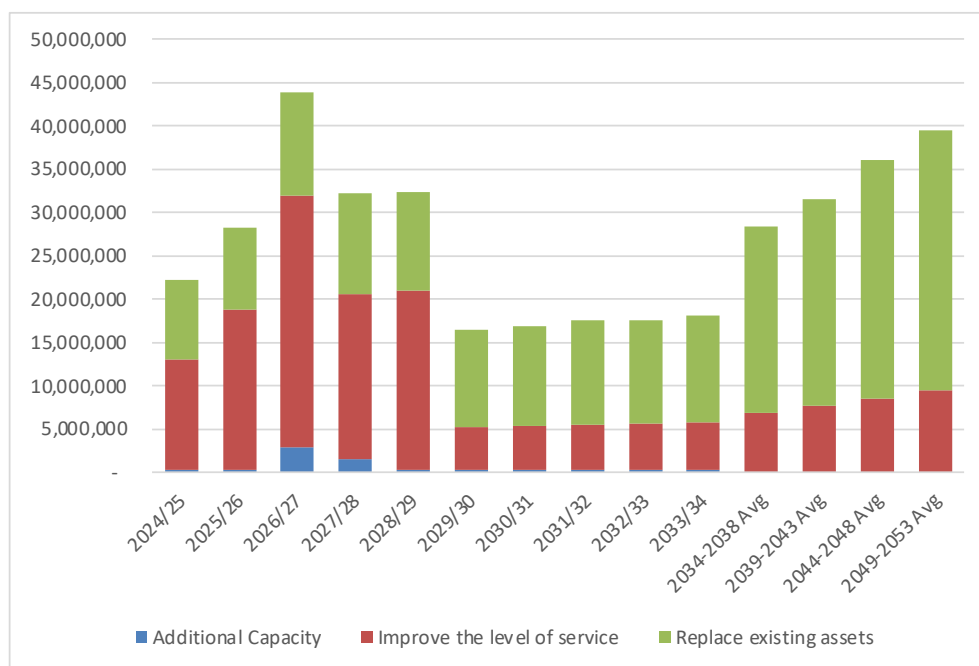
The activity accounts for almost half of Council's annual budget and our transport assets are valued at \$974.6 million. Over the years we have made significant investment in the development and improvement of our transportation services and will continue to do so in years to come.

Council is not responsible for the management of the entire roading corridor in the District; state highways are managed by the Waka Kotahi/NZ Transport Agency.

11.3.1 Roads and footpath 30 Year Capital Investment

The chart below provides an overview of the future roading investment forecasts:

Figure 11-9: Infrastructure Forecast 2024-2054 – Roads and Footpaths



Over the next 30 years we expect that:

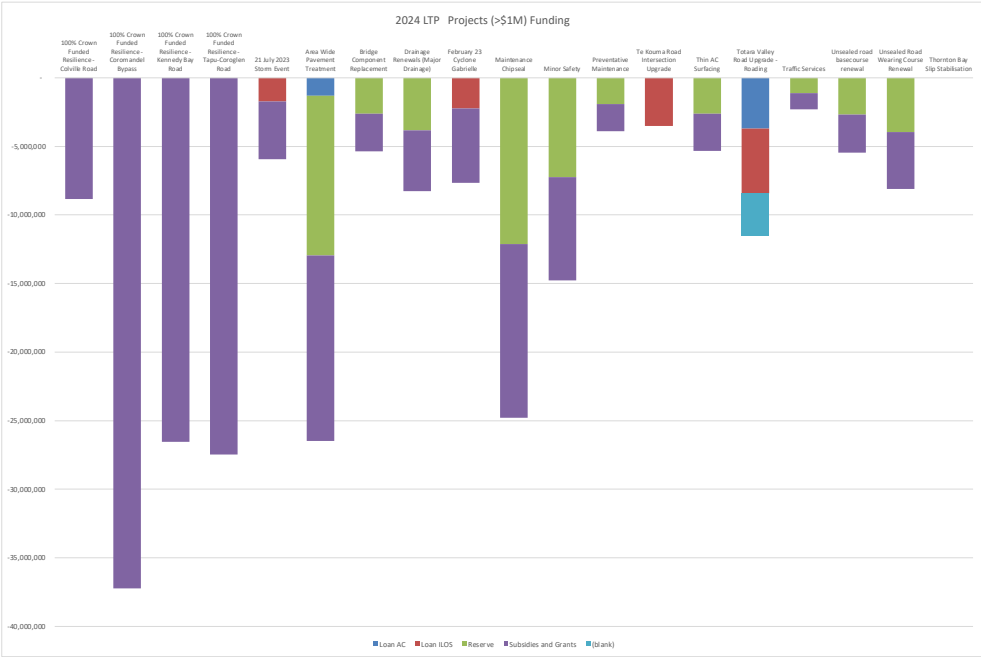
- There will need to be increasing expenditure on 'building back better' as part of the cyclone recovery, to help ensure infrastructure resilience. This poses an affordability challenge due to Waka Kotahi/NZTA Funding constraints and increasing rates burdens on the local community.
- Operational expenditure, including the costs of labour, depreciation, materials, and maintenance accounts for the majority of expenditure. These costs will increase over time.
- Growth related expenditure will be relatively modest and will largely relate to minor safety improvements to ensure that as our roads get busier, they remain safe.
- That there will be increasing expenditure on bridge renewals and upgrades over the longer term horizon
- There are a number of residential subdivisions where new roads, footpaths and associated infrastructure will be built by the developer and the assets will, on completion, be vested with Council. Council will then become responsible for the management, maintenance, and operational costs of these assets and this will have an impact on our expenditure.
- There may be the need to reduce or modify the extent of the network over the longer term in response to adaptive climate change and resilience planning.
- The SMP has identified coastal areas requiring coastal erosion protection. In some cases, this may require coastal roads to be armoured, strengthened or raised.

11.3.2 Roads and footpath project funding

There are various major 10 year project funding sources, and the chart below provides an overview of the roads and footpaths project funding for projects of value greater than \$1 M:

(Note that funding is shown as negative in the funding model and chart below).

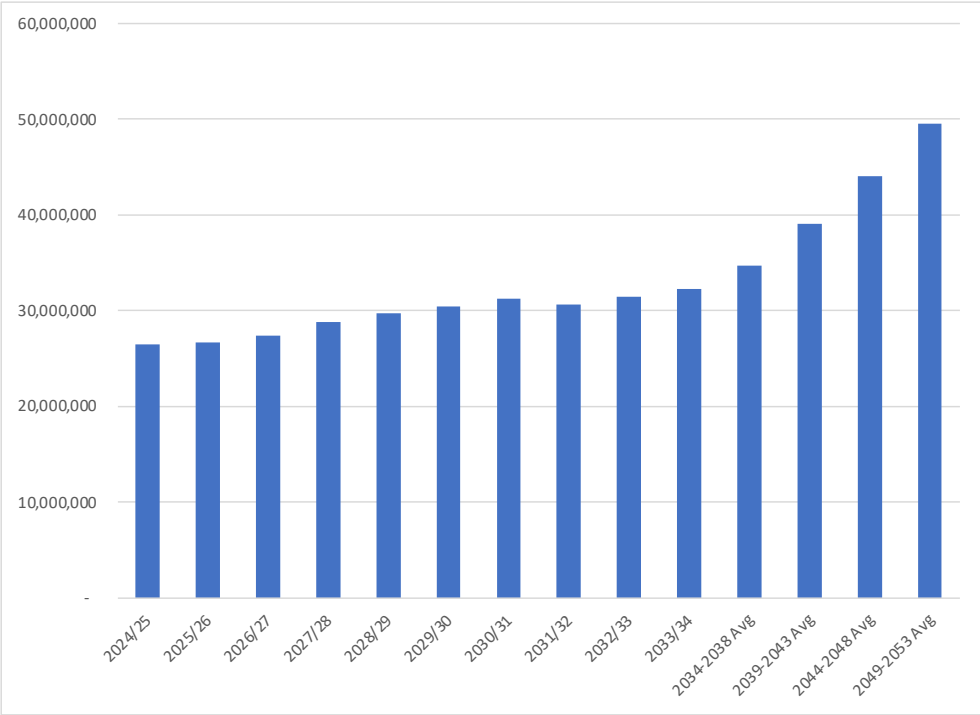
Figure 11-10: Roads and Footpath Project Funding



11.3.3 Roads and footpath 30 Year Operational Forecasts

The roads and footpaths operational budget 30 year forecasts are summarised in the chart below:

Figure 11-11: Roads and Footpaths Operational Expenditure Forecast 2024-2054



11.4 Coastal and Hazard Management Expenditure Forecast

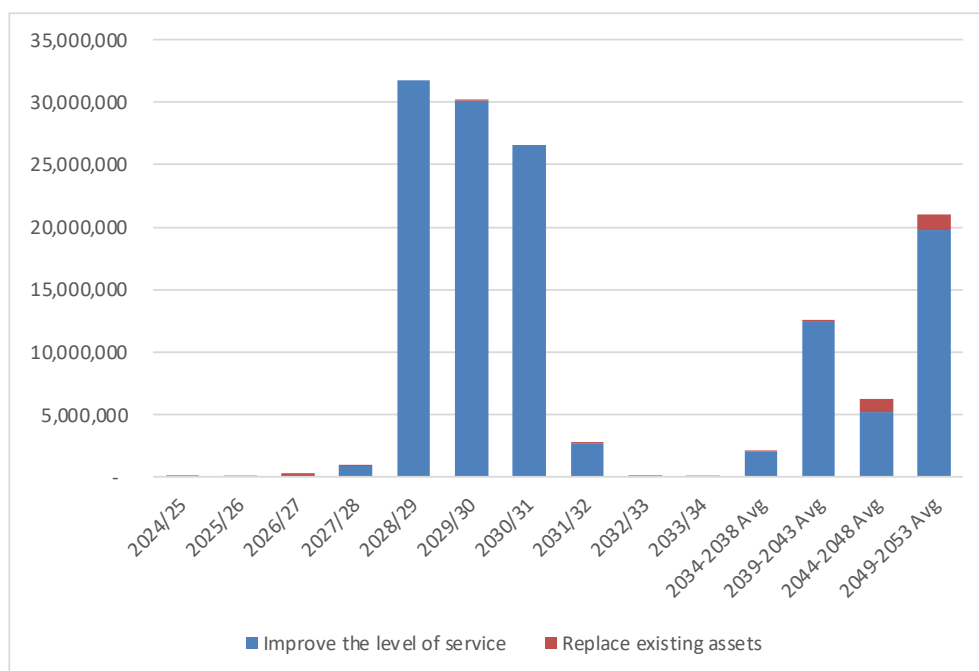


Significant cost increases are anticipated with the five significant projects over the next 10 years. This trend is expected to continue over the longer term.

11.4.1 Coastal and Hazard Management 30 Year Capital Investment

The chart below provides an overview of the future Coastal Hazard Management investment forecasts:

Figure 11-12: Coastal and Hazard Management Capital Forecast 2024-2054



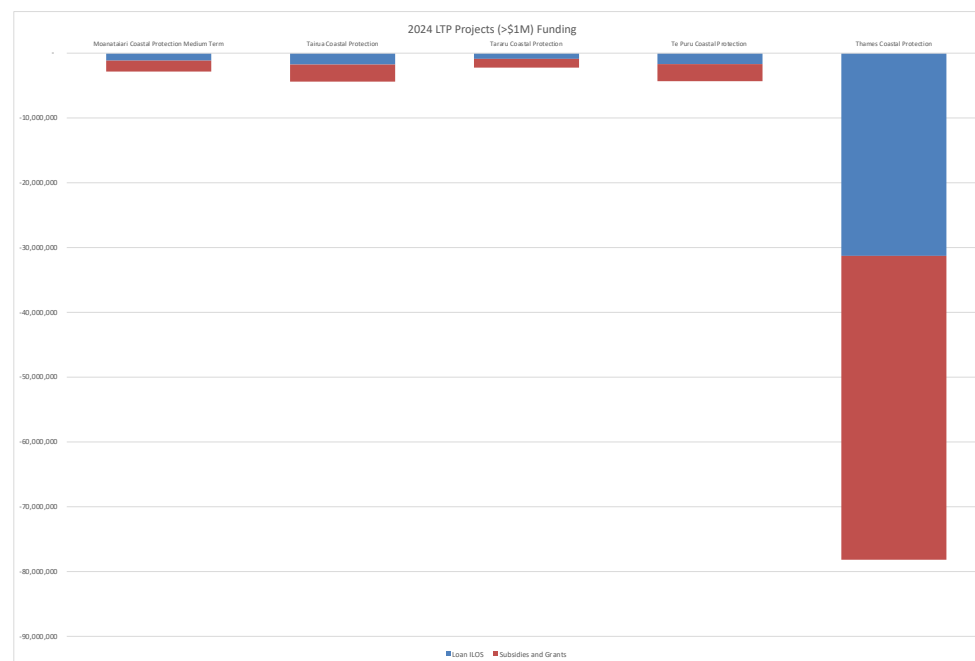
Over the next 30 years we expect that:

- There will be the need to invest in an adaptive manner in line with the SMP to respond to climate change across Council activities (especially infrastructure and roading), this will further compound infrastructure affordability across the district.
- Key coastal protection projects over the 10 year horizon and longer term, include:
 - Moanataiari coastal protection seawall renewal (medium term)
 - Tairua Coastal Protection
 - Tararu Coastal Protection
 - Te Puru Coastal Protection
 - Thames Coastal Protection

11.4.2 Coastal and Hazard Management project funding

There are various major 10 year project funding sources, and the chart below provides an overview of the coastal hazards project funding for projects of value greater than \$0.5 M. (Note that funding is shown as negative in the funding model and chart below)

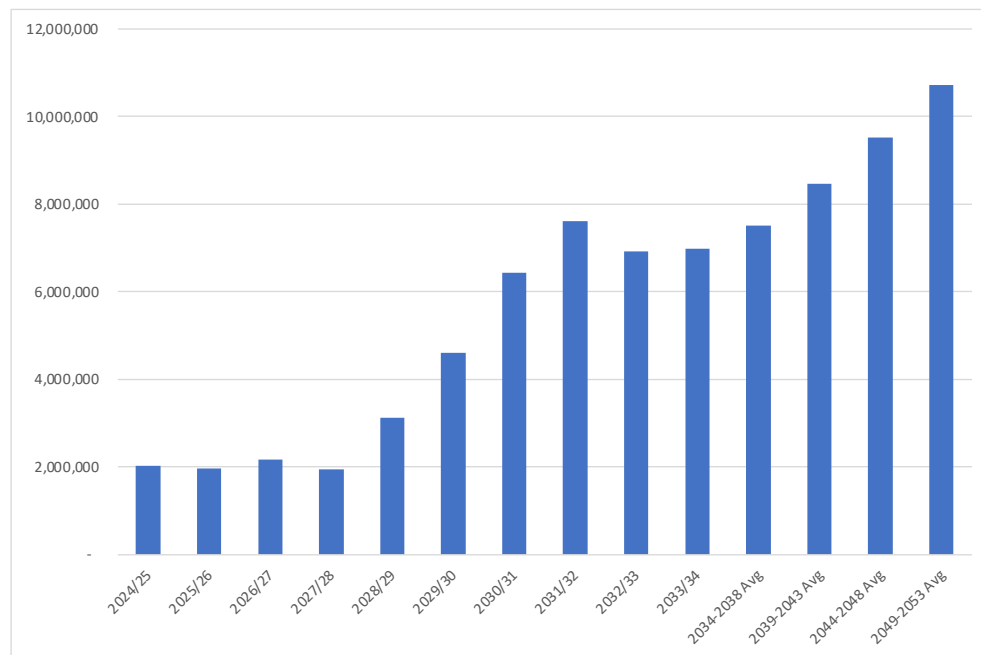
Figure 11-13: Coastal and Hazard Management Project Funding



11.4.3 Coastal and Hazard Management 30 Year Operational Forecasts

The Coastal and Hazards 30 year operational budget forecasts are summarised in the chart below:

Figure 11-14: Coastal and Hazards Operational Expenditure Forecast 2024-2054



The change in the level of operational expenditure is due to consequential costs related capital project interest, repayments, and depreciation.

11.5 Solid Waste Infrastructure Expenditure

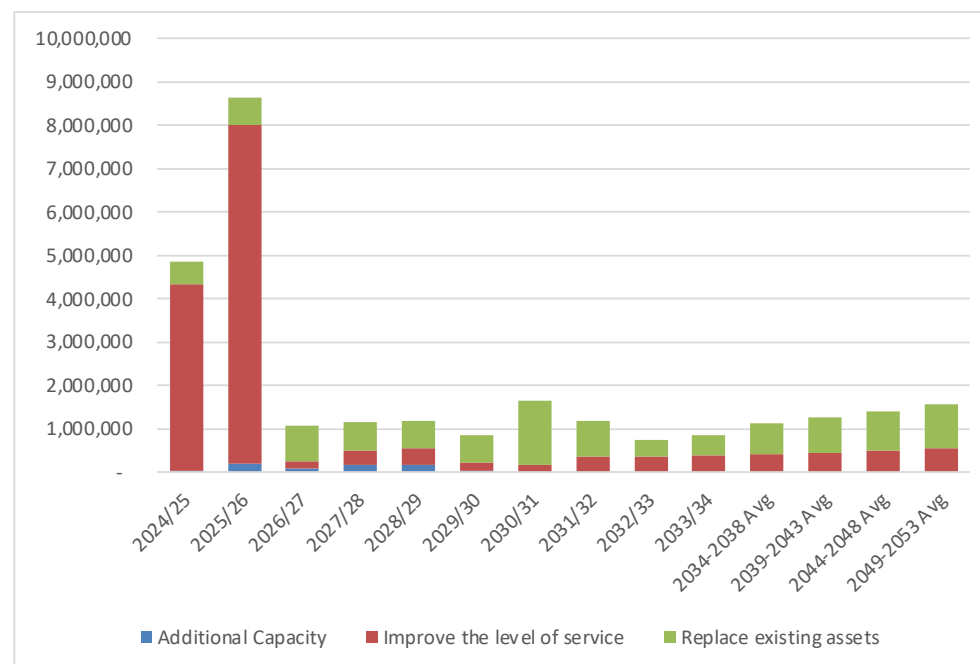


Thames-Coromandel District Council has solid waste assets valued at \$5.1 million including seven refuse transfer stations and associated assets, weighbridges, transporter bins and cranes. Council provides litter collection in public areas, household kerbside refuse and recycling services including the transport of general waste to landfill outside the District, transfer stations where refuse and recycling can be disposed of, reused, or recycled and manages seven closed landfill sites within the District.

11.5.1 Solid Waste 30 Year Capital Investment

The chart below provides an overview of the future solid waste investment forecasts:

Figure 11-15: Solid Waste Capital Forecast 2024-2054



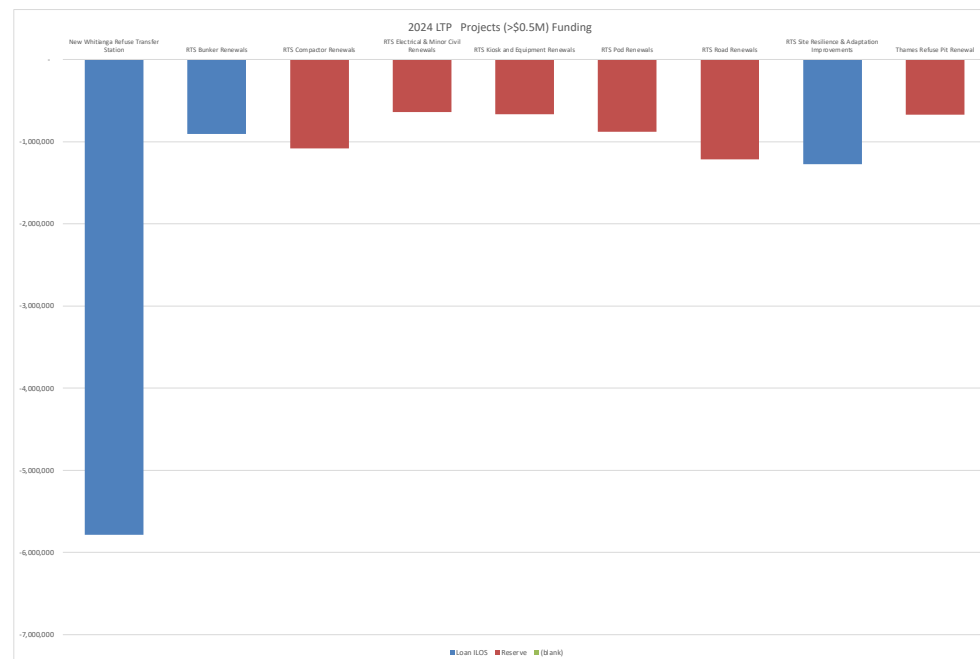
Over the next 30 years we expect that:

- There is planned RTS improvement work to meet operational, capacity and legislative requirements
- There is ongoing renewals expenditure that over the long term. This increases in future years due inflation related adjustments
- In 2025/26-26/27 there is also the replacement of the Whitianga Refuse Transfer Station with a major budget of \$11.57 M.
- Ongoing closed landfill aftercare costs and site monitoring.
- In the 10 year horizon the expenditure is dominated by the development of the new Whitianga RTS that recently commenced.
- There is ongoing renewals investment
- There is provision for RTS improvements over the long term to address facility demand and improvements.

11.5.2 Solid Waste project funding

There are various project funding sources, and the chart below provides an overview of the solid waste project funding for projects of value greater than \$0.5 M. (Note that funding is shown as negative in the funding model and chart below):

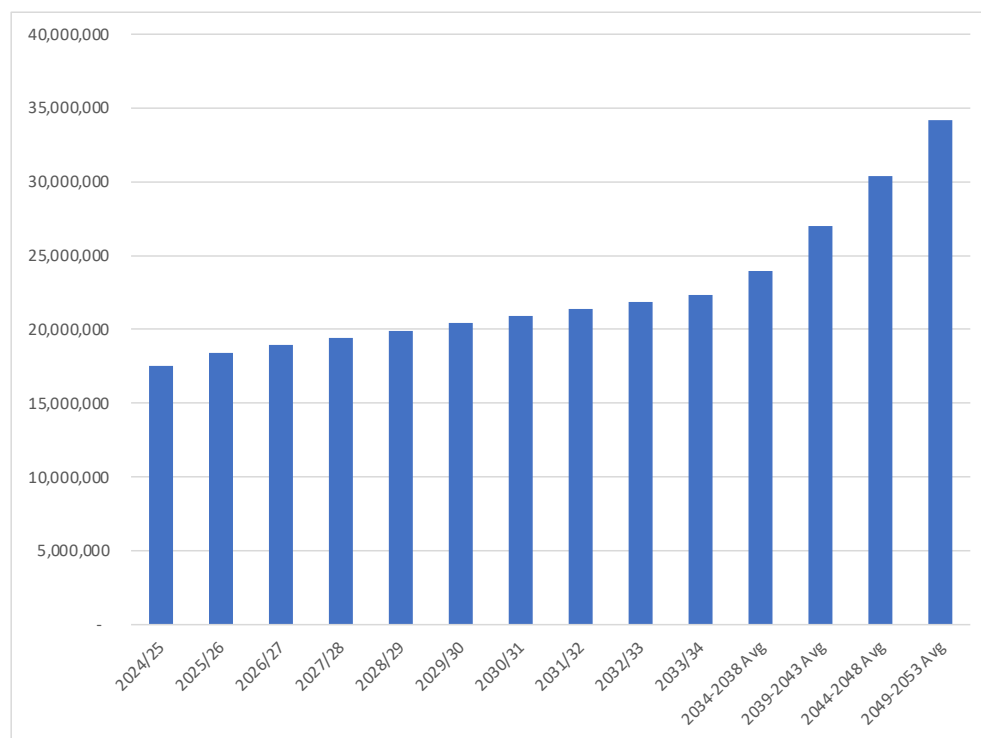
Figure 11-16: Solid Waste Project Funding



11.5.3 Solid Waste 30 Year Operational Forecasts

The solid waste 30 year operational budget forecasts are summarised in the chart below:

Figure 11-17: Solid Waste Operational Expenditure Forecast 2024-2054



Over the next 30 years we expect that:

- Operational expenditure, including the costs of ETS levies, labour, depreciation, materials, and maintenance accounts for the majority of expenditure.

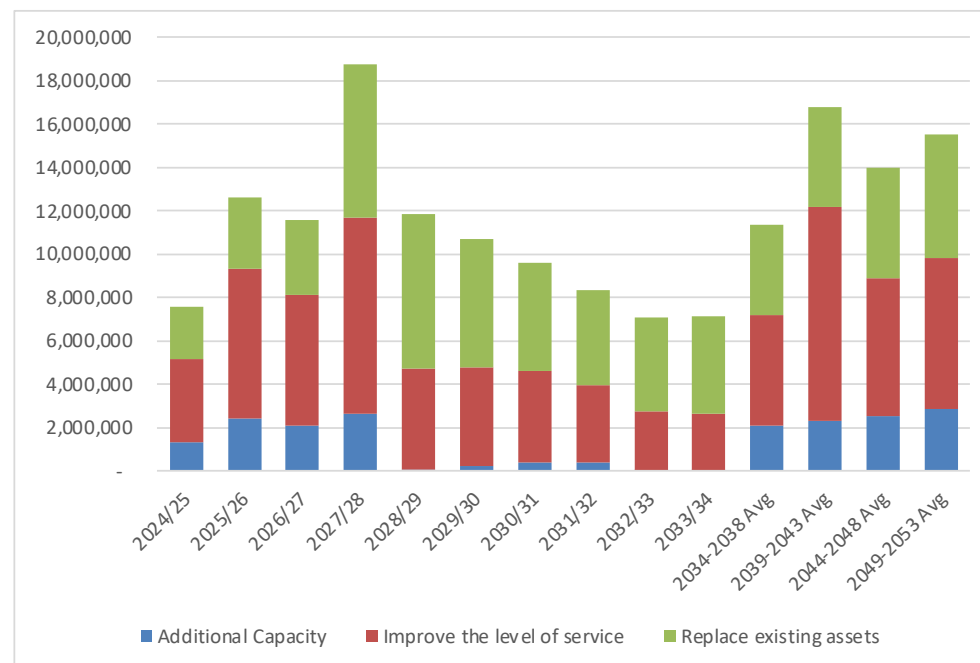
11.6 Water Supply Infrastructure Expenditure



Thames-Coromandel District Council owns and operates nine treated water supply schemes and one rural scheme that supply water to domestic, commercial, and industrial properties in each of the areas. The water supply networks are managed directly by the Council with operations and maintenance activities contracted to a third party. Thames-Coromandel District Council's water supply assets are valued at over \$116 million. Council's water supply networks include 8 major treatment plants, and 3 minor treatment plants that distribute water through 596 kilometres of network pipes, 48 reservoirs and 35 pumping stations.

11.6.1 Water Supply 30 Year Capital Investment

Figure 11-18: Water Supply Capital Forecast 2024-2054



Over the next 30 years we expect that:

- Our expenditure on renewals is influenced by the need to replace infrastructure in our older settlements.
- Expenditure on levels of service improvements, in the first four years will focus on continuation of a programme of further work to update our water supply schemes to meet the Drinking Water Standards 2005 (revised 2008) and the DWQAR.
- Water meters installation is planned in response to improving water demand and water loss management.
- There is significant investment planned for Thames Valley
- Over the long term horizon budget provision has been allocated to cover the need for further water upgrades in response to future water quality/demand management requirements.
- The timing and extent of budget will be revised in future Strategies based on water demand trends, drinking water quality requirements and resource consent requirements.

11.6.2 Water Supply project funding

There are various major 10 year project funding sources, and the chart below provides an overview of the water supply project funding for projects of value greater than \$1 M. (Note that funding is shown as negative in the funding model and chart below):

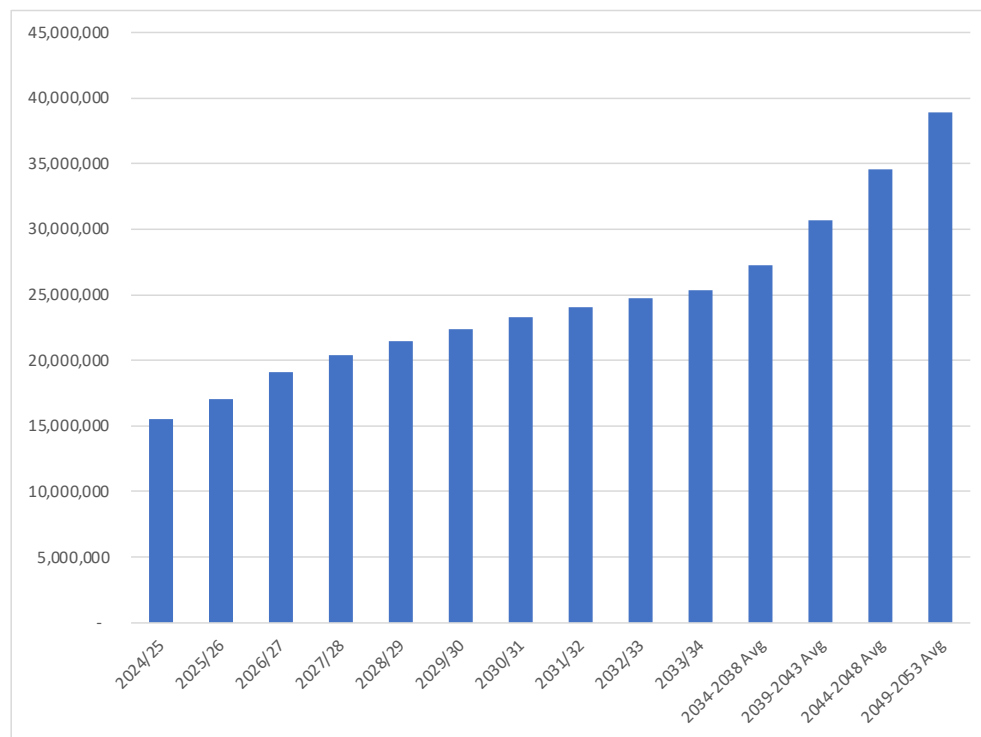
Figure 11-19: Water Supply Project Funding



11.6.3 Water Supply 30 Year Operational Forecasts

The water supply 30 year operational budget forecasts are summarised in the chart below:

Figure 11-20: Water Supply Operational Expenditure Forecast 2024-2054



Over the next 30 years we expect that:

- Operational expenditure, including the costs of labour, depreciation, materials, and maintenance will account for the majority of expenditure.

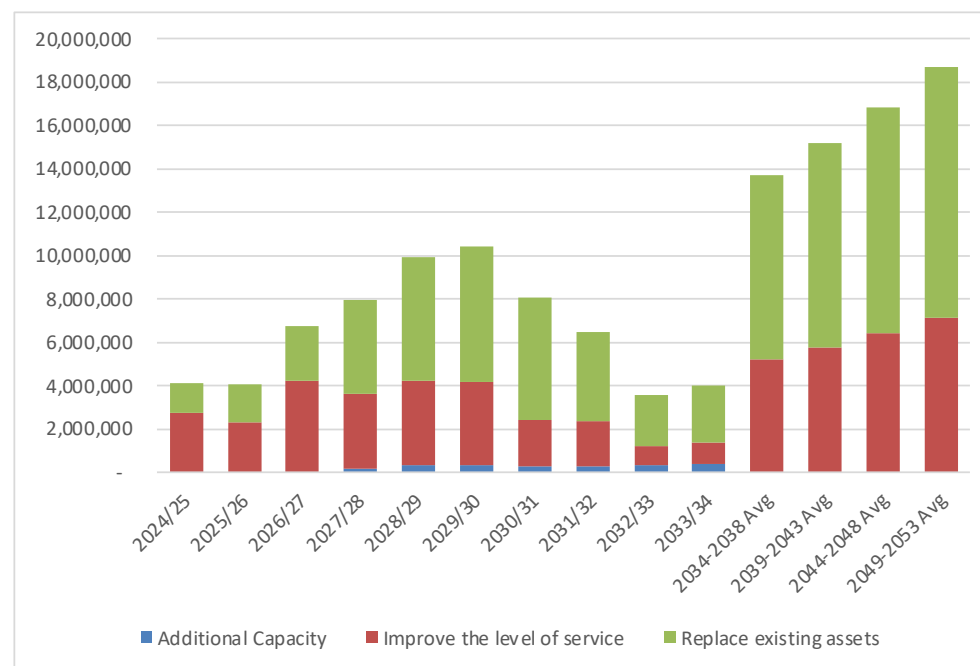
11.7 Stormwater Infrastructure Expenditure



Thames-Coromandel District Council has stormwater assets valued at over \$108 million including, 4 stormwater pump stations, 6 detention ponds, 5 soakage cell systems and 198 kilometres of network pipes. Council collects and disposes of stormwater throughout the District. Each area is supplied with their own networks to collect and dispose stormwater into the ocean. There is potential for additional investment being required to mitigate against the climate change, particularly in relation to increased rainfall intensity and sea level rise. Consideration of future investment and level of service requirements will be part of the shoreline management plan project. However, at this stage this project is not at a point where it is able to influence our stormwater infrastructure requirements.

11.7.1 Stormwater 30 Year Capital Investment

Figure 11-21: Stormwater Capital Forecast 2024-2054



Over the next 30 years we expect that:

- Based on future growth estimates there will be little, or no new or growth-related stormwater infrastructure funded directly by Council.
- Pāuanui Holland Street improvement has expenditure across the 10-year period.
- From 2024/25 to 2029/30 significant expenditure on Whangamatā stormwater improvements.
- We will continue to focus on improving our asset information. This will assist us to plan and prioritise which parts of our stormwater networks most need to be renewed. We have set aside a district renewals budget which will be used to fund prioritised renewals.
- Stormwater shows a combination of renewal and LOS investment over the ten year horizon. LOS investment increases over the long term horizon (2036-2046) where Stormwater Improvement budget has been allocated in order to make provision for emerging climate change, quality improvement and flood control requirements.
- The timing and extent of budget will be revised in future Strategies based on emerging climate change trends and stormwater quality requirements.

11.7.2 Stormwater project funding

There are various 10 year major project funding sources, and the chart below provides an overview of the stormwater project funding for projects of value greater than \$1 M. (Note that funding is shown as negative in the funding model and chart below):

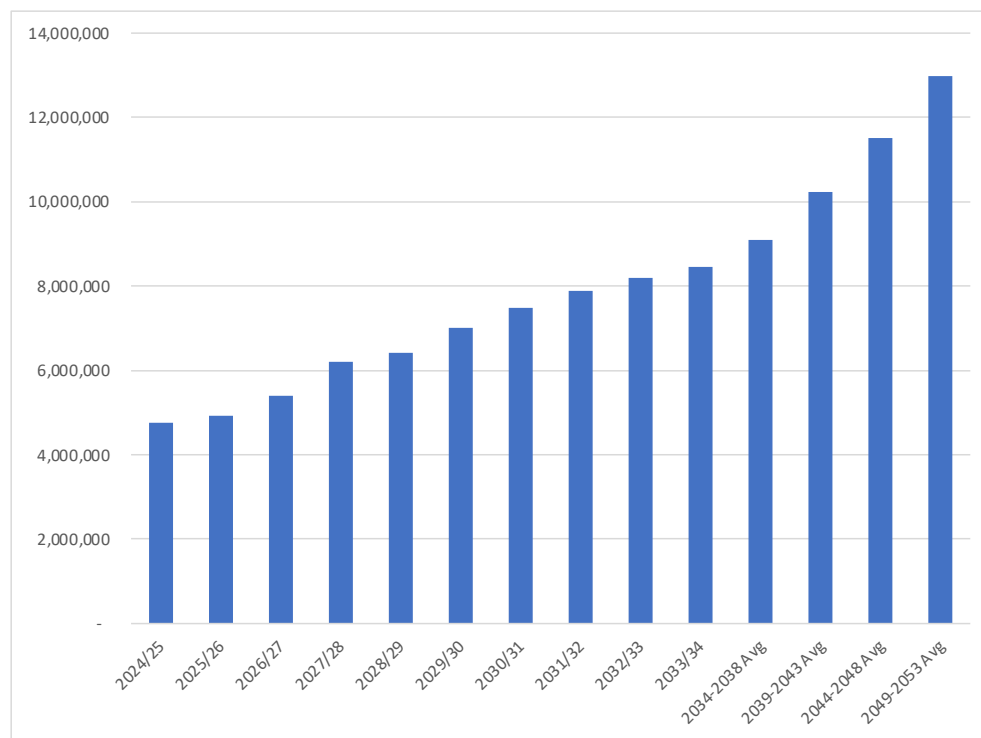
Figure 11-22: Stormwater Project Funding



11.7.3 Stormwater 30 Year Operational Forecasts

The Stormwater 30 year operational budget forecasts are summarised in the chart below:

Figure 11-23: Stormwater Operational Expenditure Forecast 2024-2054



Over the next 30 years we expect that:

- Operational expenditure, including the costs of labour, depreciation, materials, and maintenance accounts for the majority of expenditure.

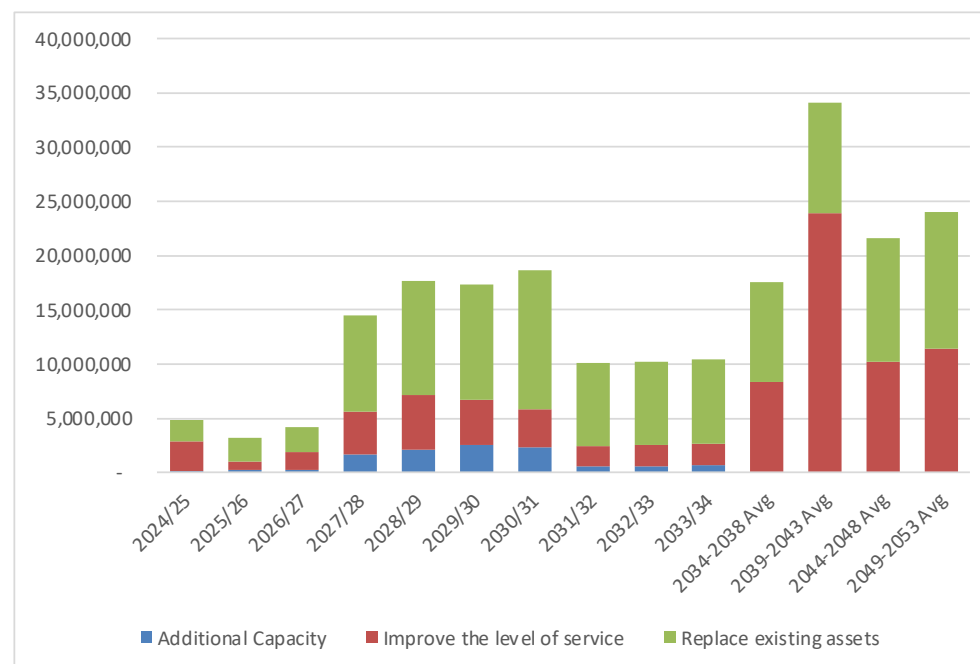
11.8 Wastewater Infrastructure Expenditure



Council collects, treats, and disposes of wastewater at ten treatment plants. Each area supplied with a wastewater network has a treatment facility apart from Tairua where wastewater is pumped under the estuary to Pāuanui's treatment plant. Thames-Coromandel District Council has wastewater assets valued over \$161 million including ten treatment plants, 392 kilometres of network pipes and 131 wastewater pump stations.

11.8.1 Wastewater 30 Year Capital Investment

Figure 11-24: Wastewater Capital Forecast 2024-2054



Over the next 30 years we expect that:

- Expenditure on renewals the first ten years will focus on an upgrade of the Matarangi wastewater treatment plant.
- There is expenditure on the Thames WWTP renewal and improvement
- In the long term 2039-2043 period we have budgeted for works associated with Matarangi, Coromandel and Thames wastewater treatment plants to reduce the potential impacts of climate change and rising sea levels. The actual climate change response will be guided by the Shoreline Management Plan Project
- We will continue to focus on improving our asset information. This will assist us to plan and prioritise which parts of our wastewater networks most need to be renewed. We have set aside a district renewals budget which will be used to fund prioritised renewals
- Wastewater has a number of treatment plant renewal/upgrades over the 10 year horizon
- LOS and renewal investment has been allocated in the long term horizon (2035-2053) in response to emerging climate change, treatment standards and resource consent requirements
- The timing and extent of budget will be revised in future Strategies based on emerging climate change trends and wastewater quality.

11.8.2 Wastewater project funding

There are various 10 year major project funding sources, and the chart below provides an overview of the wastewater project funding for projects of value greater than \$1 M. (Note that funding is shown as negative in the funding model and chart below):

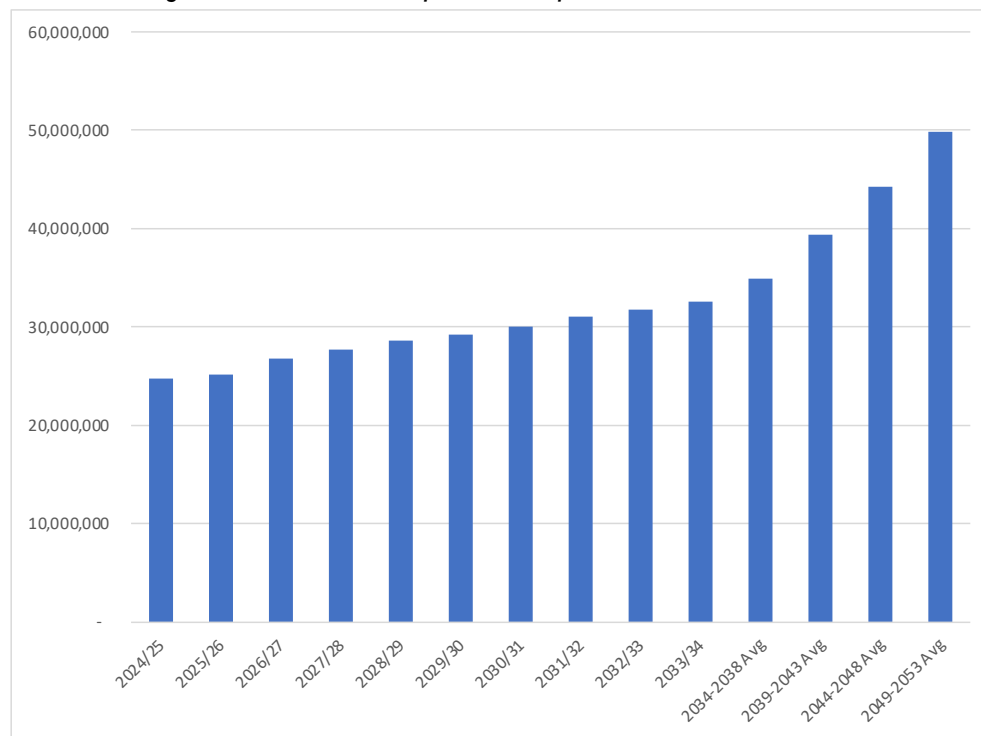
Figure 11-25: Wastewater Project Funding



11.8.3 Wastewater 30 Year Operational Forecasts

The Wastewater 30 year operational budget forecasts are summarised in the chart below:

Figure 11-26: Wastewater Operational Expenditure Forecast 2024-2054



Over the next 30 years we expect that:

- Operational expenditure, including the costs of labour, depreciation, materials, and maintenance accounts for the majority of expenditure

12 Strategy Improvement

Due to the dynamic infrastructure management environment a process of continuous improvement is important. This section details the key improvement tasks and will be prioritised and implemented over the next 3 years:

Table 12-1: Strategy Improvement Opportunities

Improvement Item	Action
Legislation and Policy	Review legislation and Policy development (District and National) and update Strategy responses
Emerging issues	Monitor emerging issues and trends, develop Strategy responses
Long Term Horizon projects (2034-2054)	Review and update long term horizon projects
Audit NZ and Strategy Review recommendations	Review and action Audit NZ recommendations
Strategy format	Review strategy format and content against best practice guidelines and update accordingly
Data and systems	Linked to AM improvement items, ensure AM data systems provide long term Strategy information trends and analysis
IS timeframe	Future consideration of the IS timeframe extending beyond 30 years, to allow for long term impacts on infrastructure such as climate change to be better understood.
IS extent	Future consideration of the asset classes to be included in the IS

Strategy improvement planning progress will be regularly reported on.

Appendix 1: Data Confidence Grading Chart

Table 4.2.7.2: Data Confidence Grading System

Description Grade	
A Very High	Highly Reliable < 2% uncertainty Data based on sound records, procedure, investigations and analysis which is properly documented and recognised as the best method of assessment
B High	Reliable ± 2-10% uncertainty Data based on sound records, procedures, investigations, and analysis which is properly documented but has minor shortcomings' for example the data is old, some documentation is missing and reliance is placed on unconfirmed reports or some extrapolation.
C Medium	Reasonably Reliable ± 10 – 25 % uncertainty Data based on sound records, procedures, investigations, and analysis which is properly documented but has minor shortcomings' for example the data is old, some documentation is missing and reliance is placed on unconfirmed reports or significant extrapolation.
D Low	Uncertain ± 25 – 50% uncertainty Data based on uncertain records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolation from a limited sample for which grade A or B data is available.
E Very Low	Very Uncertain > 50% uncertainty Data based on unconfirmed verbal reports and/or cursory inspection and analysis

Appendix 2: Key Terms

Asset life – A measure of the expected or anticipated life of an asset or the component of an asset.

Capital expenditure - Creates new assets or replaces existing deteriorated assets or components of assets to restore their remaining life and service potential. There are three kinds of capital expenditure:

- **Renewals** – defined as capital expenditure that increases the life of an existing asset with no increase in service level. It replaces existing deteriorated assets or components of assets to restore their remaining life and service potential
- **Level of Service (LOS)** – defined as capital expenditure that increases the service level delivered by the asset
- **Growth or Additional Capacity** – defined as capital expenditure that is required to provide additional capacity in whole or part under Council's Development Contributions Policy necessary to accommodate growth. It is the capitalised works that add new or enlarged existing assets to increase capacity to cater for further growth in demand.

Demand management – is defined as the management of demand for infrastructure assets in order to best match current and future resources to service requirements and ensure service delivery in a best value for money way. Demand management may be intended to limit or reduce demand for an asset, to increase or maintain demand, or to smooth the level of demand over a time period.

Level of service – level of service statements describes the amount or quality that council intends to deliver to customers. Our levels of service are set out in our Long-Term Plan.

Maintenance - Actions necessary to retain an asset as near as practicable to its original condition. Maintenance does not increase the service potential of the asset or keep it in its original condition, it slows down deterioration and delays when refurbishment or replacement is necessary.

Operating expenditure – Relates to the day to day running or operating costs and includes costs such as staff, materials, fuel, chemicals, electricity, gas, mowing lawns, trimming trees, planting.

Revenue and Financing Policy

Purpose and scope

1. This policy outlines the choices Council has made in deciding the appropriate sources of funding for operating and capital expenditure from those sources listed in the Local Government Act 2002 (LGA). The policy also shows how the Council complied with section 101(3) of the LGA which sets out a number of factors we must consider when making these decisions. A comprehensive analysis of this is included in the Funding Needs Analysis.
2. Deciding the best way to fund activities is complex. Applying the legislation is complex and involves many statutes, regulations and multiple statutory policies. The outcome of balancing all those matters requires judgement having considered many factors including but not limited to:
 - Legal
 - Social
 - Competition
 - Affordability
 - Impact of change
 - Efficiency
 - Equity
 - Cost
 - Intergenerational equity
 - Transparency
 - Accountability
 - Business
 - Strategic Alignment
 - Benefit

Principles

3. The following guiding principles will be applied when considering our use of funding sources:
 - a. Everyday costs for services to the district are met from everyday revenues.
 - b. Sufficient funds are available to renew assets at the end of their economic life.
 - c. Where future ratepayers use services created today, they will pay their share through prudent use of debt.
 - d. Financial resilience is retained by having funds, debt capacity and insurance sufficient to fund any unplanned event.
 - e. Service levels are clearly defined and delivered in an efficient and effective, customer focussed manner, providing value for money.
 - f. Increasing costs are managed to keep rates affordable, fair and equitable with increases set to provide certainty to ratepayers.

- g. Costs may be recovered when there is an identified private benefit and it is efficient to collect.
 - h. Revenue sources other than rates will be sought to contribute towards significant projects and expenditure.
 - i. A prudent approach is taken to risk and return on investments.
 - j. Quality consistent facilities and services to our communities across the district despite that community's ability to pay.
4. Balancing these principles can be challenging at times. Council must use its judgement in assessing many options in the development of budgets or acquisition of assets and the choice of funding sources to enact these.

Policy

Recognition of obligations to Māori

5. The amendment of the Local Government Act 2002 in the Local Government (Rating of Whenua Māori) Amendment Act 2021 requires that the Revenue and Financing Policy must support the principles set out in the Preamble to Te Ture Whenua Māori Act 1993.
6. This policy supports the matters in the Preamble by giving effect to Council's statutory obligations under the Local Government Act 2002 and the Local Government (Rating) Act 2022 including the matters in the rates remissions policies, LGA Schedule 11 and LGRA Schedule 1.

Funding sources for operating costs

7. Operating costs are the everyday spending on the services Council provides. This includes contributions to the wear and tear on assets used (depreciation), interest charged on borrowing for capital projects and overheads.
8. The funding of each activity must be considered individually. Some activities may be best funded by user charges, such as building consents, others with targeted rates, such as water, and others from the general rate, such as roading.
9. The funding sources used for operating costs are described in the following sections.

User Charges

10. User charges are applied to services where it is identified there is a benefit to an individual or group, or directly attributable cost. User charges are a broad group of fees charged directly to an individual or entity including but not limited to:
- Service charges
 - Hire
 - Rent, lease, licences for land and buildings
 - Permits
 - Regulatory charges
 - Fines and penalties
 - Connection fees
 - Disposal fees
 - Deposits
 - Private works
 - Planning and consent fees
 - Statutory charges
 - Retail sales
 - Ramp fees
11. The price of the service is based on a number of factors, including but not limited to:
- a. The cost of providing the service.
 - b. The estimate of the users' private benefit from using the service.
 - c. The impact of cost to encourage/discourage behaviours.
 - d. The impact of cost on demand for the service.
 - e. Market pricing, including comparability with other councils.
 - f. The impact of rates subsidies if competing with local businesses.
 - g. Cost and efficiency of collection mechanisms.
 - h. The impact of affordability on users.
 - i. Statutory limits.
 - j. Other matters as determined by the Council.
12. The ability to charge user charges is limited by various statutes and regulations. As a general rule, fees for statutory functions should be set at no more than the cost of providing the service. In some cases, legislation sets the fees at a level that is below cost and in other cases, where provided by legislation (such as the Waste Minimisation Act 2008) fees may be set at greater than the cost of providing the service. It is appropriate to incorporate overhead costs when determining the cost of providing a service.

13. Where goods or services are sold commercially, and taking into consideration legislative limitations, the Council's preference is to charge a market price. This includes retail sales, leases, rents and licences for land and buildings.
14. Fees and charges may be set at any time and are reviewed annually. A list of current fees and charges is maintained on our website.
15. Revenue from user charges is allocated to the activity which generates the revenue.

Grants, sponsorship, subsidies and other income

16. Grants, sponsorship and subsidies are used where they are available. Many of these types of income are regular and predictable and can be budgeted for (for example Waka Kotahi NZTA roading subsidy). Some other types are unexpected or unpredictable and may not be able to be prudently budgeted (such as Provincial Growth Fund funding, reparation payments, civil defence and other reimbursements, legal settlements and insurance claims). These are applied as they arise to the corresponding activity or project.

Investment income and proceeds from the sale of assets

17. The Council's approach to investments is documented in the Treasury Management Policy. These investments generate income such as dividends, interest, and rents.
18. Income from all asset disposals are receipted to the activity that owns the asset. Generally, these proceeds are considered to be capital in nature. However, low value items may be used to fund operating costs. Council may resolve to utilise higher value proceeds for operating purposes if it is satisfied that it is prudent and in the community's interest.

Development contributions, financial contributions and lump sum contributions

19. Generally, there is little revenue from these funding sources to fund operating costs.
20. Council will consider using lump sum contribution arrangements as a suitable funding option for future projects.
21. Financial contributions, if required as part of a resource consent, are collected and placed in a reserve fund. The use of financial contributions could include some operating costs but it is unlikely.

Reserve funds

22. Reserve funds are used for the purposes that they were created. Cash-backed reserve funds may be used to meet operating costs if the expenditure is consistent with the purpose of the fund.

Borrowing

23. The Council's approach to borrowing is documented in the Treasury Management Policy. The Council generally plans to fund all cash operating costs from sources other than borrowing but may in specific circumstances, where it determines it is prudent to do so, fund some operating costs from borrowing.

Rates

24. Having exhausted all other funding sources, Council funds its remaining operating expenses from rates. For many activities this is the main funding source.

25. The Council may establish general or targeted rates to fund operating costs.

Summary of sources of funding for operation costs by activity

26. The above funding sources were considered when determining the funding required from all sources (including general rates or targeted rates) for each activity in the Funding Needs Analysis, as required by section 101(3)(a).

27. Table 1 shows the degree (expressed as a range) to which each funding source is used to fund operating costs following the s101(3)(a) assessment.

28. This s101(3)(a) assessment has been modified by the s101(3)(b) assessment. Actual contributions for each funding source to an activity may vary because of this step 2 assessment.

29. The ranges in Table 1 are expressed as a percentage of the revenue budgeted to fund each activity and are indicative only. They may change over time because of changes in expenditure requirements. Actual funding sources may differ from the budgeted funding sources.

30. For operational expenditure, the portion of funding from each source is expressed as a range – low, medium or high. These ranges equate to the following percentages:

Low:	0-33%
Medium:	34-66%
High:	67-100%

Table 1: Summary of funding sources by activity s.101(3)(a) only

Activity	General rates	Targeted Rates	Fees and Charges	Subsidies and grants	Other	Borrowing
Governance	H	L			L	L
Corporate	H		L		L	
Community Facilities		H	L			
Libraries		H	L			
Parks & Open Spaces		H	L	L		
Emergency Management	H					
Coastal and Hazard Management	M	L				M
Community Health & Safety	M		M		L	
Resource Consents	M		M			
Building Control	L	L	H			
District and Strategic Planning	H					L
Community Development	L			H		
Economic Development	M	M				
Roading	M	L	L	L	L	
Footpaths, cycleways & streetlights		H	L	L		
Stormwater and land drainage	L	H				
Wastewater		H	L			L
Water Supply		H	L			
Rubbish & recycling	L	M	M			
Waste Minimisation				H		

*Corporate includes overhead areas which are charged out to activities.

Funding sources for capital costs

31. Capital costs are those costs associated with the purchase and improvement of assets, and the repayment of debt. The funding sources for capital costs are described in the sections that follow.

User charges

32. User charges are not often used for capital costs as individual user contributions would generally be too large to be affordable. Borrowing and charging users annually for financing costs (interest and principal) via rates is often a more affordable method of collecting user contributions for capital costs.
33. The Council may charge for capital works that are for private benefit (such as, a network extension to a single dwelling) or where capital works are undertaken outside of Asset Management Plans at the request of individuals (for example, a rural seal extension for dust suppression).

Grants, subsidies, and other income

34. The Council relies on significant subsidies for capital works relating to our transport activity. Grants and subsidies may be available for other activities from time to time.
35. Other income can be from many and varied sources and is unlikely to be predictable enough to budget for in advance. Other income used to fund capital costs could include bequests, insurance claims, and legal settlements.
36. Grants, subsidies and other income are used wherever they are available.

Development contributions

37. Development Contributions (DCs) fund capital costs necessary to service growth in accordance with the Developments Contributions Policy.

Financial contributions

38. Financial may be collected as part of acquiring a resource consent. Contributions may be received in cash or as revenue by the vesting of assets.

Proceeds from the sale of assets

39. From time-to-time, assets are disposed of. Usually these are low value items and the revenue is received by the activity that owns the assets. In the case of short-life assets these proceeds would normally contribute to the cost of their replacement.
40. The Council holds some higher value assets for investment purposes which, although not budgeted for, could be sold. Unrestricted proceeds from the sale of these assets

would be used to repay debt or supplement the corresponding asset replacement reserves, unless otherwise resolved. Restricted revenues would be placed in the appropriate reserve fund and used for the purpose required by the document that imposes the restriction.

Reserve funds

41. Reserve funds for capital projects are held and the funds are used when a project meets the specific criteria for accessing the reserve. This includes renewal funding derived from rates for operating costs such as depreciation and other accounting provisions.

Borrowing

42. The Council borrows to fund its asset programme. The amount of borrowing available is restricted by the debt limits set in the Financial Strategy.
43. Borrowed funds, both the principal and interest (an operational cost), are generally repaid by future rates.
44. Borrowing spreads the cost of the project over a longer period of time, smoothing changes in rates and ensuring that future ratepayers who will enjoy the benefit of long-lived assets contribute to their costs.

Lump sum contributions

45. When undertaking a major project, there is an option to seek lump sum contributions to the capital cost of the project from those who are identified in the projects “capital project funding plan”. Lump sum contributions are provided for in the Local Government (Rating) Act 2002 and have restrictions placed on how they are used. Where a lump sum payment option is proposed ratepayers may choose to pay the lump sum or not. If not, the rating unit will be liable to pay any targeted rate set to recover the loan costs.

Rates

46. Rates are mostly used to fund everyday expenses including depreciation and interest costs related to borrowing.
47. A portion of rates funds the capital (principal) repayments of debt.
48. Council may establish targeted rates to fund specific capital projects where there is a benefit of separate funding.
49. Council holds reserve funds for capital expenditure. Some of which has been sourced from rates.

Summary of sources of funding for capital costs by activity

50. Funding of capital costs will be determined via the same principles as the operating costs funding policy unless the Council resolves otherwise. Such a resolution will follow the funding guidelines and in doing so will be consistent with this policy and not require an amendment to the policy. Existing projects (projects resolved prior to the adoption of this policy) will be funded according to the Annual Plan, Long-Term Plan or other resolution made at the time the Council approved the project. It is not practicable to determine a funding policy for all unknown future projects. The main difference is that it is the purpose of the expenditure will have more bearing on the funding available. Capital projects are often large in nature and will provide benefits over many years, and the funding approach must reflect this.
51. The Council uses the following guidelines when considering the funding of capital projects:
- A Funding Needs Analysis will be completed where the project is not included in the capital works programme or is additional to planned services, or where its inclusion impacts on Council's overall funding capacity.
 - All projects are first funded from grants, subsidy or other external income where available.
 - Renewal projects that maintain the same service level are then funded from reserve funds set aside for that purpose.
 - General purpose funds or unrestricted reserve funds held for other complementary purposes are considered.
 - Lump sum rating options are considered.
 - Projects that have exhausted previous funding sources or are for new or increased service levels or for growth in infrastructure are then funded from debt.
52. A single project may have a mix of each of these funding options.
53. It is not practical to create separate funding policies for each and every capital project. The Council will only do this when a project is particularly large, affects a particular group or does not fit with an existing funding policy or activity.
54. Whenever funding a capital project, the Council will consider the available sources of funds, the Revenue and Financing Policy, and section 101(3) in applying the above guidelines to a capital project. Generally, the Council will resolve the funding policy at the time the project is proposed in an Annual or Long-Term Plan.

Overall funding consideration

55. The Council is required by section 101(3)(b) of the LGA to consider “the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural well-being of the community”. This section allows that as a final measure, we may modify the overall mix of funding that would otherwise apply after the initial s101(3)(a) analysis for both operating and capital expenditure.
56. The following adjustments have been made:
- The allocation of the rates liability between sectors of the rating base may be altered by using differentials on the general rate and certain targeted rates. The allocations in this Long-Term Plan were determined by the Council after consultation with the community in 2024. The Council may modify the differential factors during the term of the Long-Term Plan to reflect a change in rating valuations, or benefit, or to achieve better community outcomes or wellbeing.
 - Rates affordability (people's ability to pay rates) is an issue in parts of the region. Adjustments to limit the impact of fixed rates on lower value homes can be made where Council feels appropriate so that rates are more affordable for lower value homes.
 - Fees and charges may be waived or discounted where it is considered appropriate to do so. Some matters we may consider in deciding whether it is appropriate to waive fees are for social reasons (e.g., the promotion of events and facilities) or commercial reasons (e.g., due to poor service or to minimise risk).
 - Rates may be remitted where it considered appropriate to do so and as allowed for in the Rates Remissions and Postponements Policies (including Māori Freehold Land). These policies address the social matters as well as adjusting rates for benefits that differ for some rates assessments (such as additional or no provision of some services).
 - The Council may use accounting provisions and reserve funds to spread the costs of activities over multiple years to smooth the cost to users and ratepayers.

Rates

57. Our final consideration of funding by rates comes:
- After considering how other funding sources will be used to fund operating and capital costs.
 - After rates have been applied to activities in the Funding Needs Analysis; and/or
 - After being adjusted for the overall funding considerations.

58. The following section outlines the Revenue and Financing Policy requirements that are used to set rates. To have a full understanding of rates they should be read with regards to the analysis above and in conjunction with the Funding Impact Statement and Rates Resolution.

General rates

59. The general rate is allocated to all rateable properties based on the land value of the property. A Uniform Annual General Charge (UAGC) is allocated to all rateable properties per separately used or inhabited part of a rating unit (SUIP).

60. The Council has determined in its Funding Needs Analysis which activities should be funded from general rates (see Table 1).

61. The Council has chosen to differentiate the General Rate into four rating categories, applying seven rating differentials:

- a. Farming and horticulture
- b. Rural other
- c. Industrial and commercial
- d. Commercial Forestry
- e. Residential
- f. Off-shore islands (used)
- g. Off-shore islands (unused)

62. The Council primarily uses valuation data (specified in the Rating Valuations Rules) to determine the allocation of rating units to rating categories. The full definitions may change during the term of this Long-term Plan.

63. In setting the differential categories, and the differential factors, the Council considered the requirements of the LGA and other considerations, including:

- a. The activities funded by the general rate and the s101(3) considerations for the activities.
- b. The impact of any change, or rate of change to the differential.
- c. The views of those impacted by the differentials.
- d. Other reasonable options, and the advantages and disadvantages of those options.
- e. The overall impact of the differential on all ratepayers.

64. The UAGC is part of the general rates and is a fixed amount each year. The Council can set the UAGC based on an allocation of the cost of specific activities or at an amount the Council considers is appropriate. In past years, the Council has preferred to base

the UAGC on the allocation basis. From 2024 the Council will set the UAGC at a level it considers appropriate.

65. The Council recognises the regressive nature of fixed rates. Rates affordability is a matter the Council considers when setting the UAGC. Council's remissions policies provide for some adjustment to UAGCs for properties where appropriate. During the term of this Long-term Plan the Council may adjust the UAGC as part of its rate setting process in order to improve community wellbeing for current and/or future communities.

66. If the cost allocation from activities is amended, or an adjustment is made to the UAGC to improve community wellbeing, the amount removed from the UAGC will remain part of general rates.

Targeted rates

67. Targeted rates are finalised when adopting the Funding Impact Statement in the Long-Term Plan or an Annual Plan. The Council may introduce new targeted rates when setting rates in any year as documented in the respective year's Funding Impact Statement and Rates Resolution. The Council's requirement to consult is determined by s95A of the LGA.

68. The Council has chosen to have a large number of targeted rates. Information on targeted rates is listed in the Rates Resolutions and Funding Impact Statement for each year.

69. The Council will provide transparency of how much a ratepayer's rates is contributing to activities by using better communication tools than the rates invoice.

References

- The Funding Needs Analysis, section 101(3), provides the background and analysis to explain the funding decisions we have made. It is guided by the funding principles and choices of funding sources documented in the Revenue and Financing Policy.
- The Treasury Management Policy place restrictions on the use of the proceeds from asset sales.
- The Funding Impact Statement is included in each Long-term Plan and Annual Plan as required by clauses 15 or 20 of schedule 10. This statement shows the results of the detailed rates calculation for each year.

Together the above documents form the necessary components to lawfully charge under the LGA for our revenue requirements. We must also comply with other legislation regarding the setting of some fees and charges and the Local Government (Rating) Act 2002 for the setting of rates.

A Summary of our Significance and Engagement Policy |

Kaupapa Here mō te Nohotahi me te Kōrerotahi ki ngā Iwi

Purpose

The Council is required to have this policy under section 76AA of the Local Government Act 2002 (LGA), which states the purpose of the policy is —

- (a) to enable the local authority and its communities to identify the degree of significance attached to particular issues, proposals, assets, decisions, and activities; and
- (b) to provide clarity about how and when communities can expect to be engaged in decisions about different issues, assets, or other matters; and
- (c) to inform the local authority from the beginning of a decision-making process about—
 - (i) the extent of any public engagement that is expected before a particular decision is made; and
 - (ii) the form or type of engagement required.

Objectives

The objectives of the policy are:

- To set out criteria the Council will use for assessing the extent to which issues, proposals, decisions, activities or assets are significant.
- To guide the Council to choose the appropriate type and method of engagement to be used to obtain community views, including when it will use the special consultative procedure in section 83 of the LGA.

Policy

The Council will follow a two-step process to inform its decision-making. This process will be used on a case-by-case basis for each issue, proposal, decision, activity or asset. An assessment of the degree of significance and the appropriate level of engagement will be considered in the early stages of a proposal, before decision-making occurs, whether those decisions are made by staff (under delegation) or elected members, and if necessary, reconsidered as a proposal develops.

Step 1. Determine significance

The Council will use the criteria set out in section 6.3.2 of the policy to assess the degree of importance of a matter as low, medium or high, which will then determine the degree of significance. Some proposals and decisions, that are part of the regular functioning of the Council, will always be of high significance. These matters do not need to be assessed under the policy. They are:

- Transferring responsibilities to another local authority under section 17 of the LGA
- Transferring the ownership or control of strategic assets (see list of strategic assets in Section 9 of this policy)
- Development and adoption of a long-term plan
- Proposals or decisions that are inconsistent with existing Council plans or policies and will have one or more of:
 - costs (excluding external funding) exceeding \$5 million
 - a high level of community interest
 - major and long-term impacts on people in the District.

Step 2. Link the degree of significance to engagement

The degree of significance will be used to inform decisions about the appropriate type and form of engagement used to obtain community views on the proposal or decision. Engagement covers a variety of types of communication between the Council and its communities. Based on the degree of significance of an issue, proposal or decision, the Council will choose the type and method of engagement it will use to seek community views before it makes a decision. Types of engagement are: inform, consult, involve, collaborate, or empower. Methods of engagement include: websites, public notices, feedback on published proposals, public meetings or hui, advisory panels and referenda.

Some matters, regardless of their degree of significance, require the use of the special consultative procedure in section 83 of the LGA. These matters include (but are not limited to):

- Adopting or amending a long-term plan
- Adopting, amending or revoking a local alcohol policy under the Sale and Supply of Alcohol Act 2012

- Adopting or reviewing a local approved products policy under the Psychoactive Substances Act 2013
- Adopting or reviewing a class 4 venue policy under the Gambling Act 2003
- Preparing, amending or revoking a waste management and minimisation plan under the Waste Minimisation Act 2008
- Making a bylaw under the Freedom Camping Act 2011

For these matters, using the special consultative procedure is the minimum type of engagement. It may be appropriate to use other types of engagement in addition to the special consultative procedure.

There are times when, due to their nature and circumstances, it may not be appropriate for the Council to engage with the community on certain issues, proposals, decisions, or matters. Examples of this include where the Council:

- is protecting the privacy and safety of individuals (as provided for in the Privacy Act 1993).
- is maintaining confidentiality and/or commercial sensitivity to enable the Council to carry out commercial activity or negotiations without prejudice (as provided for in the Local Government Official Information and Meetings Act 1987).
- is acting with urgency in a crisis (for example under the Civil Defence Emergency Management Act 2002).

Strategic Assets

The policy lists the strategic assets the Council needs to retain if it is to maintain its capacity to achieve or promote any outcome that it determines to be important to the current or future well-being of the community. The assets are:

- Roading and footpath assets
- Water supply, wastewater, and stormwater networks
- Reserves
- Community housing (land owned by the Council where this housing is located)

A full copy of the Significance and Engagement Policy can be found on the Council's website at this link: www.tcdc.govt.nz

A Summary of our Māori Contribution to Council Decision Making Policy

The Local Government Act 2002 sets out a clear purpose for local government – to promote social, economic, cultural and environmental well-being through local decision-making and action. Every day iwi, hapu, whānau and Māori communities are affected by decisions made by the Council. Much of what Council does is directly relevant to Māori and requires good relationships at a local level.

Purpose

Our Māori Contribution to Council Decision Making Policy guides elected members and staff on providing appropriate opportunities to foster the development of Māori capacity to contribute to our decision-making processes. It also provides Māori within the Thames-Coromandel District with an understanding of how Council will manage its obligation to provide opportunities for Māori to contribute to Council decision making processes under the Local Government Act 2002.

Policy statement

Steps to foster the development of Māori capacity to contribute to decision-making

The Council intends to undertake the following steps, to foster the development of Māori capacity to contribute to its decision-making processes:

1. the Council will compile a database of those who wish to be considered Māori for the purposes of the Local Government Act 2002. The Council will maintain a process to ensure this database is current and up to date.
2. those who have identified themselves as Māori will be specifically consulted when the Council decides that it wishes to consult. Where specific legislation requires specific consultation with Māori or Tangata Whenua, then the requirements of that specific legislation will override this step.
3. the Council will work with Māori to identify key issues of particular interest to Māori.
4. the Council will gather information on Māori perspectives about Council activities.
5. the Council will consciously build good relationships with all groups of Māori in the district.

Our Council Controlled Organisations

Information on Council Controlled Organisations

Council Controlled Organisations (CCOs) are any organisation in which one or more local authorities control 50% or more of the voting rights or appoint 50% or more of the directors.

Council has an interest in following CCOs:

- Waikato Local Authority Share Services Limited (trading as Co-Lab); and
- The New Zealand Local Government Funding Agency Limited.

Council resolved to exempt Destination Coromandel and Hauraki Rail Charitable Trust as CCOs in accordance with Section 7 of the Local Government Act 2002.

CCOs must produce a statement of intent each year and Council reports their performance against these intentions every year in the annual report.

This section outlines:

- The Council's significant policies and objectives in relation to its CCOs
- What services will be provided; and
- Key performance measures by which performance will be assessed.

Council's objectives in relation to ownership and control of its CCOs are embedded in the founding and planning documents of the organisations.

The Council's Risk and Assurance Committee has oversight of risk management and assurance across the two CCOs.

Waikato Local Authority Shared Services Limited (Co-Lab)

Ownership

Co-Lab is owned in equal portions by 12 local authorities:

Hamilton City	Western Bay of Plenty District
Hauraki District	Thames-Coromandel District
Matamata-Piako District	Waikato District
Otorohanga District	Waikato Regional
Rotorua Lakes	Waipa District
South Waikato District	Waitomo District

The Board is made up of five council representative directors and an independent Chair. There is also a standing Audit & Risk Committee.

Co-Lab conducts itself in accordance with its constitution, its annual Statement of Intent, the provisions of the LGA and Co-Lab policies.

Nature and scope of activities

Co-Lab's vision is that council collaboration through Co-Lab maximises community wellbeing. The company's purpose is to achieve this vision by helping councils identify and realise shared opportunities.

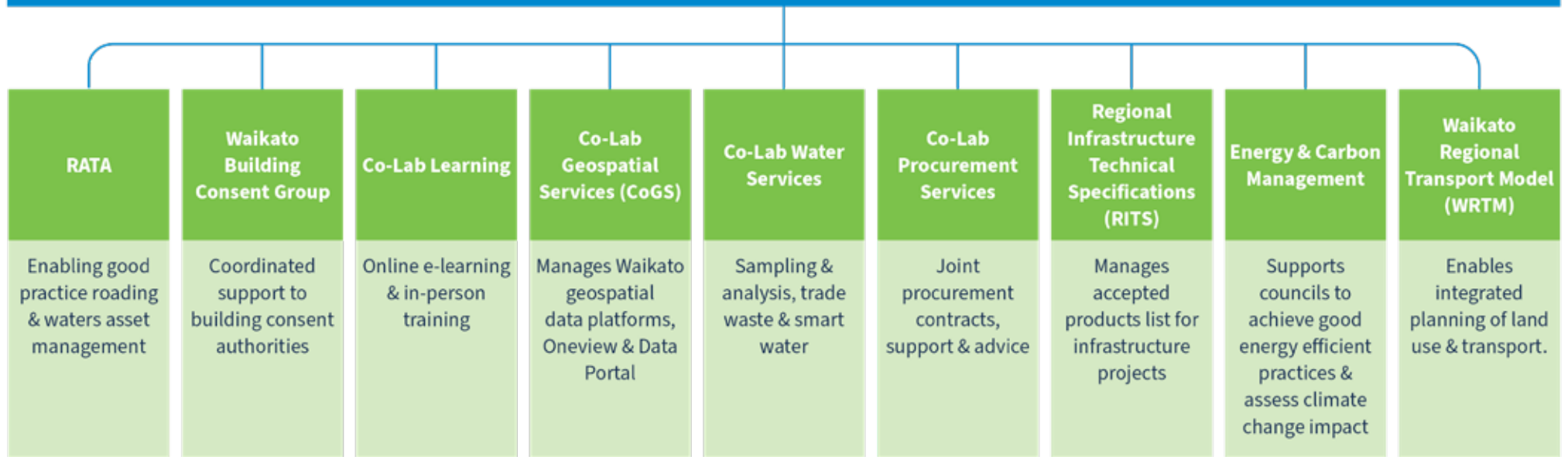
It achieves these outcomes by:

- Acting as an ideas laboratory for developing opportunities that create value to councils;
- Providing shared services to councils; and
- Entering joint procurement arrangements for the benefit of councils.

The specific objectives of Co-Lab are agreed each year in accordance with the constitution and the Statement of Intent (SOI).

SERVICE DELIVERY

The principal initiatives operating under the Co-Lab umbrella are:



Thames-Coromandel District Council participates in six of these initiatives.

Key performance targets

To ensure that Co-Lab deliver against their 3-year strategy they use the following annual Key Performance Indicators.

Strategic Goal	3-year Objective	Annual KPI
Shareholding councils understand we provide them value.	We know the value we provide shareholders has improved by 15%, by 30 June 2027* (baseline y/e 30 June 23).	Year-on-year increase in the value we provide to councils.
	By 30 June 2027, 80% of shareholders agree they get value from Co-Lab.	80% of council survey respondents believe those Co-Lab services they received meet or exceed their expectations (evidenced by an annual survey).
	All shareholders take up at least one additional shared service.	Year-on-year increase in the utilisation of services we provide to councils.
	*Based on the regional benefits of collaboration (not an individual councils' benefits from collaboration).	
Deliver value by growing the scale of our shared service function.	24 new instances of Co-Lab shared services being utilised by June 2027 (baseline y/e 30 June 23).	Year-on-year increase in staff engagement.
		Year-on-year increase in the number of services available to councils.
Diverse, talented and motivated people work for us.	Staff engagement increases by 5% by June 2027.	Year-on-year increase in staff engagement.
	Staff turnover is less than 15%.	Staff turnover is less than 15%.
	Our vacancies are filled by suitable candidates within 3 months.	Vacancies are filled by suitable candidates within 3 months.
	(All baselined y/e 30 June 23).	

The information contained in this report is based on information contained in Co-Lab's Statement of Intent which was in draft at the time of preparing the content for this disclosure.

A full copy of Co-Lab's Final Statement of Intent can be obtained from their website [Home - Co-Lab \(colabsolutions.govt.nz\)](https://colabsolutions.govt.nz)

New Zealand Local Government Funding Agency Limited (LGFA)

Ownership

The LGFA governance structure comprises the New Zealand Government (20%) and 30 local authorities (80%), the LGFA Shareholders Council and the LGFA Board of Directors. The LGFA Shareholders Council is comprised of five to ten appointees from the local authority shareholders and the New Zealand Government. They represent all shareholding local authorities and set the expectations of the company, including the nomination of its directors. The Board of Directors is comprised of independent and non-independent directors, most of which must be independent directors appointed by shareholders.

Nature and scope of activities

LGFA's purpose is to benefit local communities through delivering efficient financing for local government. LGFA raises debt funding for the purpose of providing debt financing to New Zealand local authorities and CCOs (participating borrowers). LGFA may raise debt funding domestically or offshore in either NZ dollars or foreign currency. LGFA only lends to participating borrowers that have entered into required legal and operational arrangements and comply with the LGFA's lending policies. In addition, LGFA may undertake any other activities considered by the LGFA Board to be reasonably related, incidental to, or in connection with that business.

The Shareholders' Agreement is a foundation document and states that, in accordance with the LGA, in carrying on its business the objectives of the Company will be to:

- (a) achieve the objectives of the Shareholders (both commercial and non-commercial) as specified in the Statement of Intent. The Shareholders agree that the Company shall carry on its business with a view to making a profit

sufficient to pay a dividend in accordance with the Dividend Policy, but that the primary objective of the Shareholders with respect to the Company is that it optimises the terms and conditions of the debt funding it provides to Participating Local Authorities;

- (b) be a good employer;
- (c) exhibit a sense of social and environmental responsibility by having regard to the interests of the community in which it operates and by endeavouring to accommodate or encourage these when able to do so; and
- (d) conduct its affairs in accordance with sound business practice.

The Statement of Intent sets out the company's strategic priorities, together with associated objectives and performance targets, which align with the foundation objectives and have been agreed with shareholders.

The LGFA has five strategic priorities that encompass the foundation objectives and guide the LGFA Board and management in determining strategy, objectives and associated performance targets.

The five strategic priorities are:

- Governance, capability and business practice
- Optimising financing services for local government
- Environmental and social responsibility
- Effective management of loans
- Industry leadership and engagement

Key performance targets

LGFA's performance targets are set out in the following table and focus on the 2024-2025 year.

Strategic Priorities	Performance Targets	2024-2025 Target
Governance, capability and business practice	Comply with the Shareholder Foundation Policies and the Board-approved Treasury Policy at all times.	No breaches
	Maintain LGFA's rating equal to the New Zealand Government sovereign rating, where both entities are rated by the same Rating Agency.	LGFA credit ratings equivalent to NZ Sovereign
	Succession plans be put in place for the Board and staff and be reviewed annually.	Plan established and shared
	LGFA's total operating income for the year to 30 June 2025.	>\$29.8 million
	LGFA's total operating expenses for the year to 30 June 2025.	<\$15.6 million
Optimising financing services for local government	Share of aggregate long-term debt funding to the local government sector.	>\$80%
	Total lending to participating borrowers	>\$22,000 million
	Conduct an annual survey of participating borrowers who borrow from LGFA as to the value added by LGFA to the borrowing activities.	>85% satisfaction score
	Successfully refinance existing loans to councils and LGFA bond maturities as they fall due.	100%
	Meet all lending requests from participating borrowers where those requests meet LGFA operational and covenant requirements.	100%
Environmental and social responsibility	Comply with the Health and Safety at Work Act 2015.	No breaches
	Maintain Toitū Carbon Zero certification.	Carbon-zero certification maintained
	Meet reduction targets outlined in our carbon reduction management plan.	Reduction targets met
	Increase our GSS lending book and Climate Action Loans (CALs).	Two new GSS loans undertaken. Three new borrowers enter into CALs
	Ensure Annual Report is prepared in compliance with applicable GRI Standards.	100%
	Meet all mandatory climate reporting standards.	100%
Effective management of loans	Review each participating borrower's financial position.	100%
	Arrange to meet each participating borrower over a 15-month period, including meeting with elected officials as required, or if requested.	100%

The information in this report is based on information contained in LGFA's Statement of Intent which was in draft when preparing the content for this disclosure.

A full copy of the LGFA Statement of Intent can be obtained from the LGFA website at <https://www.lgfa.co.nz>

An aerial photograph of a coastal residential area. In the foreground, there's a sandy beach with gentle waves lapping at the shore. The water is a vibrant turquoise. A paved road runs horizontally across the middle of the image. Above the road, there are several houses with various roof colors (grey, blue, green). Below the road, there are more houses, some with swimming pools, and lush green lawns. The overall scene is bright and sunny, suggesting a clear day.

Pārongo ahumoni

Part 4: Financial information

Prospective Statement of Comprehensive Revenue and Expense

A forecast for the 10 years ending 30 June 2034

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Annual plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Revenue											
Rates	94,426	108,854	118,201	128,196	135,037	140,991	145,177	150,672	154,897	157,800	161,429
Fees and charges	17,125	16,058	16,506	16,912	17,324	17,733	19,230	18,452	18,885	19,200	19,572
Development and financial contributions	3,673	2,993	3,146	3,572	5,208	5,372	4,867	4,783	4,566	4,477	4,044
Subsidies and grants	27,311	22,099	30,803	35,270	28,076	52,012	35,477	33,849	20,139	18,775	19,374
Interest revenue	259	283	289	295	302	308	314	320	326	935	952
Other revenue	5,618	8,639	8,823	9,025	9,234	9,444	9,645	9,846	10,047	10,248	10,450
Gains	0	81	64	74	104	75	46	47	50	49	50
Total revenue	148,413	159,006	177,832	193,344	195,285	225,934	214,754	217,969	208,910	211,485	215,872
Expenditure											
Personnel cost	24,420	27,946	28,246	28,601	28,875	29,122	29,315	29,535	29,756	30,003	30,277
Depreciation and amortisation expense	32,853	35,044	35,723	36,791	39,341	42,111	43,899	45,737	46,038	47,404	48,765
Finance costs	3,643	4,914	5,413	6,449	8,653	10,623	12,102	13,024	13,808	13,925	14,377
Other expenses	73,304	77,504	80,335	85,332	86,550	87,717	90,620	91,818	94,637	95,640	97,469
Total operating expenditure	134,221	145,408	149,717	157,173	163,420	169,574	175,936	180,114	184,239	186,971	190,888
Share of associate's surplus (deficit)	0	0	0	0	0	0	0	0	0	0	0
Surplus (deficit) before tax	14,192	13,597	28,115	36,171	31,865	56,360	38,818	37,855	24,671	24,514	24,984
Income tax expense	0	0	0	0	0	0	0	0	0	0	0
Surplus (deficit) after tax	14,192	13,597	28,115	36,171	31,865	56,360	38,818	37,855	24,671	24,514	24,984
Other comprehensive revenue and expense											
Gain on property revaluation	65,632	68,405	52,011	58,833	64,343	67,792	68,804	71,780	74,661	76,758	78,721
Total other comprehensive revenue and expense	65,632	68,405	52,011	58,833	64,343	67,792	68,804	71,780	74,661	76,758	78,721
Total comprehensive revenue and expense for the year	79,824	82,003	80,126	95,003	96,208	124,152	107,622	109,635	99,332	101,272	103,705

Prospective Statement of Financial Position

A forecast for the 10 years ending 30 June 2034

	2023/24 Annual plan (\$000)	2024/25 Long- term plan (\$000)	2025/26 Long- term plan (\$000)	2026/27 Long- term plan (\$000)	2027/28 Long- term plan (\$000)	2028/29 Long- term plan (\$000)	2029/30 Long- term plan (\$000)	2030/31 Long- term plan (\$000)	2031/32 Long- term plan (\$000)	2032/33 Long- term plan (\$000)	2033/34 Long- term plan (\$000)
Current assets											
Cash and cash equivalents	76	58	1,330	3,097	2,110	2,015	2,857	2,719	4,304	4,868	5,333
Debtors and other receivables	6,829	7,728	12,540	13,334	13,824	14,219	14,465	14,816	15,069	15,232	15,441
Investments	0	0	0	0	0	0	0	0	0	0	0
Inventories	97	141	158	167	170	172	178	180	186	188	191
Derivative financial investments	556	572	783	324	619	781	0	0	0	0	0
Total current assets	7,558	8,500	14,810	16,923	16,723	17,187	17,499	17,715	19,558	20,287	20,966
Non-current assets											
Postponed rates	618	668	714	762	813	868	929	995	1,065	1,098	1,132
Derivative financial investments	1,279	937	644	426	162	0	0	0	0	0	0
Investments	0	5,900	7,500	7,500	7,500	7,500	7,500	7,500	19,000	36,000	61,000
<i>Other financial assets</i>	0	0	0	0	0	0	0	0	0	0	0
Investments in CCOs and similar entities	1,633	1,640	1,640	1,640	1,640	1,640	1,640	1,640	1,640	1,640	1,640
Investments in other entities	45	43	43	43	43	43	43	43	43	43	43
Total other financial assets	1,678	1,683	1,683	1,683	1,683	1,683	1,683	1,683	1,683	1,683	1,683
Intangible assets	5,612	8,264	8,491	8,625	8,933	9,233	9,523	9,815	10,154	10,591	10,889
Property, plant and equipment	2,229,435	2,364,131	2,451,361	2,573,724	2,711,688	2,866,834	2,990,831	3,110,896	3,198,264	3,280,027	3,362,912
Forestry assets	3,543	2,794	2,858	2,932	3,005	3,081	1,944	1,991	2,041	2,090	2,140
Total non-current assets	2,242,165	2,384,377	2,473,252	2,595,652	2,733,785	2,889,198	3,012,410	3,132,880	3,232,206	3,331,489	3,439,755
TOTAL ASSETS	2,249,723	2,392,877	2,488,062	2,612,575	2,750,507	2,906,385	3,029,910	3,150,595	3,251,764	3,351,776	3,460,721

Prospective Statement of Financial Position

A forecast for the 10 years ending 30 June 2034

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Annual plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Current liabilities											
Creditors and other payables	18,577	24,503	25,284	26,852	27,236	27,611	28,533	28,912	29,785	30,121	30,694
Derivative financial instruments	0	0	0	0	0	0	0	0	0	0	0
Employee entitlements	2,451	2,894	2,956	3,021	3,086	3,148	3,210	3,272	3,334	3,396	3,458
Provisions	1,225	308	309	310	311	312	313	314	315	316	317
Borrowings	10,000	3,000	4,000	7,000	7,000	7,000	8,000	8,000	8,000	13,000	15,000
Total current liabilities	32,253	30,705	32,548	37,183	37,633	38,071	40,056	40,498	41,434	46,833	49,470
Non-current liabilities											
Derivative financial instruments	0	0	0	0	0	0	0	0	0	0	0
Employee entitlements	242	305	312	319	326	332	339	345	352	358	365
Provisions	5,272	6,867	6,877	6,879	6,875	6,871	6,870	6,866	6,865	6,860	6,857
Borrowings	79,404	98,792	111,991	136,857	178,128	209,413	223,325	233,930	234,826	228,165	230,765
Total non-current liabilities	84,918	105,964	119,179	144,055	185,329	216,616	230,534	241,142	242,043	235,384	237,987
TOTAL LIABILITIES	117,171	136,669	151,728	181,237	222,962	254,687	270,590	281,640	283,477	282,217	287,457
NET ASSETS (assets minus liabilities)	2,132,552	2,256,208	2,336,335	2,431,338	2,527,546	2,651,698	2,759,320	2,868,955	2,968,287	3,069,559	3,173,264

Equity											
Accumulated surplus (deficit)	405,238	436,652	451,488	474,825	506,261	561,408	589,610	618,684	625,649	629,906	633,156
Reserves	1,727,313	1,819,557	1,884,847	1,956,513	2,021,284	2,090,290	2,169,710	2,250,271	2,342,638	2,439,653	2,540,108
Total equity	2,132,552	2,256,208	2,336,335	2,431,338	2,527,546	2,651,698	2,759,320	2,868,955	2,968,287	3,069,559	3,173,264

Prospective Statement of Changes in Equity

A forecast for the 10 years ending 30 June 2034

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Annual plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Balance at 1 July	2,052,727	2,174,205	2,256,208	2,336,335	2,431,338	2,527,546	2,651,698	2,759,320	2,868,955	2,968,287	3,069,559
Total comprehensive income and expense for the year	79,824	82,003	80,126	95,003	96,208	124,152	107,622	109,635	99,332	101,272	103,705
Balance at 30 June	2,132,552	2,256,208	2,336,335	2,431,338	2,527,546	2,651,698	2,759,320	2,868,955	2,968,287	3,069,559	3,173,264

Prospective Statement of Cash Flows

A forecast for the 10 years ending 30 June 2034

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Annual plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Cash flows from operating activities											
Receipts from rates revenue	94,265	107,954	113,390	127,401	134,547	140,596	144,932	150,321	154,644	157,637	161,220
Interest received	259	283	289	295	302	308	314	320	326	935	952
Receipts from other revenue	48,899	41,969	51,291	56,609	51,483	76,010	60,485	58,016	44,540	43,421	43,978
Payments to suppliers and employees	(95,943)	(105,426)	(107,656)	(111,622)	(114,975)	(116,402)	(118,170)	(120,911)	(123,457)	(125,244)	(127,109)
Interest paid	(3,643)	(4,914)	(5,413)	(6,449)	(8,653)	(10,623)	(12,102)	(13,024)	(13,808)	(13,925)	(14,377)
Net cash flows from operating activities	43,837	39,866	51,900	66,235	62,703	89,889	75,459	74,722	62,245	62,824	64,663
Cash flows from investing activities											
Investments for renewals	(4,000)	(5,900)	(1,600)	0	0	0	0	0	(11,500)	(17,000)	(25,000)
Receipts from sale of property, plant and equipment	0	0	0	0	0	0	1,182	0	0	0	0
Purchase of property, plant and equipment	(49,951)	(47,963)	(62,290)	(91,405)	(103,874)	(120,158)	(89,575)	(84,301)	(48,867)	(42,421)	(42,638)
Purchase of intangible assets	(554)	(1,767)	(893)	(880)	(1,037)	(1,056)	(1,075)	(1,097)	(1,120)	(1,144)	(1,126)
Net cash flows from investing activities	(54,505)	(55,631)	(64,783)	(92,286)	(104,911)	(121,214)	(89,468)	(85,399)	(61,486)	(60,565)	(68,764)
Cash flows from financing activities											
Proceeds from borrowings	21,860	18,731	17,621	31,853	48,171	38,250	22,228	18,374	8,878	6,761	13,084
Repayment of borrowings	(11,115)	(3,163)	(3,467)	(4,035)	(6,951)	(7,020)	(7,377)	(7,835)	(8,052)	(8,456)	(8,518)
Net cash flows from financing activities	10,744	15,568	14,154	27,818	41,220	31,230	14,850	10,539	826	(1,694)	4,566
Net increase (decrease) in cash and cash equivalents	76	(197)	1,271	1,767	(987)	(95)	842	(138)	1,585	564	465
Cash and cash equivalents at the beginning of the year	0	255	58	1,330	3,097	2,110	2,015	2,857	2,719	4,304	4,868
Cash and cash equivalents at the end of the year	76	58	1,330	3,097	2,110	2,015	2,857	2,719	4,304	4,868	5,333

Prospective Financial Statements

Summary statement of significant accounting policies for the prospective financial statements

Reporting entity

Thames-Coromandel District Council (the Council) is a territorial local authority governed by the Local Government Act 2002 (LGA) and is domiciled and operates in New Zealand. The relevant legislation governing the Council's operations includes the LGA and the Local Government (Rating) Act 2002.

The Council provides local infrastructure, local public services, and performs regulatory functions for the community. The Council does not operate to make a financial return. Accordingly, the Council has designated itself as a public benefit entity for financial reporting purposes and applies New Zealand Tier 1 Public Benefit Entity accounting standards (PBE Accounting Standards). These standards are based on International Public Sector Accounting Standards (IPSAS), with amendments for the New Zealand environment.

The Council has a balance date of 30 June and these prospective financial statements are for the period from 1 July 2024 to 30 June 2034. The actual results achieved for the period covered by this plan are likely to vary from the information presented in this document and these variances may be material.

Statement of compliance

These prospective financial statements are prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP) and the LGA. The prospective financial statements have been prepared in accordance with Tier 1 PBE FRS 42 Prospective Financial Statements. These prospective financial statements comply with PBE accounting standards. This information may not be suitable for use in any other context.

Basis of preparation

The prospective financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period. Estimates have been restated accordingly if required. No actual financial results have been incorporated within the prospective financial statements.

The Council and management of Thames-Coromandel District Council accept responsibility for the preparation of the prospective financial statements, including the appropriateness of the assumptions underlying the prospective financial statements and other required disclosures.

The Long Term Plan was adopted by the Governing Body of Thames-Coromandel District Council on 27 June 2024.

The prospective financial statements have been prepared on a historical cost basis, except where modified by the revaluation of land and buildings, certain infrastructural assets, investment property, forestry assets and certain financial instruments (including derivative instruments).

The prospective financial statements are presented in New Zealand dollars which is the functional currency of the Council and all values are rounded to the nearest thousand dollars (\$000). All items in the prospective financial statements are stated exclusive of Goods and Services Tax (GST), except for receivables and payables, which include GST invoiced.

Basis of consolidation

The prospective financial statements include the projections of the Council. The Council does not have any subsidiaries or joint ventures. The Council has elected to recognise its interests in both the Hauraki Rail Charitable Trust and Destination Coromandel Trust as associates of the Council. However, given that the Council does not have an ownership interest in either trust and that no share of the profit or

loss is made to the Council, it is impractical for the Council to recognise its relationship with both trusts through the equity method of accounting.

Comparative information

For this Long Term Plan financial information from the Annual Plan 2023/24 has been provided as a comparative. The closing balance in this comparative differs from the opening position used to prepare the Annual Plan which is based on the most up-to-date forecast information.

Cost allocation

Cost of service for each significant activity is calculated as follows:

- Direct costs are those costs directly attributable to a significant activity.
- Indirect costs are those costs that cannot be identified in an economically feasible manner with a specific significant activity. Indirect costs are allocated to significant activities using cost drivers where appropriate. The remaining indirect costs are attributed to the Council activity.

Significant judgements and estimates

The preparation of the prospective financial statements requires judgements, estimates and assumptions. Application is based on future expectations as well as historical experience and other factors, as appropriate to the particular circumstances.

Significant judgements, estimates and assumptions have been applied in measuring certain provisions and property, plant and equipment revaluations. The present value of future cash flows for a significant provision such as weather tightness and closed landfills is calculated using a discounted rate.

Summary of significant accounting policies

Item	Policy	
Prospective statement of comprehensive revenue and expenditure		
Revenue	Revenue is measured at fair value. Specific accounting policies for revenue are summarised below.	
	Type	Recognition and measurement
	Rates	In full at point of issuance of the ratings notice and measured at the amount assessed, which is the fair value of the cash received or receivable.
	Grants & subsidies	When they become receivable unless there is an obligation in substance to return the funds. If there is such an obligation, the grants are initially recorded at fair value as grants received in advance and recognised as revenue when conditions of the grant are satisfied.
	Development contributions	When the Council is capable of providing the service for which the contribution was levied.
	Vested assets	When control of the asset is transferred at its fair value.
	Fines & infringements	When the infringement notice is issued.
	Interest revenue	Using the effective interest method.
	Dividend revenue	When the right to receive the dividend is established.
	Fees & user charges	
	Water	When invoiced or accrued in the case of unbilled services at fair value of cash received or receivable.
	Sale of goods	When the substantial risks and rewards of ownership have been passed to the buyer.
	Consents	By reference to the percentage of completion of the transaction at balance date based on the actual service rendered.
	Entrance Fees	Entrance fees are fees charged to users of the Councils local facilities, such as the pool. Revenue from entrance fees is recognised on entry to such a facility.
	Landfill Fees	Fees from disposing of waste at the Council’s landfills are recognised as waste is disposed of by users.
	Provision of Commercially based services	Revenue derived through the provision of services to third parties in a commercial manner is recognised in proportion to the stage of completion at balance date. Generally, this determined by the proportion of costs incurred to date bearing to the estimated total costs of providing the service.

Item	Policy	
Expenditure	Specific accounting policies for expenditure are summarised below	
	Type	Recognition and measurement
	Personnel costs	When they accrue to employees.
	Grants	Discretionary grants are recognised when Council has advised its decision to pay. Non-discretionary grants are recognised on receipt of application that meets the specified criteria.
	Finance costs	In the period in which they are incurred.
	Income tax	Council is exempt from income tax except for income derived from wharf operations. Current tax is the amount of income tax payable in the current period. Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses.
	Operating leases	On a straight-line basis over the lease of the term.
Prospective statement of financial position		
Cash and cash equivalents	Cash and cash equivalents are made up of cash on hand, on-demand deposits and other short-term highly liquid investments. The carrying value of cash at bank and short-term deposits with maturities less than three months approximates their fair value.	
Item	Policy	
Receivables	Receivables are recorded at their face value less any provision for impairment.	
	Provision for impairment of receivables Council applies the simplified Expected Credit Loss (ECL) model of recognising lifetime ECL for short-term receivables. In measuring ECLs other receivables are grouped based on the days past due and assessed on a collective basis as they possess shared credit risk characteristics. A provision matrix is then established based on historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.	
Other financial assets	Financial assets are initially recognised at fair value plus transaction costs unless they are carried at fair value through surplus or deficit in which case the transaction costs are recognised in the surplus or deficit.	
	Purchases and sales of financial assets are recognised on trade-date. Financial assets are derecognised when the rights to receive cash flows have expired or transferred.	
	The classification of a financial asset depends on its cash flow characteristics and Council's management model for managing them	

Item	Policy		
Property, plant and equipment	Property, plant and equipment consists of operational assets, restricted assets and infrastructure assets.		
	Initial recognition and subsequent measurement		
	Property, plant and equipment is initially recognised at cost, unless acquired through a non-exchange transaction, in which case the asset is recognised at fair value at the date of acquisition. Subsequent costs that extend or expand the asset's future economic benefits and service potential are capitalised.		
	After initial recognition, certain classes of property, plant and equipment are revalued. Capital work in progress is recognised at cost less impairment and is not depreciated.		
	Revaluation		
	Land is revalued bi-annually, buildings and infrastructure assets are revalued annually to ensure that their carrying amounts do not differ materially from fair value. The carrying values of land revalued assets are assessed annually to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the asset class is revalued. Revaluations are carried out on an asset class basis. The net revaluation results are recognised in other comprehensive revenue and expense and are accumulated to an asset revaluation reserve in equity for that class of asset. Revaluation loss that results in a debit balance in the asset revaluation reserve is recognised in the surplus or deficit. Any subsequent gain on revaluation is recognised first in the surplus or deficit up to the amount previously expensed and then recognised in other comprehensive revenue and expense.		
	Additions		
	In most instances, an item of property and equipment is initially recognised at cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value at the date of acquisition.		
	Depreciation		
	Depreciation is provided for on a straight line basis for all property, plant and equipment except land and assets under construction at rates that will write-off the cost (or valuation) of the assets to their estimated residual values over their useful lives.		
	Asset class	Estimated useful life (years)	Subsequent measurement
	Infrastructure		
	Reserve improvements	2-100	Depreciated replacement cost
	Bridges	60-100	Depreciated replacement cost
	Footpaths	20-50	Depreciated replacement cost
	Harbour facilities	2-100	Depreciated replacement cost
	Water	5-100	Depreciated replacement cost
	Wastewater	2-100	Depreciated replacement cost
	Stormwater	5-100	Depreciated replacement cost
	Roads	10-99	Depreciated replacement cost
	Operational		
	Buildings	2-60	Market value based on recent equivalent sales information. Depreciated replacement cost is used where no market exists for operational buildings with allowance for age and condition of building and configuration
	Computer hardware	2-10	Cost less accumulated depreciation and impairment losses

Item	Policy		
	Asset class	Estimated useful life (years)	Subsequent measurement
	Furniture and fittings	2-25	Cost less accumulated depreciation and impairment losses
	Library collections	10	Cost less accumulated depreciation and impairment losses
	Plant and machinery	3-25	Cost less accumulated depreciation and impairment losses
	Solid Waste	5-80	Depreciated replacement cost
	Swimming pool	5-50	Depreciated replacement cost
	Restricted		
	Parks and reserves land	Indefinite	Fair value
	Disposals		
	Gains and losses on disposal of property, plant and equipment are recognised in the surplus or deficit. When revalued assets are sold, the amounts included in the asset revaluation reserves in respect of those assets are transferred to accumulated funds.		
Forestry assets	Standing forestry assets are independently revalued annually at fair value less estimated Cost to sell for one growth cycle. Fair value is determined based on the present value of expected net cash flows that would arise if the asset were harvested today, discounted at a current market pre-tax rate. Gains or losses arising on initial recognition are recognised in the surplus or deficit.		
Intangible assets	Initial recognition and subsequent measurement		
	Purchased intangible assets are recognised at cost. For internally generated intangible assets the cost includes direct employee costs, a portion of overhead and other direct costs that are incurred with the development phase of the asset only.		
	Amortisation		
	Amortisation is provided for on a straight line basis over the useful lives of intangible assets. Amortisation begins when the intangible asset is available for use and ends at the date the asset is derecognised.		
	Asset class	Estimated life (years)	Subsequent measurement
	Computer software	1-10	Cost less accumulated amortisation and impairment losses
	Resource consents	5-35	Cost less accumulated amortisation and impairment losses
	Aerial photography	5	Cost less accumulated amortisation and impairment losses

Item	Policy
Asset impairment	Impairment of property, plant and equipment
	Property, plant and equipment and intangible assets subsequently measured at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.
	An impairment loss on a non-revalued asset is recognised in the surplus or deficit for the amount by which the asset's carrying amount exceeds its recoverable amount. An impairment loss on a revalued asset is recognised in other comprehensive revenue and expense to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that class of assets or asset. Such an impairment loss on a revalued asset reduces the revaluation surplus for that class of assets or asset.
	Non-cash generating assets are those assets that are not held with the primary objective of generating a commercial return. Value in use for non-cash generating assets is determined using an approach based on either depreciated replacement cost, restoration cost or service units.
	Impairment of financial assets
	Financial assets are assessed for impairment at each reporting date. Impairment is recognised in the surplus or deficit.
Item	Policy
Employee entitlements	Employee entitlements to be settled within 12 months are reported at the amount expected to be paid. The liability for long-term employee entitlements is reported based on an actuarial basis.
Payables and accruals	Current payables and accruals are recognised at their face value, are non-interest bearing and normally settled on 30 day terms. Therefore, the carrying value approximates fair value.
Borrowings	Borrowings are initially recognised at face value plus transaction costs and are subsequently measured at amortised cost using the effective interest rate method.
Provisions	A provision is recognised for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.
	Provisions are measured at the present value of the expenditure expected to be required to settle the obligation. The increase in the provision due to the passage of time is recognised as a finance cost in the surplus or deficit.
Equity	Equity is the community's interest in the Council and is measured as the difference between total assets and total liabilities. Equity has been classified into various components to identify those portions of equity held for specific purposes.

Statement of Financial Reserves

A forecast for the 10 years ending 30 June 2034

Retained earnings reserves

	Activities to which the fund relates	Opening balance	Transfers in	Transfers out	Closing balance
		2024/25	2024/25-2033/34	2024/25-2033/34	2033/34
		(\$000)	(\$000)	(\$000)	(\$000)
District	Building Control, Community Health & Safety, Representation, Property, District Roads and Footpaths, Emergency Management, Economic Development, Coastal & Hazard Management, District Plan, Resource Consents, Strategic Planning, Grants & Remissions, Rubbish and Recycling, Wastewater, Water Supply, Stormwater, Domain Board Committees and Moana-Taiari Flood Protection Loan	(4,530)	(90)	600	(4,020)
Thames Community Board	Airfield, Halls, Harbour Facilities, Library, Local Roads and Footpaths, Moana-Taiari Flood Protection Loan, Parks & Reserves, Grants & Remissions, Swimming Pool, Cemeteries, Public Conveniences, Land Drainage	(131)	0	0	(131)
Coromandel-Colville Community Board	Halls, Harbour Facilities, Library, Local Roads and Footpaths, Parks & Reserves, Grants & Remissions, Cemeteries, Public Conveniences, Water Supply Loan	(179)	0	0	(179)
Mercury Bay Community Board	Halls, Harbour Facilities, Library, Local Roads and Footpaths, Parks & Reserves, Grants & Remissions, Cemeteries, Public Conveniences	(119)	0	0	(119)
Tairua-Pāuanui Community Board	Airfield, Halls, Harbour Facilities, Library, Local Roads and Footpaths, Parks & Reserves, Grants & Remissions, Cemeteries, Public Conveniences	(153)	0	0	(153)
Whangamatā Community Board	Halls, Harbour Facilities, Library, Local Roads and Footpaths, Parks & Reserves, Grants & Remissions, Harbours, Cemeteries, Public Conveniences	(52)	0	0	(52)
Total retained earnings reserves		(5,164)	(90)	600	(4,654)

Year end surplus or deficit rate revenue which can only be applied to fund either operating, capital renewals or capital increased levels of service expenditure in the area of benefit for which the rate was collected.

Statement of Financial Reserves

A forecast for the 10 years ending 30 June 2034

Depreciation Reserves

	Activities to which the fund relates	Opening balance	Transfers in	Transfers out	Closing balance
		2024/25	2024/25-2033/34	2024/25-2033/34	2033/34
		(\$000)	(\$000)	(\$000)	(\$000)
District	Building Control, Community Health & Safety, Representation, Property, District Roads and Footpaths, Emergency Management, Economic Development, Coastal & Hazard Management, Strategic Planning, Rubbish and Recycling, Wastewater, Water Supply, Stormwater	(58,223)	(286,877)	235,543	(109,557)
Thames Community Board	Airfield, Halls, Harbour Facilities, Library, Local Roads and Footpaths, Parks & Reserves, Swimming Pool, Cemeteries, Public Conveniences	(2,286)	(29,491)	12,487	(19,290)
Coromandel-Colville Community Board	Halls, Harbour Facilities, Library, Local Roads and Footpaths, Parks & Reserves, Cemeteries, Public Conveniences	(591)	(6,631)	7,830	608
Mercury Bay Community Board	Halls, Harbour Facilities, Library, Local Roads and Footpaths, Parks & Reserves, Cemeteries, Public Conveniences	(4,205)	(25,965)	15,583	(14,586)
Tairua-Pāuanui Community Board	Airfield, Halls, Harbour Facilities, Library, Local Roads and Footpaths, Parks & Reserves, Cemeteries, Public Conveniences	(94)	(10,927)	6,211	(4,810)
Whangamatā Community Board	Halls, Harbour Facilities, Library, Local Roads and Footpaths, Parks & Reserves, Cemeteries, Public Conveniences	(980)	(9,493)	6,101	(4,372)
Total depreciation reserves		(66,377)	(369,384)	283,755	(152,006)

Fixed assets depreciation expense which can only be applied to fund renewals capital expenditure in the area of benefit which funded the depreciation expense.

Statement of Financial Reserves

A forecast for the 10 years ending 30 June 2034

Council created special reserves

Activities to which the fund relates		Opening balance	Transfers in	Transfers out	Closing balance
		2024/25	2024/25-2033/34	2024/25-2033/34	2033/34
		(\$000)	(\$000)	(\$000)	(\$000)
District					
Power New Zealand reserve	Proceeds from sale of Power NZ shares currently funds internal borrowing. A percentage of interest earned is transferred back into the reserve to protect the reserve from inflation. The remainder of the interest earned is currently applied to subsidise the UAGC rate.	(25,811)	(7,229)	0	(33,039)
Disaster reserve	Fund repairs to infrastructure caused by natural disasters after subsidies and insurance have been applied.	(280)	(4,783)	133	(4,931)
General purpose reserve	Any one-off, unbudgeted, Community Board capital expenditure project as approved by Council.	(206)	0	0	(206)
Insurance reserve	Fund insurance excess of any legal settlements within Building Control, Community Health & Safety and Resource Consents activities.	(1,838)	(12)	113	(1,737)
Special projects	Balance of \$1m allocated from Power NZ Reserve available to fund special 'one-off' Community Board projects as approved by Council	(542)	0	0	(542)
Wastewater headworks	Reserve contributions collected under RMA to be used for funding of increased levels of service projects within wastewater	(14)	0	0	(14)
Solid waste levy reserve	Fund expenditure that promotes or achieves waste minimisation.	(780)	(6,527)	2,877	(4,429)
Property reserve	Fund capital expenditure in the Community Board area or District activity where the reserve resides.	(2,024)	0	0	(2,024)
Rates postponement reserve	Fund 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.	(16)	0	0	(16)
Roading subdivision	Contributions collected under RMA to be used for Roading	51	0	0	51
Thames Community Board					
Urban general purpose reserve	Fund non infrastructural assets within the Thames Urban area	(668)	(3,506)	0	(4,173)
Land subdivision RMA reserve	Reserve contributions collected under RMA to be used for acquisition or development of reserves.	(45)	0	0	(45)
Water RMA reserve	Reserve contributions collected under RMA to be used for funding of increased levels of service projects within the water activity.	(23)	0	0	(23)

Statement of Financial Reserves

A forecast for the 10 years ending 30 June 2034

Council created special reserves- continued

Activities to which the fund relates		Opening balance	Transfers in	Transfers out	Closing balance
		2024/25	2024/25-2033/34	2024/25-2033/34	2033/34
		(\$000)	(\$000)	(\$000)	(\$000)
Coromandel-Colville Community Board					
Land subdivision RMA reserve	Reserve contributions collected under RMA to be used for acquisition or development of reserves.	(391)	0	0	(391)
Off street parking RMA reserve	Reserve contributions collected under RMA to be used for acquisition or development of parking.	(74)	0	0	(74)
Water unused loan reserve	Balance of loan raised to fund water extension projects.	(9)	0	0	(9)
Water RMA reserve	Reserve contributions collected under RMA to be used for funding of increased levels of service projects within the water activity.	(203)	0	0	(203)
Mercury Bay Community Board					
Land subdivision RMA reserve	Reserve contributions collected under RMA to be used for acquisition or development of reserves.	(0)	0	0	(0)
Hot Water Beach parking reserve	Fund toilet, shower and car park facilities at Hot Water Beach.	(261)	(2,244)	452	(2,053)
Hāhei parking reserve	Fund outstanding loans on the construction of car parks.	(99)	(720)	283	(537)
Whitianga Harbours Reserve	Fund Whitianga Harbour activities	(17)	(793)	0	(810)
Mercury Bay trailer boat parking reserve	Fund outstanding loans in the Mercury Bay harbour activity in relation to boat ramps which financially contribute to the reserve.	0	0	0	0
Tairua/Pāuanui Community Board					
Land subdivision RMA reserve	Reserve contributions collected under RMA to be used for acquisition or development of reserves.	(554)	0	0	(554)
Whangamatā Community Board					
Land subdivision RMA reserve	Reserve contributions collected under RMA to be used for acquisition or development of reserves.	(525)	0	0	(525)
Off street parking RMA reserve	Reserve contributions collected under RMA to be used for acquisition or development of parking.	(38)	0	0	(38)
Water RMA reserve	Reserve contributions collected under RMA to be used for funding of increased levels of service projects within the water activity.	(307)	0	0	(307)
Total special reserves		(34,673)	(25,813)	3,857	(56,630)

Includes contributions collected under the Resource Management Act which can only be used in the area and for the purpose for which they were levied as well as other specific reserves.

Statement of Financial Reserves

A forecast for the 10 years ending 30 June 2034

LGA contribution reserves

Activities to which the fund relates		Opening balance 2024/25 (\$000)	Transfers in 2024/25- 2033/34 (\$000)	Transfers out 2024/25- 2033/34 (\$000)	Closing balance 2033/34 (\$000)
District	Representation, District Roads and Footpaths, Rubbish and Recycling, Wastewater, Water, Stormwater	(1,428)	(28,656)	18,410	(11,674)
Thames Community Board	Airfield, Library, Halls, Swimming Pool, Parks & Reserves, Local Roads and Footpaths, Public Conveniences, Cemeteries	(181)	(4,914)	4,923	(172)
Coromandel-Colville Community Board	Parks & Reserves, Local Roads and Footpaths, Public Conveniences, Cemeteries	(131)	(442)	429	(144)
Mercury Bay Community Board	Library, Halls, Harbour, Parks & Reserves, Local Roads and Footpaths, Public Conveniences, Cemeteries	(3,060)	(8,469)	8,136	(3,393)
Tairua-Pāuanui Community Board	Library, Halls, Parks & Reserves, Local Roads and Footpaths, Public Conveniences, Cemeteries	(178)	(155)	120	(212)
Whangamatā Community Board	Halls, Parks & Reserves, Local Roads and Footpaths, Public Conveniences, Cemeteries	(667)	(393)	393	(667)
Total LGA contribution reserves		(5,645)	(43,029)	32,411	(16,262)

Funds collected under Council's Development Contributions policy may only be applied to the funding of additional capacity projects for which they were levied.

Funding and rating mechanisms

The following pages provide detail regarding the calculation of rates. Our use of rates is guided by our Revenue and Financing Policy.

Rating Act

The Local Government (Rating) Act 2002 places some restrictions on the use of rating tools. The Local Government (Rating) Act 2002 limits total fixed charges (excluding water and wastewater charges) to 30% of total rates revenue. Fixed charges include the Uniform Annual General Charge and targeted rates set at a fixed amount. The targeted rates set at a fixed amount exclude those to which a differential rate applies.

General rate

When using the General rate, the Local Government (Rating) Act 2002 only allows a choice of one valuation system from three options:

1. the annual value of the land; or
2. the capital value of the land; or
3. the land value.

Currently, the Council's general rate is based on land value.

Differentials are applied to the General Rate based on the uses to which the land is put, and where the land is situated. These differentials are calculated as a percentage of land value as follows:

a differential of 0.6

- to Farming and Horticultural category to encourage the continued use of these rating units for farming and horticultural purposes.

a differential of 0.5

- to the Off-shore islands (used) category on the basis that these communities have less opportunity to consume benefits than communities on the mainland.

a differential of 0.1

- to the Off-shore islands (unused) category on the basis that these islands consume no, or very little, benefits.

a differential of 1.0

- to each of the following categories Residential, Industrial and Commercial, Commercial Forestry, Rural Other and other.

Note: one rating unit may fall into one or more of the above rating differential categories.

Definition of differential categories

The following definitions are used to determine the differential category for the General and Works and Services Targeted Rates:

Farming and horticultural means:

- all rating units categorised within the District valuation roll as arable, dairying, pastoral, specialist or horticulture where the ratepayer's income or a substantial part thereof is derived from the use of the land for such purpose or purposes, except for those rating units which are expressly defined under Commercial forestry, or offshore Islands (used).

Rural other means:

- all rating units used as rural and lifestyle blocks, except those rating units that are expressly defined under industrial and commercial, farming and horticultural, commercial forestry, offshore islands (used) or residential.
- where vacant or idle land adjoining rating units categorised rural other and its best use potential is a use falling within the category "rural other", the land will be defined as rural other.

Industrial and commercial means:

- all rating units used principally for commercial and/or industrial purposes other than rating units defined as farming and horticultural, commercial forestry or residential. Where the principal use of the rating unit is a business or entity engaged in or relating to retail or wholesale trade, tourist services, manufacturing, marketing, service industries, offices, depots, yards parking areas of buildings, cool stores and freezers, taverns, restaurants, motels, hotels, rest-homes, medical services, mining activity and commercial nurseries, whether operated for private pecuniary profit or not. The rating unit will be deemed industrial and commercial for the purposes of determining the differential rating category.
- any rating unit not defined as farming and horticultural or commercial forestry or not expressly listed under industrial and commercial, where activity is carried out for private pecuniary profit.
- where vacant or idle land is adjoining rating units categorised industrial and commercial and its best use potential is a use falling within the category "industrial and commercial", the land will be defined as industrial and commercial.

Commercial forestry means:

- all rating units used for production forestry purposes by a ratepayer whose income or a substantial part thereof, is derived from the use of the land for such purposes.

Residential means:

- all rating units used or capable of being used for

occupation as a residence of one or more household units other than property defined as industrial and commercial, farming and horticultural, rural other, and commercial forestry and including dwellings, home units, flats, baches, maisonettes, terrace houses and bed & breakfast and terrace houses and bed & breakfast and homestay accommodation. Bookabach, Bachcare and other similar short stay accommodation whereby the principal residence is rented out, is considered residential.

- community use land, being rating units used for the purpose of public schools, public hospitals, churches, cemeteries, private and public community centres and halls, recreation areas, sports clubs, sports grounds, art galleries and museums, kindergartens, play centres and private clubs where the use of the land is an activity not performed for private pecuniary profit.
- where vacant or idle land is adjoining rating units categorised residential and its best use potential is a use falling within the category “residential”, the land will be defined as residential.
- any land not falling within any other category.

Off-shore islands (used) means:

- those islands within the District that are used or inhabited, including assessments numbered 04791/00100, 04791/00200, 04791/01400, 04791/01500, 04962/00202, 04962/00203, 04962/00206, 04962/00207, 04962/00208, 04962/00209, 04962/00210, 04962/00213, 04962/00215, 04962/00217, 04962/00218 and 04962/00219.

Off-shore islands (unused) means:

- those islands within the District, which are substantially unused or uninhabited.

Uniform annual general charge (UAGC)

This rate is set at a fixed amount per ‘separately used or

inhabited part’ of every rateable part of a rating unit in the District. It is used where the benefits of an activity are for the whole of the District and where the use of a value based rate would place an unfair burden on high value rating units.

Targeted rates (area of service)

Targeted rates are rates that are charges to particular communities or groups of ratepayers. They are used to fund services where a particular community or group benefits from the activity being funded. The following activities currently utilise targeted rates funding mechanisms:

Rubbish and recycling	Land drainage	Water by volume
Economic development	Moana-Taiari flood protection loan	Roading and footpaths and building control
Wastewater loan charges (Whangapoua Road, Cooks Beach existing users, Hāhei water extension)	Wastewater	Water supply
Local works and services	Stormwater	Water supply loan charges (Coromandel, Hāhei Water extension)
Water supply development contributions (Hāhei water extension)	Wastewater development contributions (Hāhei wastewater extension)	Local works and services

(The Council will charge each separately used or inhabited part of a rating unit for some targeted rates).

Rubbish and recycling

The **targeted rate for rubbish and recycling** is a rate set as a fixed amount per separately used or inhabited part of every rating unit in the District which is provided with a collection service. Solid waste collection and recycling is a District function operated by a District-wide contract for collection and disposal and operation of refuse transfer stations. The numbers of collections vary among the five Community Board areas of the Council due to the high incidence of holiday homes in certain localities. For this reason, the Council has determined that a differential charge will apply using the number of collections in each Community Board area as a basis for allocating the costs associated with refuse collection and its disposal.

Moana-Taiari flood protection loan

The **targeted rate for Moana-Taiari flood protection loan** is set as a fixed amount on every rating unit in the area of benefit for which no election was made to pay in advance.

The construction of the Moana-Taiari flood protection works was completed in the 1997/1998 year. Half the costs of the work was funded from the Council reserves and the balance funded by loan. Payment in advance offers have been made to rating units in the defined area of benefit to repay the loan.

Land drainage

The targeted rates for land drainage are to be set for land drainage on each rating unit in the following designated land drainage areas, as a rate in the dollar on land value:

- Hikutāia/Wharepoa
- Matatoki

The Council administers two land drainage schemes: Hikutāia/Wharepoa and Matatoki. These areas are defined on maps.

Local works and services

Two **targeted rates for local works and services** are to be set in each community of the District for the purposes of funding local works and services:

- The first is to be set as a fixed amount per separately used or inhabited part of every rateable rating unit in each community, except for rating units designated industrial and commercial and commercial forestry in Council's rating information database. The amount will be set per rating unit for rating units designated industrial and commercial and commercial forestry in the Council's rating information database.
- The second is to be set as a rate in the dollar on land value on every rateable rating unit in each community. It will be set on a differential basis using the following categories of land use:
 - Farming and horticultural
 - Rural other
 - Industrial and commercial
 - Commercial forestry
 - Residential
 - Off-shore islands (used)
 - Off-shore island (unused)

The differentials to be applied to the local works and services rate are:

- Offshore islands (unused), a differential of 0.1 will apply on the basis that these islands consume no, or very little, benefits.
- Offshore islands (used), a differential of 0.5 will apply on the basis that these communities have less opportunity to consume benefits than communities on the mainland.
- Farming and horticultural, rural other, industrial and commercial, commercial forestry and residential will attract a differential of 1.0.

These differentials apply to the local works and services rate to fund both operating expenses and capital expenditure.

This policy indicates a number of activities, which in the main benefit ratepayers at a local (community) level. It also indicates that a portion of this funding should come from a community based rate in the dollar on land value and the balance by way of a fixed charge within each community.

Wastewater

A **targeted rate for wastewater** is to be set as a charge per separately used or inhabited part of a rating unit, based on the number of water closets and urinals in each part, within the District.

This charge will be set on a differential basis based on the use to which the land is put (non residential or residential) and the availability to the land of the service provided.

A rating unit (or part of a rating unit) used primarily as a residence for one household will not be treated as having more than one water closet or urinal.

Wastewater loan charges (Whangapoua Road)

A **targeted rate for wastewater loan charges** is to be set as a fixed amount on every rating unit in the area of benefit for which no election was made to pay in advance. In some instances, the Council has offered payment in advance options as an alternative to loan charges for major capital programmes within wastewater schemes. Where this occurs and ratepayers do not elect to take up the options, a loan charge is made to service the loan.

Wastewater loan charges (Cooks Beach existing users)

A **targeted rate for wastewater loan charges** (Cooks Beach existing users) is to be set as a charge per separately used or inhabited part of a rating unit, based on the

number of water closets or urinals in each part, in the area of benefit, for which no election has been made to pay a lump sum contribution.

The charge will be set on a differential basis based on the use to which the land is put (non residential or residential) and the availability to the land of the service provided.

A rating unit (or part of a rating unit) used primarily as a residence for one household will not be treated as having more than one water closet or urinal. This policy indicates that the loan raised to construct the scheme for existing rating units (as distinct from future subdivisions) will be funded on a "per pan" basis. This requires the loan charge to be set on a differential basis.

Water supply

A **targeted rates for water supply**, is to be set per separately used or inhabited part of a rating unit.

This targeted rate will be set on a differential based on where the land is situated and the provision or availability to the land of the Council water service.

A further targeted rate for water supply is to be set based on the volume of water supplied through each meter installed where Council carries out cyclic water reading.

Water by volume

A **targeted rate for water by volume set** under section 19 of the Local Government (Rating) Act 2002 is aligned with other rating policies except that:

- such a rate should have its own remission policy (except for penalties); and
- instalments should be two per annum.

Volumetric water – Due dates for payment of water volumetric rates			
		Due date	Penalty date
Pāuanui	Cycle 1	11 December 2024	18 December 2024
	Cycle 2	22 May 2025	29 May 2025
Thames urban	Cycle 1	22 January 2025	29 January 2025
	Cycle 2	29 May 2025	5 June 2025
Thames rural	Cycle 1	22 January 2025	29 January 2025
	Cycle 2	29 May 2025	5 June 2025
Coromandel	Cycle 1	30 January 2025	7 February 2025
	Cycle 2	12 June 2025	19 June 2025
Whitianga	Cycle 1	30 January 2025	7 February 2025
	Cycle 2	12 June 2025	19 June 2025

Water supply loan charges (Coromandel Town)

A **targeted rate for water supply loan** is to be set as a fixed amount on every rating unit in the area of benefit, for which no election is made to pay in advance. In some instances, the Council has offered, or intends to offer, payment in advance options as an alternative to loan charges for major capital programmes within water supplies. Where this occurs and ratepayers do not elect to take up the option, a loan charge is made to service the loan.

Stormwater

Two **targeted rates for stormwater** are to be set for the purposes of funding stormwater dispersal. The first is to be set as a fixed amount per separately used or inhabited part of every rateable rating unit differentiated depending on location.

The second is to be set as a rate in the dollar on improvement value on every rateable rating unit again, differentiated depending on location as defined by the Council.

For clarification purposes, only properties defined as either 'industrial and commercial' or 'residential' for the purposes of the general rate and that are located within the

catchment areas as defined by Council will be assessed for the targeted rate funding components for stormwater dispersal.

Council operates a District activity for stormwater dispersal. The rating units, which fund this activity by way of targeted rate, are contained within urban areas defined by the Council.

This policy indicates that a portion of this funding should come from a rate in the dollar on improvement value as a proxy for user charges where user charges cannot be made directly to the user, while the balance should be made by way of a fixed amount per separately used or inhabited part of a rating unit.

Economic development

A **targeted rate for economic development** is to be set as a rate in the dollar, on the value of improvements, of every rating unit in the District, which is designated industrial and commercial, in the Council's rating information database. This policy provides for a medium level of funding for economic development to be provided from this targeted rate.

Roads and footpaths and building control

A **targeted rate for roads and footpaths and building control** is to be set as a rate in the dollar on capital value on every rateable rating unit in the District. This policy

	Targeted rate assessed per separately used or inhabited part	Targeted rate assessed against improvement value
Tairua	1.0	1.0
Pāuanui	1.0	1.0
Thames Community Board area		
Thames, Thames Coast communities and Kōpū (excluding Kauaeranga Valley, Matatoki, Pūriri, Whakatete Bay and Hikutāia)	1.0	1.0
Hikutāia	0.6	0.6
Coromandel / Colville Community Board area		
Coromandel	1.0	1.0
Kennedy Bay, Tuataewa and Te Kōuma (this excludes rating units 399, 401, 403, 405 and 407 Te Kōuma Road)	0.6	0.6
Mercury Bay Community Board area		
Mercury Bay (excluding Ōtama, Kūaotunu, Wharekaho and Rings Beach)	1.0	1.0
Kūaotunu West and Wharekaho	0.6	0.6
Whangamatā Community Board area		
Whangamatā	1.0	1.0
Ōpoutere	0.6	0.6

provides for 35% of roads and footpaths and 2.6% of the building control activity to be funded from a targeted rate set on the capital value of all rating units within the District.

The following definition is used to calculate the number of rates factors applicable.

Separately used or inhabited part of a rating unit (SUIP) means:

A separately used or inhabited part of a rating unit includes any part inhabited or used by a person other than the owner, and who has the right to inhabit or use that part by virtue of a tenancy lease, license, or other agreement. For the purpose of this policy, vacant land and vacant premises offered or intended for use or habitation by a person other than the owner and usually used as such are defined as 'used'.

The Council will charge each **separately used or inhabited part** of a rating unit for the UAGC and some targeted rates. Examples of where this policy will apply include:

- a single dwelling with a flat attached
- two or more houses, flats or apartments on one certificate of title
- a business premise with flat above
- a commercial building leased to multiple tenants
- a farm with more than one dwelling
- a council rating unit with more than one lessee
- where part of a rating unit that has a right of exclusive occupation when there is more than one ratepayer/owner vacant rating unit

Note: the list above is of examples and does not constitute an exhaustive list of situations where multiple SUIPs may occur.

Hāhei water and wastewater extension rates

Water supply – development contributions (Hāhei water extension)

A **targeted rate for development contribution** is to be set as a fixed amount on every rating unit in the area of benefit, for which an election has been made to pay the development contribution off over a set period. In this instance Council has elected to provide existing ratepayers in the area of benefit who have opted to connect to Council's water system, with an opportunity to pay off the development contribution requirement for water over a ten-year period. See map one for area of benefit.

Water Supply loan charges (Hāhei water extension)

A **targeted rate for water supply loan** is to be set as a fixed amount on every rating unit in the area of benefit, for which no election is made to pay in advance. In some instances, the Council has offered, or intends to offer, payment in advance options as an alternative to loan charges for major capital programmes within water supplies. Where this occurs and ratepayers do not elect to take up the option, a loan charge is made to service the loan. See map one for area of benefit.

Wastewater loan charges (Hāhei wastewater extension)

A **targeted rate for wastewater loan charges** is to be set as a fixed amount on every rating unit in the area of benefit for which no election was made to pay in advance. In some instances, the Council has offered payment in advance options as an alternative to loan charges for major capital programmes within wastewater schemes. Where this occurs

and ratepayers do not elect to take up the options, a loan charge is made to service the loan. See map one for area of benefit.

Wastewater supply – development contributions (Hāhei wastewater extension)

A **targeted rate for development contribution** is to be set as a fixed amount on every rating unit in the area of benefit, for which an election has been made to pay the development contribution off over a set period. In this instance Council has elected to provide existing ratepayers in the area of benefit who have opted to connect to Council's wastewater system, with an opportunity to pay off the development contribution over a ten-year period. See map one for area of benefit.

Map one – Hāhei water and wastewater extension



Further definitions:

Water and wastewater

Connected means:

- in relation to any rate for wastewater disposal purposes, any separately used or inhabited part of a rating unit that is connected, either directly or indirectly, through a private drain to a public drain:
- in relation to any rate for the ordinary supply of water, any separately used or inhabited part of a rating unit to which water is supplied.

Service available but not connected means:

- In relation to any targeted rate for wastewater disposal purposes, any rating unit situated within 30 metres of a public wastewater drain to which it is capable of being effectively connected, either directly or through a private drain, but which is not so connected:
- In relation to any targeted rate for the ordinary supply of water, any rating unit to which water can be but is not supplied (being any rating unit situated within 100 meters from any part of the water reticulation system).

For the purposes of wastewater targeted rates Residential means:

All rating units that are used for or capable of being used for occupation as a residence of one or more household units including; dwellings, home units, flats, baches, maisonettes, terraced houses, bed & breakfast and homestay accommodation used principally for residential purposes is deemed Residential for the purposes of determining the differential rating category.

Non-residential means:

All rating units or part thereof that are not categorised as residential above.

Rates postponement charges

Council will charge a postponement fee on all rates that are postponed under any of its postponement policies. The postponement fees will be as follows:

- Register statutory land charge \$180.00
- Management fee on the Postponement Policy: 1% on the outstanding balance
- Financing fee on all postponements: Currently set at 6.85% pa but may vary to match Council's average cost of funds

At Council's discretion, all these fees may be added to the total postponement balance.

Due dates and penalty dates

Rates – due date for payment of rates (except water by volume)		
	Due date	Penalty date
Instalment 1	15 October 2024	22 October 2024
Instalment 2	17 February 2025	24 February 2025
Instalment 3	15 May 2025	22 May 2025

Note – a further penalty of 10% will be applied to all rates (including volumetric water) that remain unpaid from previous years on 5 July 2024.

Prospective Funding Impact Statement - Whole of Council

A forecast for the 10 years ending 30 June 2034

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Annual plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Sources of operating funding											
General rates, uniform annual general charges, rates penalties	28,729	35,796	38,543	40,259	41,063	42,768	44,558	46,523	46,876	47,310	48,293
Targeted rates	65,698	73,057	79,658	87,937	93,974	98,223	100,619	104,149	108,021	110,490	113,137
Subsidies and grants for operating purposes	5,520	6,154	5,543	6,070	6,248	6,398	6,592	6,813	7,032	7,259	7,491
Fees and charges	17,125	16,058	16,506	16,912	17,324	17,733	19,230	18,452	18,885	19,200	19,572
Interest and dividends from investments	259	283	289	295	302	308	314	320	326	935	952
Local authorities fuel tax, fines, infringement fees and other receipts	790	819	836	855	875	894	912	931	950	968	987
Total operating funding (A)	118,121	132,168	141,376	152,328	159,786	166,324	172,225	177,188	182,090	186,162	190,432
Applications of operating funding											
Payments to staff and suppliers	97,724	105,426	108,500	113,256	115,425	116,840	119,154	121,353	124,393	125,643	127,746
Finance costs	3,643	4,914	5,413	6,449	8,653	10,623	12,102	13,024	13,808	13,925	14,377
Other operating funding applications	0	0	0	0	0	0	0	0	0	0	0
Total applications of operating funding (B)	101,367	110,340	113,913	119,705	124,079	127,463	131,256	134,377	138,201	139,568	142,123
Surplus (deficit) of operating funding (A - B)	16,754	21,828	27,463	32,623	35,707	38,861	40,969	42,811	43,889	46,595	48,309

Prospective Funding Impact Statement - Whole of Council

A forecast for the 10 years ending 30 June 2034

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Annual plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Sources of capital funding											
Subsidies and grants for capital expenditure	21,790	15,945	25,259	29,200	21,828	45,613	28,885	27,036	13,106	11,517	11,883
Development and financial contributions	3,673	2,993	3,146	3,572	5,208	5,372	4,867	4,783	4,566	4,477	4,044
Increase (decrease) in debt	17,966	16,585	18,279	37,833	41,014	31,154	25,801	18,581	5,307	309	337
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0
Lump sum contributions	0	0	0	0	0	0	0	0	0	0	0
Other dedicated capital funding	0	0	0	0	0	0	0	0	0	0	0
Total sources of capital funding (C)	43,430	35,522	46,684	70,605	68,049	82,139	59,553	50,400	22,979	16,303	16,264
Applications of capital funding											
Capital expenditure											
- to meet additional demand	2,276	1,854	3,507	5,226	8,274	4,968	5,349	3,024	1,331	1,003	1,134
- to improve the level of service	14,448	20,320	33,512	59,071	56,014	71,639	48,931	42,231	16,218	11,683	11,851
- to replace existing assets	33,781	27,557	26,164	27,988	40,623	44,607	36,370	40,143	32,438	30,879	30,780
Increase (decrease) in reserves	9,678	7,620	10,965	10,942	(1,155)	(214)	9,872	7,812	16,882	19,332	20,809
Increase (decrease) in investments	0	0	0	0	0	0	0	0	0	0	0
Total applications of capital funding (D)	60,184	57,350	74,148	103,228	103,757	121,000	100,522	93,211	66,869	62,898	64,573
Surplus (deficit) of capital funding (C - D)	(16,754)	(21,828)	(27,463)	(32,623)	(35,707)	(38,861)	(40,969)	(42,810)	(43,889)	(46,595)	(48,309)
Funding balance ((A - B) + (C - D))	0	0	0	0	0	0	0	0	0	0	0

Reconciliation between the surplus/(deficit) of operating funding in the Funding Impact Statement and the surplus in the Statement of Comprehensive Revenue and Expense

A forecast for the 10 years ending 30 June 2034

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Annual plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Surplus/(deficit) of operating funding from prospective funding impact statement	16,754	21,828	27,463	32,623	35,707	38,861	40,969	42,811	43,889	46,595	48,309
Items recognised as income in statement of comprehensive revenue and as capital expenditure funding sources in funding impact statement											
Subsidies and grants for capital expenditure	21,790	15,945	25,259	29,200	21,828	45,613	28,885	27,036	13,106	11,517	11,883
Development and financial contributions	3,673	2,993	3,146	3,572	5,208	5,372	4,867	4,783	4,566	4,477	4,044
Non-cash items recognised in statement of comprehensive revenue and not included in funding impact statement											
Assets vested	4,828	7,820	7,987	8,169	8,360	8,550	8,732	8,915	9,097	9,280	9,463
Gain/(Loss) on revaluation of swaps	0	(24)	(81)	(677)	31	-	(781)	-	-	-	-
Gain on revaluation of forestry assets	0	81	64	74	73	75	46	47	50	49	50
Depreciation	(32,853)	(35,044)	(35,723)	(36,791)	(39,341)	(42,111)	(43,899)	(45,737)	(46,038)	(47,404)	(48,765)
Decrease/(increase) in provisions	0	0	0	0	0	0	0	0	0	0	0
Surplus/(deficit) before tax from statement of comprehensive revenue and expense	14,192	13,597	28,115	36,171	31,865	56,360	38,818	37,855	24,671	24,514	24,984

Rating Mechanisms

A forecast for the 10 years ending 30 June 2034

	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
	Annual plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan	Long-term plan
	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
Rating mechanism											
General rate	14,192	17,053	18,206	19,325	19,897	20,214	20,873	21,665	21,332	21,932	22,343
Uniform annual general charge	15,569	19,438	21,048	21,664	21,915	23,320	24,470	25,660	26,363	26,216	26,805
Targeted rates	0	0	0	0	0	0	0	0	0	0	0
Rubbish and recycling	9,119	9,423	10,096	10,345	10,807	11,146	11,461	11,382	12,348	12,629	12,851
Moana-Taiari flood protection loan	4	2	2	2	2	2	0	0	0	0	0
Land drainage	13	15	15	15	16	16	16	17	17	18	18
Local works and services (rate in \$)	8,298	9,611	9,993	10,745	11,929	12,688	13,161	13,205	13,626	13,642	13,874
Local works and services (fixed charge)	7,869	9,446	9,813	10,527	11,658	12,187	12,679	12,685	12,974	13,038	13,248
Wastewater	18,404	21,345	23,561	26,840	27,896	29,017	28,560	30,655	31,804	32,769	33,745
Wastewater loans	65	64	64	63	63	63	63	58	56	0	0
Stormwater	2,475	3,186	3,416	3,863	4,481	4,660	5,097	5,475	5,792	6,036	6,239
Water	11,740	12,086	14,343	16,630	17,867	18,991	19,933	20,817	21,565	22,312	22,896
Water loans	47	47	46	46	46	46	1	0	0	0	0
Economic development	819	800	782	775	784	791	804	824	836	851	864
Roading and building control	3,973	4,463	4,875	5,341	5,589	5,688	5,830	5,928	5,813	5,914	6,031
Sub total	92,587	106,977	116,259	126,182	132,950	138,833	142,948	148,372	152,526	155,356	158,913
Penalties	207	226	231	236	241	246	251	256	261	266	270
Sub total	92,795	107,204	116,490	126,418	133,191	139,079	143,199	148,628	152,787	155,622	159,184
Water supplied by volume	2,157	2,571	2,653	2,744	2,835	2,925	3,013	3,103	3,190	3,281	3,371
Sub total	94,951	109,774	119,143	129,162	136,026	142,004	146,213	151,730	155,977	158,903	162,554
Less internal rates charged	(525)	(921)	(942)	(966)	(990)	(1,013)	(1,035)	(1,058)	(1,080)	(1,103)	(1,125)
Total	94,426	108,854	118,201	128,196	135,037	140,991	145,177	150,672	154,897	157,800	161,429

Rating Funding Impact Statement

Description	Categories on which rate is set	Factor or factors	Differential categories	Differential calculation	Unit of measure	Indicative Rate or Charge	Revenue sought (GST inclusive)
General rate							
(Partially funds coastal and hazard management, building control, district roading and footpaths, stormwater, property and rubbish and recycling in compliance with the revenue and financing policy)	Every rating unit in the district	Rate in the \$ on land value	Farming and horticultural	Ratio 0.6	1,148,622,200	\$0.000548	\$629,705.11
			Rural other	Ratio 1.0	1,802,166,100	\$0.000914	\$1,646,658.65
			Industrial and commercial	Ratio 1.0	842,258,350	\$0.000914	\$769,580.56
			Commercial forestry	Ratio 1.0	62,871,000	\$0.000914	\$57,445.91
			Residential	Ratio 1.0	18,019,317,700	\$0.000914	\$16,464,445.39
			Off-shore island (used)	Ratio 0.5	94,812,000	\$0.000457	\$43,315.37
			Off-shore island (unused)	Ratio 0.1	33,000	\$0.000091	\$3.02
Uniform annual general charge							
(Partially funds district representation, local representation, district grants and remissions, district strategic planning, district plan, economic development, coastal and hazard management, building control, emergency management, community health and safety, district roads and footpaths and resource consents in compliance with the revenue and financing policy)	Every rating unit in the district	Fixed amount for each separately used or inhabited part of a rating unit			30,410	\$735.06	\$22,353,325.73
Targeted rates and activities funded							
Rubbish and recycling	Every rating unit in the district to which there is provision or availability to the land of the solid waste collection and recycling service	Fixed amount for each separately used or inhabited part of a rating unit	Thames community	Ratio 1.0000	5,584	\$363.37	\$2,029,077.60
(Partially funds rubbish and recycling activity in compliance with the revenue and financing policy)			Coromandel-Colville community	Ratio 1.0000	2,343	\$363.37	\$851,384.10
			Mercury Bay community	Ratio 1.0962	9,489	\$398.33	\$3,779,753.61
			Tairua/Pāuanui community	Ratio 1.1731	4,209	\$426.27	\$1,794,184.94
			Whangamatā community	Ratio 1.1731	5,587	\$426.27	\$2,381,589.75

Rating Funding Impact Statement

Description	Categories on which rate is set	Factor or factors	Differential categories	Differential calculation	Unit of measure	Indicative Rate or Charge	Revenue sought (GST inclusive)
Moana-Taiari flood protection loan (Funds loan servicing for flood protection)	Every rating unit where the land is situated where no election to make a payment in advance has been made	Fixed amount for each rating unit			11	\$203.65	\$2,240.10
	Every rating unit where the land is situated where an election has been made to pay half in advance	Fixed amount for each rating unit			2	\$101.82	\$203.65
Matatoki land drainage scheme (Funds land drainage)	Every rating unit in the defined drainage area	Rate in the \$ on land value			85,057,000	\$0.000105	\$8,919.36
Hikutāia-Wharepoa land drainage	Every rating unit in the defined drainage area	Rate in the \$ on land value			58,640,000	\$0.000136	\$7,970.61
Local works and services Thames (Partially funds airfield, halls, parks and reserves, libraries, swimming pool, local grants and remissions, land drainage, coastal and hazard management, local roading and footpaths, public conveniences, cemeteries, and harbours in compliance with the revenue and financing policy)	Every rating unit in the Thames community area	Rate in the \$ on land value	Farming and horticultural	Ratio 1.0	255,845,600	\$0.001074	\$274,896.76
			Rural other	Ratio 1.0	283,037,800	\$0.001074	\$304,113.78
			Industrial and commercial	Ratio 1.0	227,133,500	\$0.001074	\$244,046.65
			Commercial forestry	Ratio 1.0	4,460,000	\$0.001074	\$4,792.11
			Residential	Ratio 1.0	1,711,857,300	\$0.001074	\$1,839,328.18
		Fixed amount for each separately used or inhabited part of a rating unit	Farming and horticultural, rural other and residential		5,562	\$516.85	\$2,874,722.94
		Fixed amount for each rating unit	Industrial and commercial and commercial forestry		400	\$516.85	\$206,740.23

Rating Funding Impact Statement

Description	Categories on which rate is set	Factor or factors	Differential categories	Differential calculation	Unit of measure	Indicative Rate or Charge	Revenue sought (GST inclusive)
Local works and services Coromandel-Colville (Partially funds halls, parks and reserves, libraries, local grants and remissions, local roading and footpaths, public conveniences, cemeteries and harbours in compliance with the revenue and financing policy)	Every rating unit in the Coromandel-Colville community area	Rate in the \$ on land value	Farming and horticultural	Ratio 1.0	203,068,600	\$0.000448	\$90,998.05
			Rural other	Ratio 1.0	380,200,600	\$0.000448	\$170,373.52
			Industrial and commercial	Ratio 1.0	59,648,000	\$0.000448	\$26,729.15
			Commercial forestry	Ratio 1.0	6,500,000	\$0.000448	\$2,912.75
			Residential	Ratio 1.0	961,864,100	\$0.000448	\$431,025.55
			Off-shore island used	Ratio 0.5	19,112,000	\$0.000224	\$4,282.19
			Off-shore island unused	Ratio 0.1	33,000	\$0.000045	\$1.48
			Fixed amount for each separately used or inhabited part of a rating unit	Farming and horticultural, rural other, residential, off-shore islands used and off-shore islands unused	2,735	\$331.48	\$906,587.13
			Fixed amount for each rating unit	Industrial and commercial and commercial forestry	110	\$331.48	\$36,462.37
Local works and services Mercury Bay (Partially funds halls, parks and reserves, libraries, local grants and remissions, local roading and footpaths, public conveniences, cemeteries and harbours in compliance with the revenue and financing policy)	Every rating unit in the Mercury Bay community area	Rate in the \$ on land value	Farming and horticultural	Ratio 1.0	510,363,000	\$0.000523	\$266,780.56
			Rural other	Ratio 1.0	808,435,100	\$0.000523	\$422,590.92
			Industrial and commercial	Ratio 1.0	293,403,850	\$0.000523	\$153,370.14
			Commercial forestry	Ratio 1.0	18,711,000	\$0.000523	\$9,780.75
			Residential	Ratio 1.0	6,884,944,750	\$0.000523	\$3,598,947.06
			Off-shore Island used	Ratio 0.5	57,520,000	\$0.000261	\$15,033.63
			Fixed amount for each separately used or inhabited part of a rating unit	Farming and horticultural, rural other, residential and off-shore islands used	10,307	\$301.46	\$3,107,136.91
			Fixed amount for each rating unit	Industrial and commercial and commercial forestry	260	\$301.46	\$78,379.31

Rating Funding Impact Statement

Description	Categories on which rate is set	Factor or factors	Differential categories	Differential calculation	Unit of measure	Indicative Rate or Charge	Revenue sought (GST inclusive)
Local works and services Tairua-Pāuanui (Partially funds airfield, halls, parks and reserves, libraries, local grants and remissions, local roading and footpaths, public conveniences, cemeteries and harbours in compliance with the revenue and financing policy)	Every rating unit in the Tairua/Pāuanui community area	Rate in the \$ on land value	Farming and horticultural	Ratio 1.0	119,725,000	\$0.000421	\$50,443.82
			Rural other	Ratio 1.0	158,934,000	\$0.000421	\$66,963.78
			Industrial and commercial	Ratio 1.0	73,115,000	\$0.000421	\$30,805.60
			Commercial forestry	Ratio 1.0	12,250,000	\$0.000421	\$5,161.30
			Residential	Ratio 1.0	3,539,525,000	\$0.000421	\$1,491,310.62
			Off-shore Island used	Ratio 0.5	18,180,000	\$0.000211	\$3,829.90
			Off-shore Island unused	Ratio 0.1	0	\$0.000042	\$-
			Fixed amount for each separately used or inhabited part of a rating unit	Farming and horticultural, rural other, residential, off-shore islands used and unused	4,624	\$407.60	\$1,884,742.24
			Fixed amount for each rating unit	Industrial and commercial and commercial forestry	100	\$407.60	\$40,760.00
Local works and services Whangamatā (Partially funds halls, parks and reserves, libraries, local grants and remissions, local roading and footpaths, public conveniences, cemeteries and harbours in compliance with the revenue and financing policy)	Every rating unit in the Whangamatā community area	Rate in the \$ on land value	Farming and horticultural	Ratio 1.0	59,620,000	\$0.000288	\$17,166.71
			Rural other	Ratio 1.0	169,055,600	\$0.000288	\$48,677.09
			Industrial and commercial	Ratio 1.0	189,904,000	\$0.000288	\$54,680.08
			Commercial forestry	Ratio 1.0	20,950,000	\$0.000288	\$6,032.25
			Residential	Ratio 1.0	4,924,886,550	\$0.000288	\$1,418,049.12
			Fixed amount for each separately used or inhabited part of a rating unit	Farming and horticultural, rural other and residential	5,526	\$302.18	\$1,669,834.20
			Fixed amount for each rating unit	Industrial and commercial and commercial forestry	190	\$302.18	\$57,413.77

Rating Funding Impact Statement

Description	Categories on which rate is set	Factor or factors	Differential categories	Differential calculation	Unit of measure	Indicative Rate or Charge	Revenue sought (GST inclusive)
Wastewater (Funds wastewater)	Every rating unit in the district to which there is provision or availability of the wastewater service	Fixed amount for each separately used or inhabited part of a rating unit, on each water closet or urinal within the rating unit	Residential	Ratio 1.0	19,576	\$1,085.51	\$21,249,892.06
			Non-residential uses:				
			1 water closet/urinal	Ratio 1.0	313	\$1,085.51	\$339,763.80
			> 1 water closet/urinal for each water closet/urinal including the first	Ratio 0.5	3,546	\$542.75	\$1,924,604.55
		Fixed amount for each rating unit unit	The availability to the land of the wastewater service (not connected)	Ratio 0.75	1,268	\$814.13	\$1,032,317.50
Wastewater loan (Whangapoua Rd) (Funds loan servicing for wastewater)	Every rating unit where the land is situated where no election to make a payment in advance has been made	Fixed amount for each rating unit			9	\$360.54	\$3,244.88

Rating Funding Impact Statement

Description	Categories on which rate is set	Factor or factors	Differential categories	Differential calculation	Unit of measure	Indicative Rate or Charge	Revenue sought (GST inclusive)
Wastewater loan (Cooks Beach) (Funds loan servicing for wastewater for existing users)	Every rating unit where the land is situated where no election to make a payment in advance has been made	Fixed amount for each separately used or inhabited part of a rating unit, on each water closet or urinal within the rating unit	Residential	Ratio 1.0	82	\$645.11	\$52,899.18
			Non-residential uses: 1 water closet/urinal	Ratio 1.0	1	\$645.11	\$645.11
		Fixed amount for each rating unit	The availability to the land of the wastewater service (not connected)	Ratio 1.0	4	\$645.11	\$2,580.45
	Every rating unit where the land is situated where an election has been made to pay half in advance	Fixed amount for each separately used or inhabited part of a rating unit, on each water closet or urinal within the rating unit	Residential	Ratio 0.5	17	\$322.56	\$5,483.45
			Non-residential uses: 1 water closet/urinal	Ratio 0.5	1	\$322.56	\$322.56
			> 1 water closet/urinal for each water closet/urinal including the first	Ratio 0.25	9	\$161.28	\$1,451.50
		Fixed amount for each rating unit	The availability to the land of the wastewater service (not connected)	Ratio 0.5	0	\$322.56	\$-
Wastewater loan (Hāhehi extension) (Funds loan servicing for wastewater)	Every rating unit where the land is situated where no election to make a payment in advance has been made	Fixed amount for each rating unit		Ratio 1.0	3	\$2,258.90	\$6,776.70

Rating Funding Impact Statement

Description	Categories on which rate is set	Factor or factors	Differential categories	Differential calculation	Unit of measure	Indicative Rate or Charge	Revenue sought (GST inclusive)
Stormwater (Funds stormwater)	Every rating unit where the land is located in the areas as defined by Council	Fixed amount for each separately used or inhabited part of a rating unit		Ratio 1.0	24,660	\$109.46	\$2,699,301.12
		Fixed amount for each separately used or inhabited part of a rating unit		Ratio 0.60	832	\$65.68	\$54,642.79
		Rate in the \$ on the value of improvements		Ratio 1.0	9,205,369,018	\$0.000097	\$896,644.93
				Ratio 0.60	222,841,500	\$0.000058	\$13,023.47
Water supply (Funds water)	Every rating unit in the district to which there is provision or availability of the Council water service	Fixed amount for each separately used or inhabited part of a rating unit	The provision to the land of the water service (connected) and metered and within a scheduled reading scheme	Ratio 0.5	11,282	\$437.23	\$4,932,858.20
		Fixed amount for each separately used or inhabited part of a rating unit	The provision to the land of the water service (connected) and unmetered and not within a scheduled reading scheme	Ratio 1.0	9,262	\$874.47	\$8,099,296.70
		Fixed amount for each rating unit	The availability to the land of the water service (not connected)	Ratio 0.75	1,321	\$655.85	\$866,376.40
Water supplied by volume (Funds water)	Every rating unit that is connected to a meter where a scheduled reading is undertaken	Fixed amount for each cubic metre			1,825,000	\$1.62	\$2,956,500.21

Rating Funding Impact Statement

Description	Categories on which rate is set	Factor or factors	Differential categories	Differential calculation	Unit of measure	Indicative Rate or Charge	Revenue sought (GST inclusive)
Water loan (Coromandel) (Funds loan servicing for water)	Every rating unit where the land is situated where no election to make a payment in advance has been made	Fixed amount for each rating unit		Ratio 1.0	159	\$321.04	\$51,044.72
	Every rating unit where the land is situated where an election has been made to pay half in advance	Fixed amount for each rating unit		Ratio 0.5	9	\$160.52	\$1,444.66
Water loan (Hāhei extension) (Funds loan servicing for water)	Every rating unit where the land is situated where no election to make a payment in advance has been made	Fixed amount for each rating unit		Ratio 1.0	3	\$229.99	\$689.98
Economic development (Partially funds economic development in compliance with the revenue and financing policy)	Every rating unit in the district defined for general rate differential purposes as industrial and commercial	Rate in the \$ on the value of improvements			1,171,415,002	\$0.000785	\$919,531.85

Rating Funding Impact Statement

Description	Categories on which rate is set	Factor or factors	Differential categories	Differential calculation	Unit of measure	Indicative Rate or Charge	Revenue sought (GST inclusive)
District transportation and building control (Partially funds district transportation and building control in compliance with the revenue and financing policy)	Every rating unit in the district	Rate in the \$ on capital value			33,661,222,550	\$0.000152	\$5,132,622.39
Hāhei Water extension development contribution payment plan (A targeted rate to fund development contributions payable when connecting to Council's water scheme in Hāhei)	Every rating unit where the land is situated and the ratepayer has opted to pay over ten years	Fixed amount for each rating unit		Ratio 1.0	1	\$349.20	\$349.20
Hāhei wastewater extension development contribution payment plan (A targeted rate to fund development contributions payable when connecting to Council's water scheme in Hāhei)	Every rating unit where the land is situated and the ratepayer has opted to pay over ten years	Fixed amount for each rating unit		Ratio 1.0	1	\$401.50	\$401.50
Total rate revenue required (including GST) (excluding penalties)							125,980,415.88

2024/25 Allocation of Rate to Activities (GST inclusive)

Uniform annual general charge and fixed targeted rates for works and services

The following schedule indicates how the uniform annual general charge and targeted rates set of a fixed bases, are spent on individual activities

	UAGC	Local works and services charge				
	District	Thames	Coromandel-Colville	Mercury Bay	Tairua/Pāuanui	Whangamatā
District Representation	\$311.57					
Local Representation	\$10.96					
Coastal & Hazard Management	\$35.87					
Property	\$44.04					
Emergency Management	\$20.13					
Economic Development	\$44.02					
Community Health & Safety	\$34.81					
Building Control	\$35.62					
Grants & Remissions	\$24.51	\$44.23	\$61.59	\$21.24	\$33.60	\$59.61
District Roothing & Footpaths	\$121.70					
Local Roothing & Footpaths		\$19.43	\$17.99	\$24.70	\$19.56	\$28.06
Community Spaces and Development						
Airfields		\$7.62			\$3.05	
Cemeteries		\$24.93	\$31.49	\$16.46	\$9.80	\$10.97
Halls		\$52.94	\$12.81	\$15.03	\$18.39	\$20.18
Swimming Pools		\$62.93				
Libraries		\$67.99	\$7.03	\$22.13	\$40.05	\$15.93
Harbour Facilities		\$7.98	\$0.67	\$10.77	\$36.58	\$3.81
Local Parks & Reserves		\$186.03	\$146.68	\$139.74	\$203.90	\$124.23
Public Conveniences		\$42.77	\$53.22	\$51.39	\$42.67	\$39.39
Resource Consents	\$51.83					
	\$735.06	\$516.85	\$331.48	\$301.46	\$407.60	\$302.18

2024/25 Allocation of Rate to Activities (GST inclusive)

General rate and targeted rate for works and services

The following schedule indicates how the proportion of general rates, and targeted rates set as a rate in the dollar on land value, are spent on individual activities, for each \$10,000 of land value (assuming a differential of 1.0).

	General rate District	Local Works & Services Rate				
		Thames	Coromandel/Colville	Mercury Bay	Tairua/Pauanui	Whangamata
District Representation	\$4.22					
Coastal & Hazard Management	\$0.23	\$0.13				
Community Health & Safety						
Building Control	\$0.10					
District Roding & Footpaths	\$1.97					
Local Roding & Footpaths		\$1.09	\$0.73	\$0.71	\$0.55	\$0.70
Property	\$0.61					
Community Spaces and Development						
Airfields		\$0.07			\$0.04	
Halls		\$0.97	\$0.19	\$0.17	\$0.19	\$0.21
Swimming Pools		\$1.54				
Harbour Facilities		\$0.18	\$0.01	\$0.24	\$0.37	\$0.13
Parks & Reserves		\$4.19	\$2.09	\$3.09	\$2.06	\$1.24
Cemeteries		\$0.96	\$0.57	\$0.19	\$0.16	\$0.12
Public Conveniences		\$0.55	\$0.76	\$0.54	\$0.42	\$0.34
Libraries		\$1.04	\$0.10	\$0.27	\$0.41	\$0.14
Land Drainage		\$0.02				
Stormwater	\$0.71					
Rubbish & Recycling	\$1.09					
Economic Development						
	\$8.93	\$10.74	\$4.45	\$5.21	\$4.20	\$2.88

Funding Impact Statement Rating Scenarios (inclusive of GST)

Thames

Residential - Capital Value \$715,201 Land Value \$388,112 (2020 CV \$557,107 LV \$294,158)	2023/24 AP	2024/25 LTP	2025/26 LTP	2026/27 LTP
General rate	300.84	354.62	375.78	396.07
UAGC	600.31	735.06	790.02	807.46
Rubbish and recycling	359.49	363.37	386.48	393.26
Wastewater	953.25	1,085.51	1,189.30	1,345.33
Roading and building control CV	102.99	109.05	118.23	128.62
Works and services rate	367.90	417.01	417.89	522.71
Works and services charge	446.09	516.85	517.53	623.75
Stormwater - charge	86.74	109.46	116.46	130.78
Stormwater - rate	27.18	31.86	33.92	38.13
Water (serviced and metered)	401.95	437.23	515.03	592.98
Total	3,646.74	4,160.04	4,460.65	4,979.08
Increase/(decrease)		14.08%	7.23%	11.62%

Residential - Capital Value \$800,000 Land Value \$435,000 (2020 CV \$620,000 LV \$325,000)	2023/24 AP	2024/25 LTP	2025/26 LTP	2026/27 LTP
General rate	332.38	397.46	421.18	443.92
UAGC	600.31	735.06	790.02	807.46
Rubbish and recycling	359.49	363.37	386.48	393.26
Wastewater	953.25	1,085.51	1,189.30	1,345.33
Roading and building control CV	114.62	121.98	132.25	143.87
Works and services rate	406.47	467.39	468.38	585.86
Works and services charge	446.09	516.85	517.53	623.75
Stormwater - charge	86.74	109.46	116.46	130.78
Stormwater - rate	30.50	35.55	37.85	42.55
Water (serviced and metered)	401.95	437.23	515.03	592.98
Total	3,731.79	4,269.88	4,574.49	5,109.74
Increase/(decrease)		14.42%	7.13%	11.70%

Residential - Capital Value \$550,000 Land Value \$300,000 (2020 CV \$445,000 LV \$240,000)	2023/24 AP	2024/25 LTP	2025/26 LTP	2026/27 LTP
General rate	245.45	274.11	290.47	306.15
UAGC	600.31	735.06	790.02	807.46
Rubbish and recycling	359.49	363.37	386.48	393.26
Wastewater	953.25	1,085.51	1,189.30	1,345.33
Roading and building control CV	82.27	83.86	90.92	98.91
Works and services rate	300.16	322.34	323.02	404.04
Works and services charge	446.09	516.85	517.53	623.75
Stormwater - charge	86.74	109.46	116.46	130.78
Stormwater - rate	21.19	24.35	25.93	29.14
Water (serviced and metered)	401.95	437.23	515.03	592.98
Total	3,496.90	3,952.16	4,245.16	4,731.79
Increase/(decrease)		13.02%	7.41%	11.46%

Industrial & Commercial - Capital Value \$1,210,152 Land Value \$573,117 (2020 CV \$912,942 LV \$421,485)	2023/24 AP	2024/25 LTP	2025/26 LTP	2026/27 LTP
General rate	431.05	523.66	554.91	584.87
UAGC	600.31	735.06	790.02	807.46
Rubbish and recycling	359.49	363.37	386.48	393.26
Wastewater	953.25	1,085.51	1,189.30	1,345.33
Roading and building control CV	168.78	184.52	200.05	217.63
Economic development rate	521.01	500.06	485.18	477.78
Works and services rate	527.14	615.79	617.09	771.88
Works and services charge	446.09	516.85	517.53	623.75
Stormwater - charge	86.74	109.46	116.46	130.78
Stormwater - rate	50.80	62.05	66.06	74.25
Water (serviced and metered)	401.95	437.23	515.03	592.98
Total	4,546.61	5,133.58	5,438.12	6,019.96
Increase/(decrease)		12.91%	5.93%	10.70%

Proposed Rating examples continued

Farming and horticultural - Capital Value \$1,784,037 Land Value \$1,412,254 (2020 CV \$1,449,366 LV \$1,139,318)	2023/24 AP	2024/25 LTP	2025/26 LTP	2026/27 LTP
General rate	699.11	774.24	820.43	864.73
UAGC	600.31	735.06	790.02	807.46
Rubbish and recycling	359.49	363.37	386.48	393.26
Roading and building control CV	267.95	272.03	294.92	320.84
Land drainage		-	-	-
Works and services rate	1,424.91	1,517.42	1,520.61	1,902.03
Works and services charge	446.09	516.85	517.53	623.75
Water (serviced and metered)	401.95	437.23	515.03	592.98
Total	4,199.81	4,616.20	4,845.03	5,505.04
Increase/(decrease)		9.91%	4.96%	13.62%

Rural Other - Capital Value \$932,527 Land Value \$561,267 (2020 CV \$690,740 LV \$415,607)	2023/24 AP	2024/25 LTP	2025/26 LTP	2026/27 LTP
General rate	425.04	512.84	543.44	572.78
UAGC	600.31	735.06	790.02	807.46
Rubbish and recycling	359.49	363.37	386.48	393.26
Roading and building control CV	127.70	142.19	154.16	167.70
Works and services rate	519.79	603.06	604.33	755.92
Works and services charge	446.09	516.85	517.53	623.75
Stormwater - charge	86.74	109.46	116.46	130.78
Stormwater - rate	28.44	36.16	38.50	43.28
Total	2,593.60	3,019.00	3,150.92	3,494.91
Increase/(decrease)		16.40%	4.37%	10.92%

Coromandel-Colville

Residential - Capital Value \$844,854 Land Value \$524,177 (2020 CV \$643,704 LV \$409,616)	2023/24 AP	2024/25 LTP	2025/26 LTP	2026/27 LTP
General rate	418.91	478.95	507.52	534.93
UAGC	600.31	735.06	790.02	807.46
Rubbish and recycling	359.49	363.37	386.48	393.26
Wastewater	953.25	1,085.51	1,189.30	1,345.33
Roading and building control CV	119.00	128.82	139.66	151.94
Works and services rate	197.23	234.89	254.51	253.67
Works and services charge	269.85	331.48	357.47	357.06
Stormwater - charge	86.74	109.46	116.46	130.78
Stormwater - rate	24.20	31.24	33.26	37.38
Water (serviced and metered)	401.95	437.23	515.03	592.98
Total	3,430.93	3,936.01	4,289.73	4,604.77
Increase/(decrease)		14.72%	8.99%	7.34%

Residential - Capital Value \$575,000 Land Value \$365,000 (2020 CV \$460,000 LV \$290,000)	2023/24 AP	2024/25 LTP	2025/26 LTP	2026/27 LTP
General rate	296.58	333.50	353.40	372.49
UAGC	600.31	735.06	790.02	807.46
Rubbish and recycling	359.49	363.37	386.48	393.26
Wastewater	953.25	1,085.51	1,189.30	1,345.33
Roading and building control CV	85.04	87.68	95.05	103.41
Works and services rate	139.64	163.56	177.23	176.64
Works and services charge	269.85	331.48	357.47	357.06
Stormwater - charge	86.74	109.46	116.46	130.78
Stormwater - rate	17.57	20.45	21.78	24.48
Water (serviced and metered)	401.95	437.23	515.03	592.98
Total	3,210.42	3,667.31	4,002.23	4,303.87
Increase/(decrease)		14.23%	9.13%	7.54%

Proposed Rating examples continued

Residential - Capital Value \$1,000,000 Land Value \$365,000 (2020 CV median \$750,000 LV \$485,000)	2023/24 AP	2024/25 LTP	2025/26 LTP	2026/27 LTP
General rate	496.01	566.50	600.30	632.71
UAGC	600.31	735.06	790.02	807.46
Rubbish and recycling	359.49	363.37	386.48	393.26
Wastewater	953.25	1,085.51	1,189.30	1,345.33
Roading and building control CV	138.65	152.48	165.31	179.84
Works and services rate	233.53	277.83	301.04	300.05
Works and services charge	269.85	331.48	357.47	357.06
Stormwater - charge	86.74	109.46	116.46	130.78
Stormwater - rate	27.39	37.01	39.41	44.29
Water (serviced and metered)	401.95	437.23	515.03	592.98
Total	3,567.17	4,095.94	4,460.83	4,783.75
Increase/(decrease)		14.82%	8.91%	7.24%

Farming and horticultural - Capital Value \$2,233,646 Land Value \$1,867,027 (2020 CV \$1,725,933 LV \$1,439,662)	2023/24 AP	2024/25 LTP	2025/26 LTP	2026/27 LTP
General rate	883.41	1,023.55	1,084.63	1,143.19
UAGC	600.31	735.06	790.02	807.46
Rubbish and recycling	359.49	363.37	386.48	393.26
Roading and building control CV	319.08	340.58	369.24	401.69
Works and services rate	693.20	836.64	906.54	903.54
Works and services charge	269.85	331.48	357.47	357.06
Water (serviced and metered)	401.95	437.23	515.03	592.98
Total	3,527.28	4,067.93	4,409.41	4,599.18
Increase/(decrease)		15.33%	8.39%	4.30%

Industrial & Commercial - Capital Value \$1,056,235, Land Value \$587,735 (2020 CV \$929,505 LV \$547,791)	2023/24 AP	2024/25 LTP	2025/26 LTP	2026/27 LTP
General rate	560.23	537.02	569.06	599.79
UAGC	600.31	735.06	790.02	807.46
Rubbish and recycling	359.49	363.37	386.48	393.26
Wastewater	953.25	1,085.51	1,189.30	1,345.33
Roading and building control CV	171.84	161.05	174.61	189.95
Economic development rate	404.67	367.76	356.82	351.38
Works and services rate	263.76	263.37	285.38	284.43
Works and services charge	269.85	331.48	357.47	357.06
Stormwater - charge	86.74	109.46	116.46	130.78
Stormwater - rate	39.46	45.63	48.58	54.61
Water (serviced and metered)	401.95	437.23	515.03	592.98
Total	4,111.54	4,436.96	4,789.22	5,107.02
Increase/(decrease)		7.91%	7.94%	6.64%

Rural Other - Capital Value \$991,881 Land Value \$735,128 (2020 CV \$750,544 LV \$568,366)	2023/24 AP	2024/25 LTP	2025/26 LTP	2026/27 LTP
General rate	581.27	671.69	711.77	750.20
UAGC	600.31	735.06	790.02	807.46
Rubbish and recycling	359.49	363.37	386.48	393.26
Roading and building control CV	138.76	151.24	163.97	178.38
Works and services rate	273.67	329.42	356.94	355.76
Works and services charge	269.85	331.48	357.47	357.06
Stormwater - charge	86.74	109.46	116.46	130.78
Stormwater - rate	18.83	25.01	26.63	29.93
Total	2,328.91	2,716.74	2,909.75	3,002.82
Increase/(decrease)		16.65%	7.10%	3.20%

Proposed Rating examples continued

Mercury Bay

Residential - Capital Value \$1,156,461 Land Value \$768,297 (2020 CV \$855,958 LV \$557,150)	2023/24 AP	2024/25 LTP	2025/26 LTP	2026/27 LTP
General rate	569.80	702.00	743.89	784.05
UAGC	600.31	735.06	790.02	807.46
Rubbish and recycling	394.07	398.33	423.66	431.10
Wastewater	953.25	1,085.51	1,189.30	1,345.33
Roading and building control CV	158.24	176.34	191.17	207.97
Works and services rate	368.07	401.61	421.62	426.77
Works and services charge	277.20	301.46	324.41	325.92
Stormwater - charge	86.74	109.46	116.46	130.78
Stormwater - rate	30.89	37.81	40.25	45.25
Water (serviced and metered)	401.95	437.23	515.03	592.98
Total	3,840.53	4,384.81	4,755.83	5,097.59
Increase/(decrease)		14.17%	8.46%	7.19%

Residential - Capital Value \$1,330,000 Land Value \$865,000 (2020 CV median \$960,000 LV \$630,000)	2023/24 AP	2024/25 LTP	2025/26 LTP	2026/27 LTP
General rate	644.30	790.36	837.52	882.74
UAGC	600.31	735.06	790.02	807.46
Rubbish and recycling	394.07	398.33	423.66	431.10
Wastewater	953.25	1,085.51	1,189.30	1,345.33
Roading and building control CV	177.48	202.80	219.86	239.18
Works and services rate	416.20	452.16	474.69	480.48
Works and services charge	277.20	301.46	324.41	325.92
Stormwater - charge	86.74	109.46	116.46	130.78
Stormwater - rate	34.11	45.29	48.22	54.20
Water (serviced and metered)	401.95	437.23	515.03	592.98
Total	3,985.62	4,557.66	4,939.18	5,290.16
Increase/(decrease)		14.35%	8.37%	7.11%

Residential - Capital Value \$740,000 Land Value \$470,000 (2020 CV \$580,000 LV \$330,000)	2023/24 AP	2024/25 LTP	2025/26 LTP	2026/27 LTP
General rate	337.49	429.44	455.07	479.64
UAGC	600.31	735.06	790.02	807.46
Rubbish and recycling	394.07	398.33	423.66	431.10
Wastewater	953.25	1,085.51	1,189.30	1,345.33
Roading and building control CV	107.23	112.83	122.33	133.08
Works and services rate	218.01	245.68	257.92	261.07
Works and services charge	277.20	301.46	324.41	325.92
Stormwater - charge	86.74	109.46	116.46	130.78
Stormwater - rate	25.84	26.30	28.00	31.47
Water (serviced and metered)	401.95	437.23	515.03	592.98
Total	3,402.10	3,881.31	4,222.21	4,538.81
Increase/(decrease)		14.09%	8.78%	7.50%

Industrial & Commercial - Capital Value \$1,802,422 Land Value \$1,136,701 (2020 CV \$1,420,334 LV \$820,383)	2023/24 AP	2024/25 LTP	2025/26 LTP	2026/27 LTP
General rate	839.01	1,038.62	1,100.59	1,160.01
UAGC	600.31	735.06	790.02	807.46
Rubbish and recycling	394.07	398.33	423.66	431.10
Wastewater	953.25	1,085.51	1,189.30	1,345.33
Roading and building control CV	262.58	274.83	297.96	324.14
Economic development rate	636.02	522.57	507.03	499.30
Works and services rate	541.97	594.18	623.79	631.41
Works and services charge	277.20	301.46	324.41	325.92
Stormwater - charge	86.74	109.46	116.46	130.78
Stormwater - rate	62.02	64.84	69.04	77.60
Water (serviced and metered)	401.95	437.23	515.03	592.98
Total	5,055.13	5,562.10	5,957.29	6,326.00
Increase/(decrease)		10.03%	7.11%	6.19%

Proposed Rating examples continued

Farming and horticultural - Capital Value \$3,002,191 Land Value \$2,353,483 (2020 CV \$2,222,588 LV \$1,749,019)	2023/24 AP	2024/25 LTP	2025/26 LTP	2026/27 LTP
General rate	1,073.23	1,290.24	1,367.23	1,441.05
UAGC	600.31	735.06	790.02	807.46
Rubbish and recycling	394.07	398.33	423.66	431.10
Roading and building control CV	410.90	457.77	496.29	539.90
Works and services rate	1,155.46	1,230.23	1,291.52	1,307.30
Works and services charge	277.20	301.46	324.41	325.92
Water (serviced not metered)	803.90	874.47	1,030.05	1,185.95
Total	4,715.08	5,287.56	5,723.20	6,038.67
Increase/(decrease)		12.14%	8.24%	5.51%

Rural Other - Capital Value \$1,458,303 Land Value \$1,006,693 (2020 CV \$984,740 LV \$665,225)	2023/24 AP	2024/25 LTP	2025/26 LTP	2026/27 LTP
General rate	680.33	919.83	974.71	1,027.34
UAGC	600.31	735.06	790.02	807.46
Rubbish and recycling	394.07	398.33	423.66	431.10
Roading and building control CV	182.05	222.36	241.07	262.26
Works and services rate	439.47	526.23	552.44	559.19
Works and services charge	277.20	301.46	324.41	325.92
Stormwater - charge	86.74	109.46	116.46	130.78
Stormwater - rate	33.03	43.99	46.83	52.64
Total	2,693.20	3,256.72	3,469.62	3,596.67
Increase/(decrease)		20.92%	6.54%	3.66%

Tairua-Pāuanui

Residential - Capital Value \$1,282,245 Land Value \$816,678 (2020 CV \$932,926 LV \$614,075)	2023/24 AP	2024/25 LTP	2025/26 LTP	2026/27 LTP
General rate	628.01	746.21	790.73	833.43
UAGC	600.31	735.06	790.02	807.46
Rubbish and recycling	421.72	426.27	453.38	461.34
Wastewater	953.25	1,085.51	1,189.30	1,345.33
Roading and building control CV	172.47	195.52	211.97	230.59
Works and services rate	274.85	344.09	354.24	357.31
Works and services charge	308.24	407.60	408.52	420.08
Stormwater - charge	86.74	109.46	116.46	130.78
Stormwater - rate	32.96	45.35	48.28	54.27
Water (serviced not metered)	803.90	874.47	1,030.05	1,185.95
Total	4,282.46	4,969.53	5,392.97	5,826.53
Increase/(decrease)		16.04%	8.52%	8.04%

Residential - Capital Value \$800,000 Land Value \$500,000 (2020 CV \$640,000 LV \$400,000)	2023/24 AP	2024/25 LTP	2025/26 LTP	2026/27 LTP
General rate	409.08	456.86	484.11	510.25
UAGC	600.31	735.06	790.02	807.46
Rubbish and recycling	421.72	426.27	453.38	461.34
Wastewater	953.25	1,085.51	1,189.30	1,345.33
Roading and building control CV	118.32	121.98	132.25	143.87
Works and services rate	179.03	210.67	216.88	218.76
Works and services charge	308.24	407.60	408.52	420.08
Stormwater - charge	86.74	109.46	116.46	130.78
Stormwater - rate	24.81	29.22	31.11	34.97
Water (serviced not metered)	803.90	874.47	1,030.05	1,185.95
Total	3,905.40	4,457.10	4,852.10	5,258.78
Increase/(decrease)		14.13%	8.86%	8.38%

Proposed Rating examples continued

Residential - Capital Value \$1,460,000 Land Value \$920,000 (2020 CV median \$1,050,000 LV \$700,000)

	2023/24 AP	2024/25 LTP	2025/26 LTP	2026/27 LTP
General rate	715.89	840.61	890.77	938.87
UAGC	600.31	735.06	790.02	807.46
Rubbish and recycling	421.72	426.27	453.38	461.34
Wastewater	953.25	1,085.51	1,189.30	1,345.33
Roading and building control CV	194.12	222.62	241.35	262.56
Works and services rate	313.31	387.62	399.05	402.51
Works and services charge	308.24	407.60	408.52	420.08
Stormwater - charge	86.74	109.46	116.46	130.78
Stormwater - rate	36.18	52.60	56.00	62.94
Water (serviced not metered)	803.90	874.47	1,030.05	1,185.95
Total	4,433.65	5,141.83	5,574.93	6,017.82
Increase/(decrease)		15.97%	8.42%	7.94%

Farming and horticultural - Capital Value \$2,462,764 Land Value \$1,935,909 (2020 CV \$2,018,345 LV \$1,563,236)

	2023/24 AP	2024/25 LTP	2025/26 LTP	2026/27 LTP
General rate	959.23	1,061.32	1,124.64	1,185.37
UAGC	600.31	735.06	790.02	807.46
Roading and building control CV	373.14	375.52	407.12	442.89
Works and services rate	699.68	815.66	839.71	846.99
Works and services charge	308.24	407.60	408.52	420.08
Water (serviced not metered)	803.90	874.47	1,030.05	1,185.95
Total	3,744.50	4,269.62	4,600.07	4,888.74
Increase/(decrease)		14.02%	7.74%	6.28%

Industrial & Commercial - Capital Value \$1,555,594 Land Value \$748,125 (2020 CV \$1,212,990 LV \$601,292)

	2023/24 AP	2024/25 LTP	2025/26 LTP	2026/27 LTP
General rate	614.94	683.57	724.36	763.47
UAGC	600.31	735.06	790.02	807.46
Rubbish and recycling	421.72	426.27	453.38	461.34
Wastewater	953.25	1,085.51	1,189.30	1,345.33
Roading and building control CV	224.25	237.20	257.15	279.75
Economic development rate	648.48	633.84	614.99	605.61
Works and services rate	269.13	315.21	324.50	327.32
Works and services charge	308.24	407.60	408.52	420.08
Stormwater - charge	86.74	109.46	116.46	130.78
Stormwater - rate	63.23	78.65	83.74	94.12
Water (serviced not metered)	803.90	874.47	1,030.05	1,185.95
Total	4,994.19	5,586.84	5,992.49	6,421.19
Increase/(decrease)		11.87%	7.26%	7.15%

Rural Other - Capital Value \$1,427,732 Land Value \$968,087 (2020 CV \$1,109,033 LV \$778,935)

	2023/24 AP	2024/25 LTP	2025/26 LTP	2026/27 LTP
General rate	796.62	884.55	937.33	987.94
UAGC	600.31	735.06	790.02	807.46
Rubbish and recycling	421.72	426.27	453.38	461.34
Roading and building control CV	205.03	217.70	236.02	256.76
Works and services rate	348.64	407.88	419.91	423.55
Works and services charge	308.24	407.60	408.52	420.08
Stormwater - charge	86.74	109.46	116.46	130.78
Stormwater - rate	34.12	44.77	47.67	53.58
Total	2,801.42	3,233.31	3,409.32	3,541.48
Increase/(decrease)		15.42%	5.44%	3.88%

Proposed Rating examples continued

Whangamata

Residential - Capital Value \$1,300,798 Land Value \$939,931 (2020 CV \$993,386 LV \$741,155)	2023/24 AP	2024/25 LTP	2025/26 LTP	2026/27 LTP
General rate	757.98	858.82	910.07	959.21
UAGC	600.31	735.06	790.02	807.46
Rubbish and recycling	421.72	426.27	453.38	461.34
Wastewater	953.25	1,085.51	1,189.30	1,345.33
Roading and building control CV	183.65	198.34	215.03	233.93
Works and services rate	228.67	270.64	273.34	279.67
Works and services charge	246.04	302.18	305.27	311.93
Stormwater - charge	86.74	109.46	116.46	130.78
Stormwater - rate	26.07	35.15	37.42	42.06
Water	803.90	874.47	1,030.05	1,185.95
Total	4,308.33	4,895.91	5,320.37	5,757.65
Increase/(decrease)		13.64%	8.67%	8.22%

Residential - Capital Value \$1,430,000 Land Value \$960,000 (2020 CV \$1,080,000 LV \$780,000)	2023/24 AP	2024/25 LTP	2025/26 LTP	2026/27 LTP
General rate	797.71	877.16	929.50	979.69
UAGC	600.31	735.06	790.02	807.46
Rubbish and recycling	421.72	426.27	453.38	461.34
Wastewater	953.25	1,085.51	1,189.30	1,345.33
Roading and building control CV	199.66	218.04	236.39	257.17
Works and services rate	240.65	276.42	279.18	285.64
Works and services charge	246.04	302.18	305.27	311.93
Stormwater - charge	86.74	109.46	116.46	130.78
Stormwater - rate	31.01	45.78	48.74	54.78
Water	803.90	874.47	1,030.05	1,185.95
Total	4,380.99	4,950.35	5,378.31	5,820.06
Increase/(decrease)		13.00%	8.64%	8.21%

Residential - Capital Value \$850,000 Land Value \$590,000 (2020 CV \$670,000 LV \$500,000)	2023/24 AP	2024/25 LTP	2025/26 LTP	2026/27 LTP
General rate	511.35	539.09	571.26	602.10
UAGC	600.31	735.06	790.02	807.46
Rubbish and recycling	421.72	426.27	453.38	461.34
Wastewater	953.25	1,085.51	1,189.30	1,345.33
Roading and building control CV	123.86	129.61	140.51	152.86
Works and services rate	154.27	169.88	171.58	175.55
Works and services charge	246.04	302.18	305.27	311.93
Stormwater - charge	86.74	109.46	116.46	130.78
Stormwater - rate	17.57	25.33	26.96	30.31
Water	803.90	874.47	1,030.05	1,185.95
Total	3,919.01	4,396.85	4,794.81	5,203.60
Increase/(decrease)		12.19%	9.05%	8.53%

Industrial & Commercial - Capital Value \$1,654,029 Land Value \$1,039,471 (2020 CV \$1,145,524 LV \$700,653)	2023/24 AP	2024/25 LTP	2025/26 LTP	2026/27 LTP
General rate	716.56	949.78	1,006.45	1,060.79
UAGC	600.31	735.06	790.02	807.46
Rubbish and recycling	421.72	426.27	453.38	461.34
Wastewater	953.25	1,085.51	1,189.30	1,345.33
Roading and building control CV	211.78	252.20	273.43	297.45
Economic development rate	471.62	482.41	468.06	460.92
Works and services rate	216.17	299.30	302.29	309.28
Works and services charge	246.04	302.18	305.27	311.93
Stormwater - charge	86.74	109.46	116.46	130.78
Stormwater - rate	45.99	59.86	63.73	71.63
Water	803.90	874.47	1,030.05	1,185.95
Total	4,774.07	5,576.50	5,998.46	6,442.87
Increase/(decrease)		16.81%	7.57%	7.41%

Proposed Rating examples continued

Farming and horticultural - Capital Value \$3,068,435 Land Value \$2,592,174 (2020 CV \$2,575,870 LV \$2,162,609)				
	2023/24 AP	2024/25 LTP	2025/26 LTP	2026/27 LTP
General rate	1,327.02	1,421.10	1,505.89	1,587.20
UAGC	600.31	735.06	790.02	807.46
Roading and building control CV	476.21	467.87	507.24	551.82
Works and services rate	667.23	746.38	753.83	771.27
Works and services charge	246.04	302.18	305.27	311.93
Total	3,316.81	3,672.59	3,862.26	4,029.68
Increase/(decrease)		10.73%	5.16%	4.33%

Rural Other - Capital Value \$1999,896 Land Value \$1,462,376 (2020 CV \$1,561,504 LV \$1,193,996)				
	2023/24 AP	2024/25 LTP	2025/26 LTP	2026/27 LTP
General rate	1,221.10	1,336.19	1,415.92	1,492.37
UAGC	600.31	735.06	790.02	807.46
Rubbish and recycling	421.72	426.27	453.38	461.34
Roading and building control CV	288.68	304.94	330.60	359.65
Works and services rate	368.38	421.07	425.27	435.12
Works and services charge	246.04	302.18	305.27	311.93
Stormwater - charge	86.74	109.46	116.46	130.78
Stormwater - rate	37.99	52.35	55.74	62.65
Total	3,270.97	3,687.53	3,892.67	4,061.29
Increase/(decrease)		12.74%	5.56%	4.33%

Financial prudence

Financial prudence

Under the Local Government Act 2002 Financial Reporting and Prudence Regulations 2014 all Councils are required to report performance against standardised benchmarks. 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 this benchmark if:

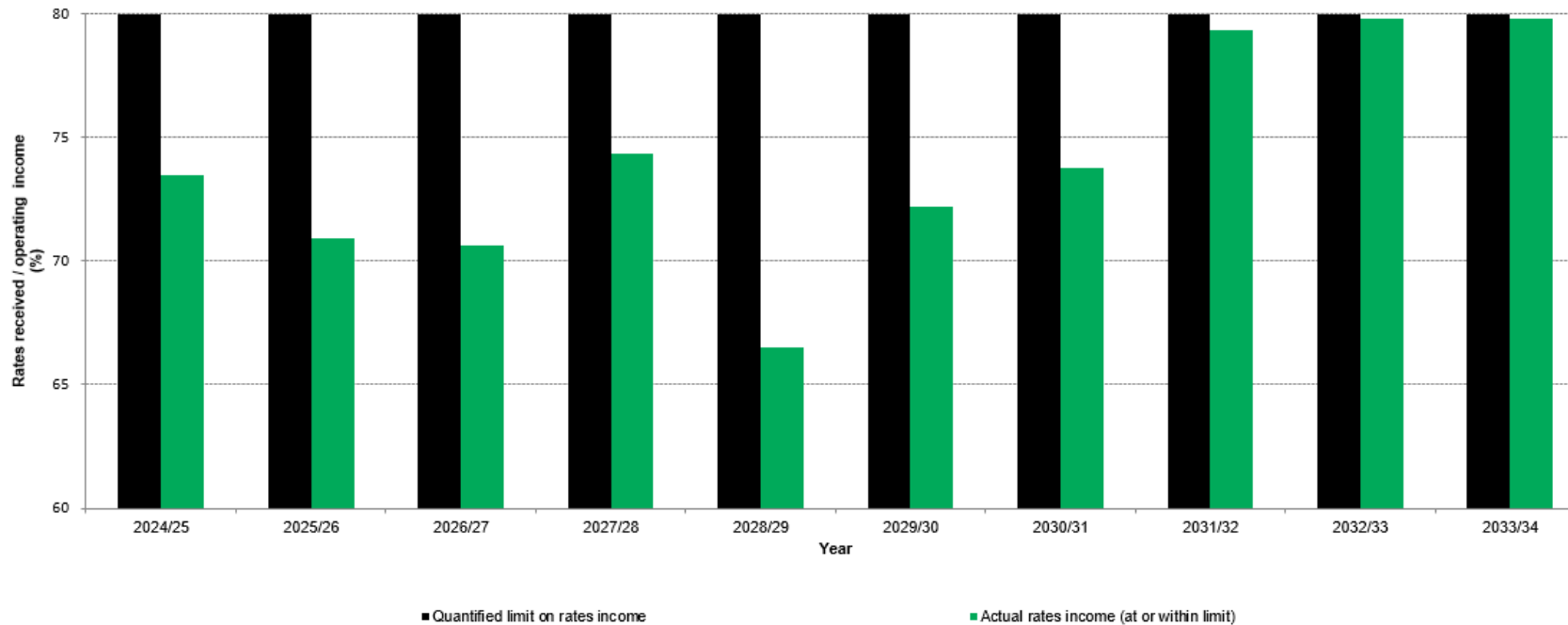
- total rates revenue does not exceed 80% of operating revenue; and
- total rates revenue will increase by no more than the local government costs index (LGCI) plus a percent.

Rates (income) affordability benchmark

Quantified limit on rates

The total rates requirement for each year of the Long Term Plan will be no more than the rates increase % limit applied to the previous year's rates requirement as adopted in the Long Term Plan.

The following graph compares Council's planned rates with a quantified limit on rates contained in the financial strategy included in this Long Term Plan. The quantified limit is that no more than 80% of total revenue is to come from rates.

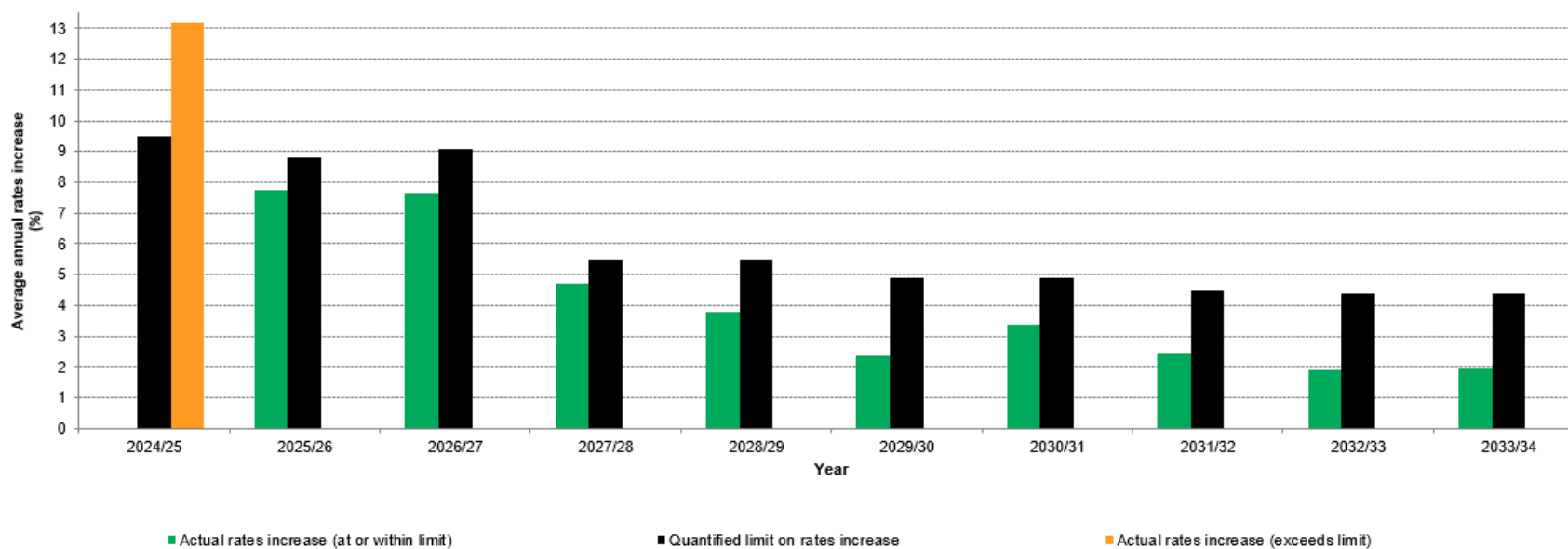


Rates (increases) affordability benchmark

Quantified Limit on Rates Increases

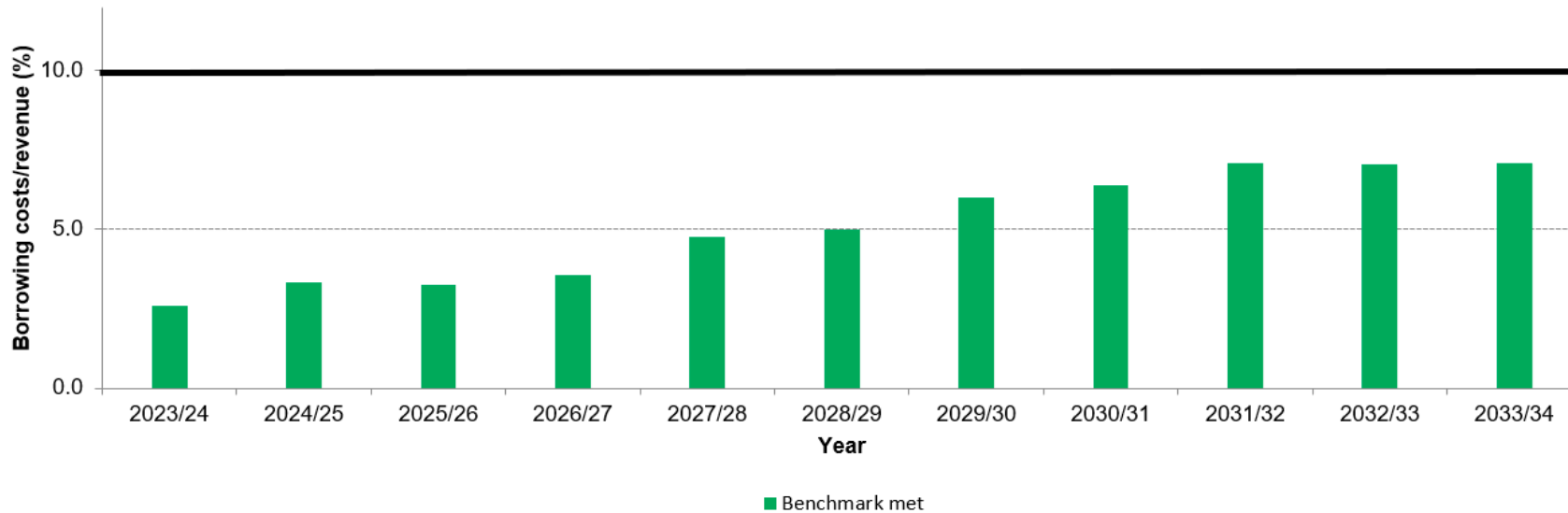
The following graph compares the Council's planned rates increases with a quantified limit on rates increases contained in the financial strategy included in this long-term plan. The quantified limit is:

- LGCI plus a percent.



Debt servicing benchmark

The following graph compares Council's planned borrowing costs as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property plant and equipment). Because Statistics New Zealand projects that Council's population will grow more slowly than what the national population is projected to grow by, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 10% of its planned revenue.

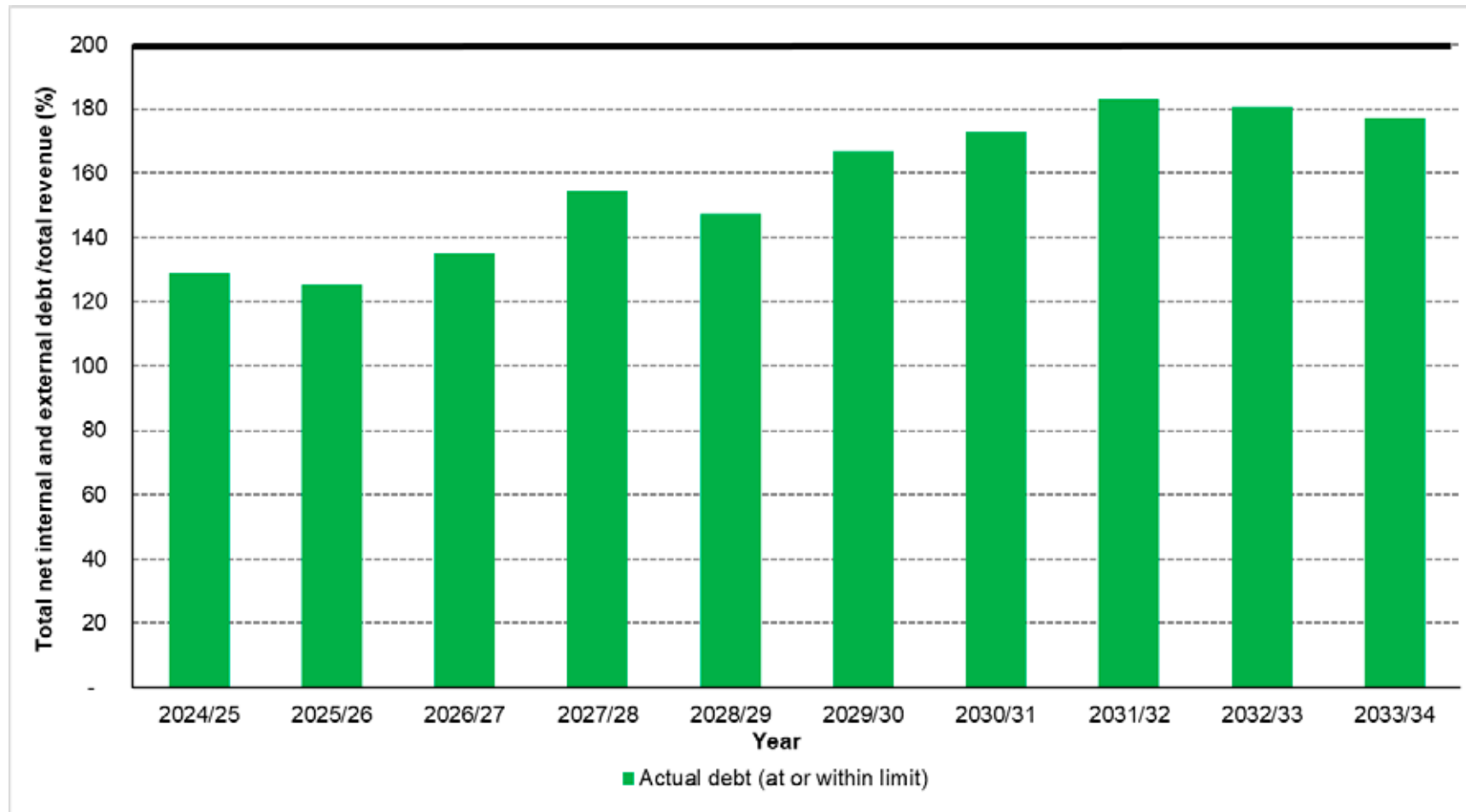


Debt affordability benchmark

The Council meets the debt affordability benchmark if its planned borrowing is within its quantified limit on borrowing

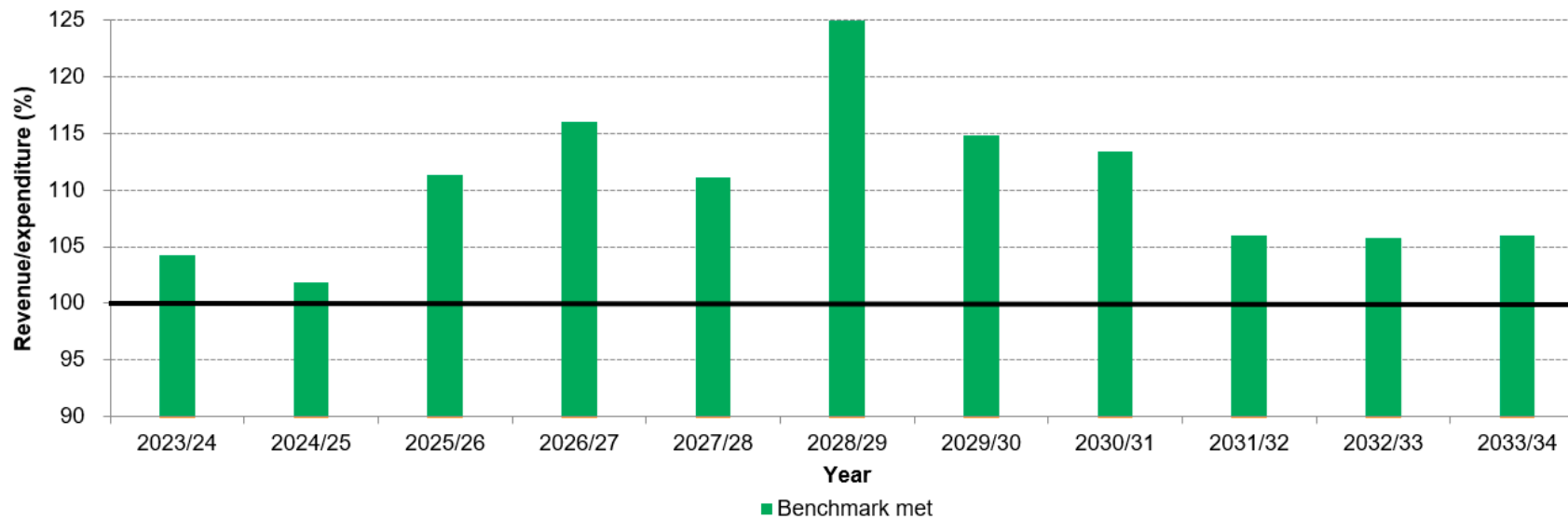
Total debt on total revenue

The following graph compares the Council's planned borrowing with the quantified limit on borrowing stated in the Financial Strategy included in the Long Term Plan. The quantified limit is total net internal and external debt is less than 200% of total revenue.



Balanced budget benchmark

The following graph shows the Council's planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property plant and equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant and equipment).

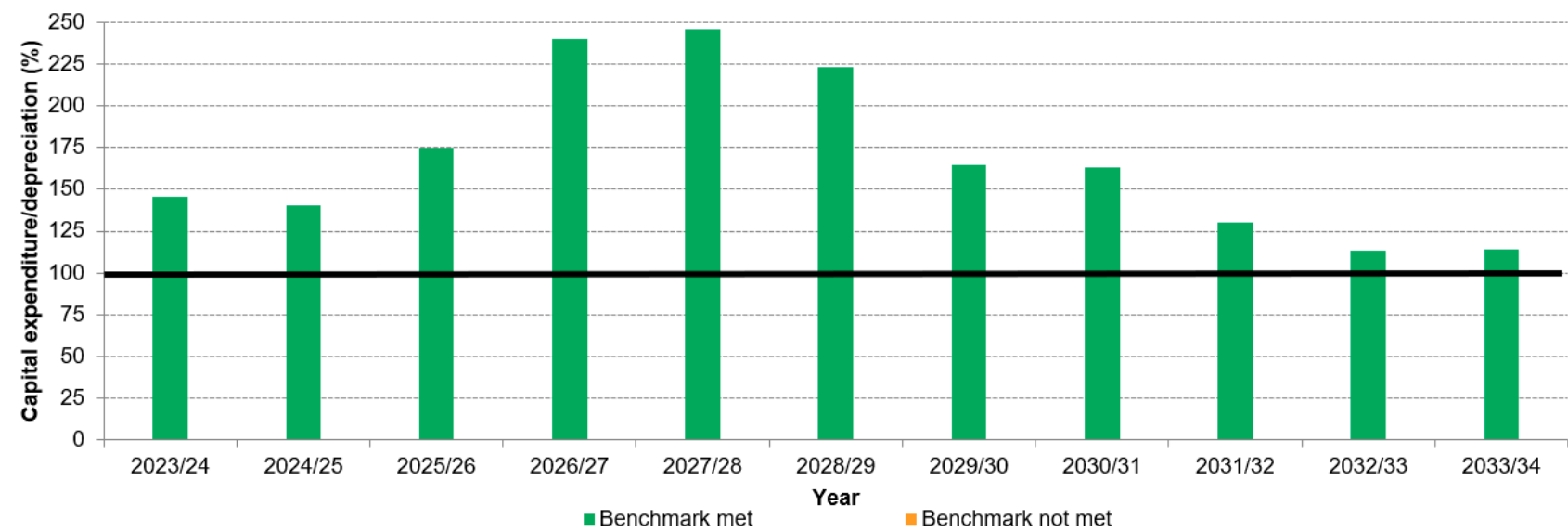


The Council meets the balanced budget benchmark if its planned revenue equals or is greater than its planned operating expenses.

Essential services benchmark

The following graph shows the Council’s planned capital expenditure on network services as a proportion of depreciation on network services.

The Council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.



To the readers:

Independent Auditor's report on Thames-Coromandel District Council's 2024-34 Long-term Plan

I am the Auditor-General's appointed auditor for Thames-Coromandel District Council (the Council). The Local Government Act 2002 (the Act) requires the Council's Long-term plan (the plan) to include the information in Part 1 of Schedule 10 of the Act. Section 94 of the Act requires an audit report on the Council's plan. Section 259C of the Act requires a report on disclosures made under certain regulations. I have carried out this work using the staff and resources of Audit New Zealand. We completed our report on 27 June 2024.

Qualified opinion

In our opinion, except for the effects of the matter described in the Basis for qualified opinion section of our report:

- the plan provides a reasonable basis for:
 - long-term, integrated decision-making and co-ordination of the Council's resources; and
 - accountability of the Council to the community;
- the information and assumptions underlying the forecast information in the plan are reasonable; and
- the disclosures on pages 283 to 289 represent a complete list of the disclosures required by Part 2 of the Local Government (Financial Reporting and Prudence) Regulations 2014 (the Regulations) and accurately reflect the information drawn from the plan.

In accordance with clause 45 of Schedule 1AA of the Local Government Act 2002, the consultation document on the Council's plan did not contain a report from the Auditor-General. The consultation document is therefore unaudited. Our opinion on the plan does not provide assurance on the consultation document or the information that supports it. Our opinion on the plan also does not provide assurance that the forecasts in the plan will be achieved, because events do not always occur as expected and variations may be material. Nor does it guarantee the accuracy of the information in the plan.

Basis for qualified opinion - assumption related to third party funding for coastal hazards projects

As outlined on page 18, the Council plans to spend \$92 million on shoreline protection projects. The Council assumes that 60% of the cost (approximately \$55.8 million) will be funded by the Government (see page 110). We consider the assumption unreasonable because the Government has not made any funding available.

If the Government does not provide funding, the Council may not be able to proceed. If less funding is provided, the projects may need to be delayed or have their scope revised. Until such time as the Council decides on these options, we are unable to quantify the effects on the information and assumptions underlying the forecast information in the plan.

We carried out our work in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*. In meeting the requirements of this standard, we took into account particular elements of the Auditor-General's Auditing Standards and the International Standard on Assurance Engagements 3400 *The Examination of Prospective Financial Information* that were consistent with those requirements.

We assessed the evidence the Council has to support the information and disclosures in the plan and the application of its policies and strategies to the forecast information in the plan. To select appropriate procedures, we assessed the risk of material misstatement and the Council's systems and processes applying to the preparation of the plan.

Our procedures included assessing whether:

- the Council's financial strategy, and the associated financial policies, support prudent financial management by the Council;
- the Council's infrastructure strategy identifies the significant infrastructure issues that the Council is likely to face during the next 30 years;
- the Council's forecasts to replace existing assets are consistent with its approach to replace its assets, and reasonably take into account the Council's knowledge of the assets' condition and performance;
- the information in the plan is based on materially complete and reliable information;
- the Council's key plans and policies are reflected consistently and appropriately in the development of the forecast information;
- the assumptions set out in the plan are based on the best information currently available to the Council and provide a reasonable and supportable basis for the preparation of the forecast information;
- the forecast financial information has been properly prepared on the basis of the underlying information and the assumptions adopted, and complies with generally accepted accounting practice in New Zealand;
- the rationale for the Council's activities is clearly presented and agreed levels of service are reflected throughout the plan;
- the levels of service and performance measures are reasonable estimates and reflect the main aspects of the Council's intended service delivery and performance; and
- the relationship between the levels of service, performance measures, and forecast financial information has been adequately explained in the plan.

We did not evaluate the security and controls over the electronic publication of the plan.

Emphasis of matter - uncertainty over Waka Kotahi funding for roading resilience projects

Without further modifying our opinion, we draw attention to page 110, which outlines the high level of uncertainty over the expected funding from NZ Transport Agency Waka Kotahi (the Agency) for the resilience roading programme. If the Agency does not provide funding or provides less funding than assumed, the roading resilience projects will either not proceed or will result in projects being delayed, depending on the level of funding received, which will affect the intended levels of service.

Responsibilities of the Council and auditor

The Council is responsible for:

- meeting all legal requirements affecting its procedures, decisions, consultation, disclosures, and other actions relating to the preparation of the plan;
- presenting forecast financial information in accordance with generally accepted accounting practice in New Zealand; and
- having systems and processes in place to enable the preparation of a plan that is free from material misstatement.

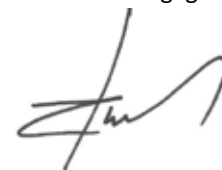
We are responsible for expressing an independent opinion on the plan and the disclosures required by the Regulations, as required by sections 94 and 259C of the Act. We do not express an opinion on the merits of the plan's policy content.

Independence and quality management

We have complied with the Auditor-General's independence and other ethical requirements, which incorporate the requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) (PES 1)* issued by the New Zealand Auditing and Assurance Standards Board. PES 1 is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

We have also complied with the Auditor-General's quality management requirements, which incorporate the requirements of Professional and Ethical Standard 3 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements (PES 3)* issued by the New Zealand Auditing and Assurance Standards Board. PES 3 requires our firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Other than our work in carrying out all legally required external audits, we have performed an assurance engagement over the procurement of a professional services contract. Other than these engagements we have no relationship with or interests in the Council.



Carl Wessels, Audit New Zealand

On behalf of the Auditor-General, Auckland, New Zealand

Whakapā mai | Contact us



Email: customer.services@tcdc.govt.nz

Phone: 07 868 0200

Service Centres:

515 Mackay Street, Thames

355 Kapanga Road, Coromandel Town

10 Monk Street, Whitianga

620 Port Road, Whangamatā

2 Manaia Road, Tairua (Tairua Library)

Post: Thames-Coromandel District Council
Private Bag 1001, Thames, 3540