

Minutes of a Council Workshop

Tuesday 23, April 2024 at 9.30am
Council Chambers, 10 Gorge Road, Queenstown

Present:	Mayor Glyn Lewers	Councillor Barry Bruce (online)
	Councillor Lyal Cocks	Councillor Niki Gladding
	Councillor Lisa Guy	Councillor Quentin Smith
	Councillor Cody Tucker	Councillor Melissa White
	Councillor Esther Whitehead (online)	Councillor Matt Wong
Apologies:	Councillor Craig Ferguson	Councillor Gavin Bartlett
In attendance:	Mike Theelen	Michelle Morss
	Meaghan Miller	Tony Avery
	Dave Wallace (online)	Dan Crosby
	Pennie Pearce	Naell Crosby-Roe
	Charlotte Wallis	Caleb Dawson-Swale
	Paddy Crib	Petri Conradie (online)
	Simon Battrick (online)	Robert Keessen (online)
	Rebecca Pitts (online)	Jesse Taylor
	Jon Winterbottom	
	No members of the public	No members of the media

No.	Agenda Item	Actions
1.	<p><u>Long Term Plan Steering Group</u></p> <p>Officers spoke to a PowerPoint and responded to questions.</p> <p>Presented the overall Financial Proposal for the Long Term Plan, following the initial draft CAPEX programme discussed at the previous 19 March Steering Group meeting.</p> <p>Presented the draft Infrastructure Strategy and sought input and suggestions in relation to proposed Consultation Topics.</p> <p>Officers sought direction to guide next steps across each of these items as work progresses to produce the draft Long Term Plan for public consultation 27 June – 28 July, alongside the Consultation Document.</p>	<p>Officers took a steer from Councillors on presentation of consultation topics in the consultation document. Officers presented two packages of sports/community investment and an environmental investment into earlier LTP years and associated rates impact. Officers were steered to include these packages as one combined consultation topic. Officers received no further steers on additional consultation topics.</p> <p>In response to Councillor queries, officers undertook to provide Councillors further financial materials.</p> <p>Officers also undertook to have further discussion with Councillors on the Development Contribution policy. A</p>

No.	Agenda Item	Actions
	<p><i><u>Attachments: (see attached)</u></i> <i>Attachment A: Presentation Agenda</i> <i>Attachment B: PowerPoint presentation and supporting materials</i></p>	<p>discussion on the Development Contribution Policy is now included in the planned agenda for the next Steering Group meeting on 30 May 2024.</p>

The workshop concluded at 12:30pm

Agenda - Steering Group 23 April 2024

- Overall Financial Proposal
- Financial Statements – 10 Yr P&L & Capital Expenditure
- Rating Implications
- Proposed Consultation Topics
- Infrastructure Strategy update
- Next steps

Total time = 3hrs

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He Mahere Pae Tawhiti 24-34 Long Term Plan 24-34

Steering Group

23rd April 2024

Agenda - Steering Group 23 April 2024

- Overall Financial Proposal
- Financial Statements – 10 Yr P&L & Capital Expenditure
- Rating Implications
- Proposed Consultation Topics
- Infrastructure Strategy update
- Next steps

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Overall Financial Proposal

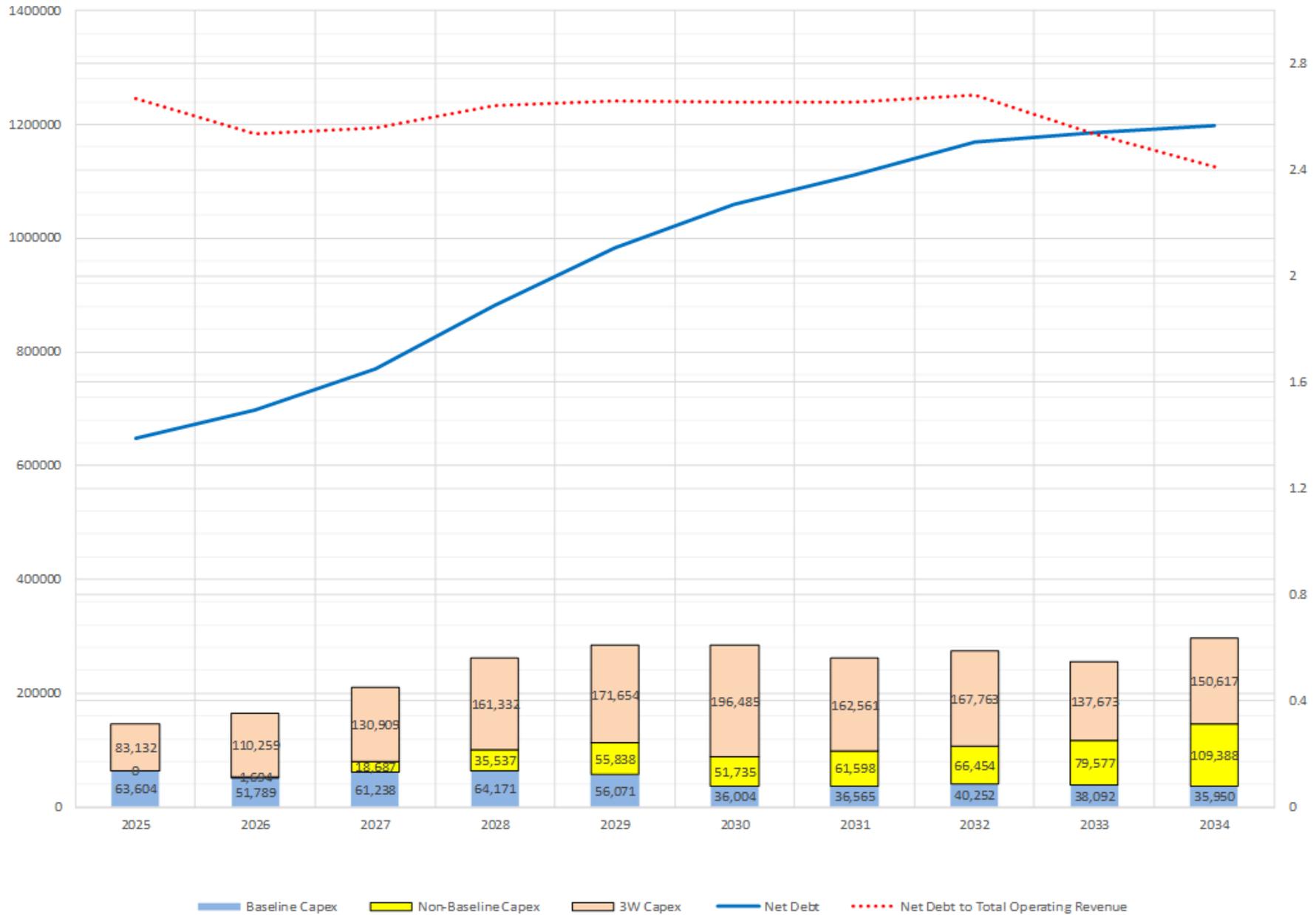
Financial Analysis

- Please see Financial Analysis pages 1-6

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	LTP Total	LTP Avg
Net Debt	647,975	697,598	769,252	881,284	982,253	1,058,818	1,110,822	1,168,280	1,185,702	1,198,371		
Net Debt to Total Operating Revenue	266.7%	253.8%	255.8%	264.3%	266.1%	265.6%	265.5%	268.4%	253.4%	241.2%		260.09%
Baseline Capex	63,604	51,789	61,238	64,171	56,071	36,004	36,565	40,252	38,092	35,950	483,736	
Non-Baseline Capex	0	1,694	18,687	35,537	55,838	51,735	61,598	66,454	79,577	109,388	480,508	
3W Capex	83,132	110,259	130,909	161,332	171,654	196,485	162,561	167,763	137,673	150,617	1,472,385	
Total Capex	146,736	163,742	210,834	261,040	283,563	284,224	260,724	274,469	255,342	295,955	2,436,629	
Capex Adjustment required	0	0	0	0	0	0	0	0	0	0	0	
Headroom by Year	\$45m	\$73m	\$73m	\$53m	\$53m	\$58m	\$61m	\$51m	\$125m	\$193m		
Rates Increase (after growth)	15.8%	12.9%	10.4%	9.0%	11.3%	5.8%	2.2%	3.5%	2.3%	1.5%		7.48%

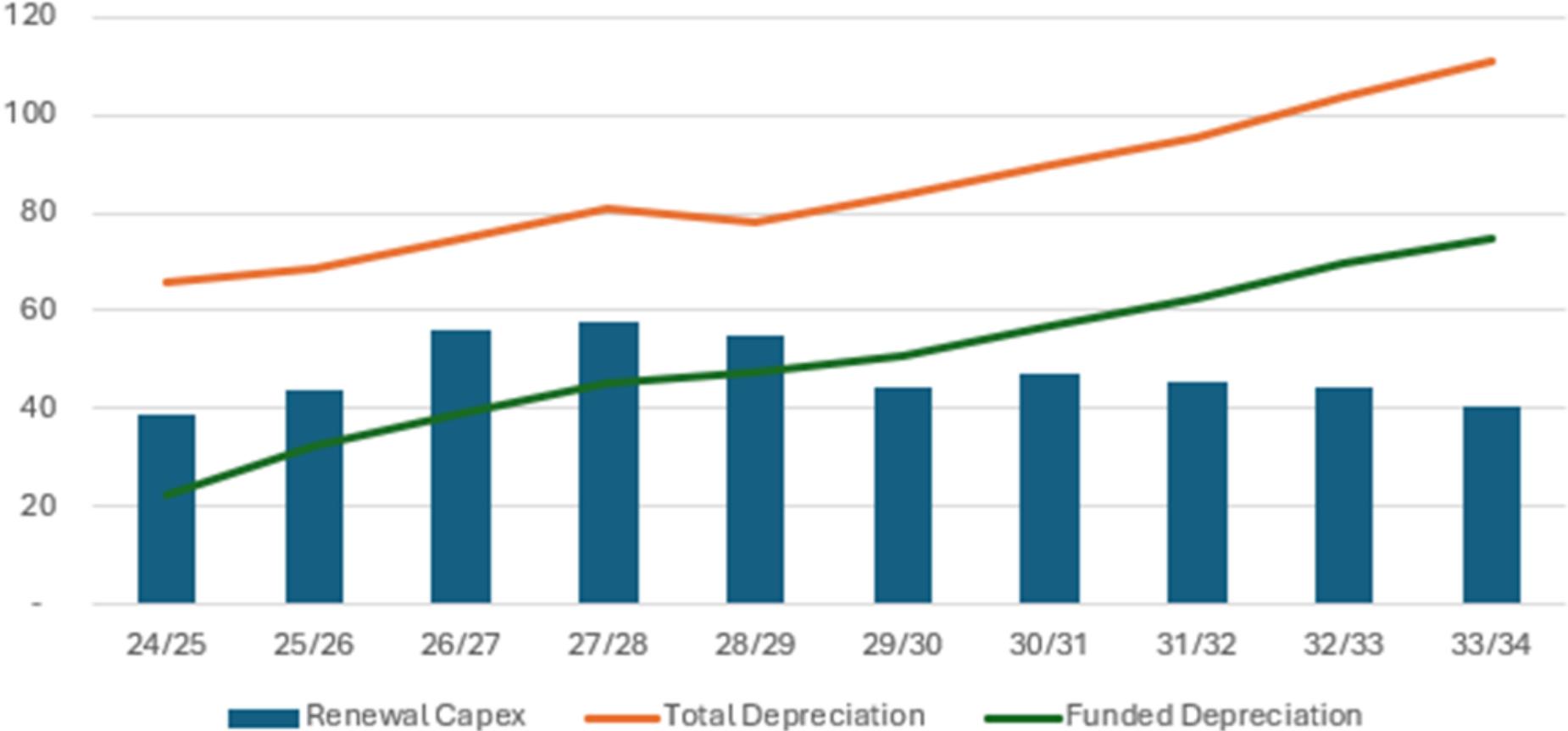
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Debt to Capex (LTP baseline + non baseline +\$1,472m 3W) with no upfront growth DC



Depreciation Funding

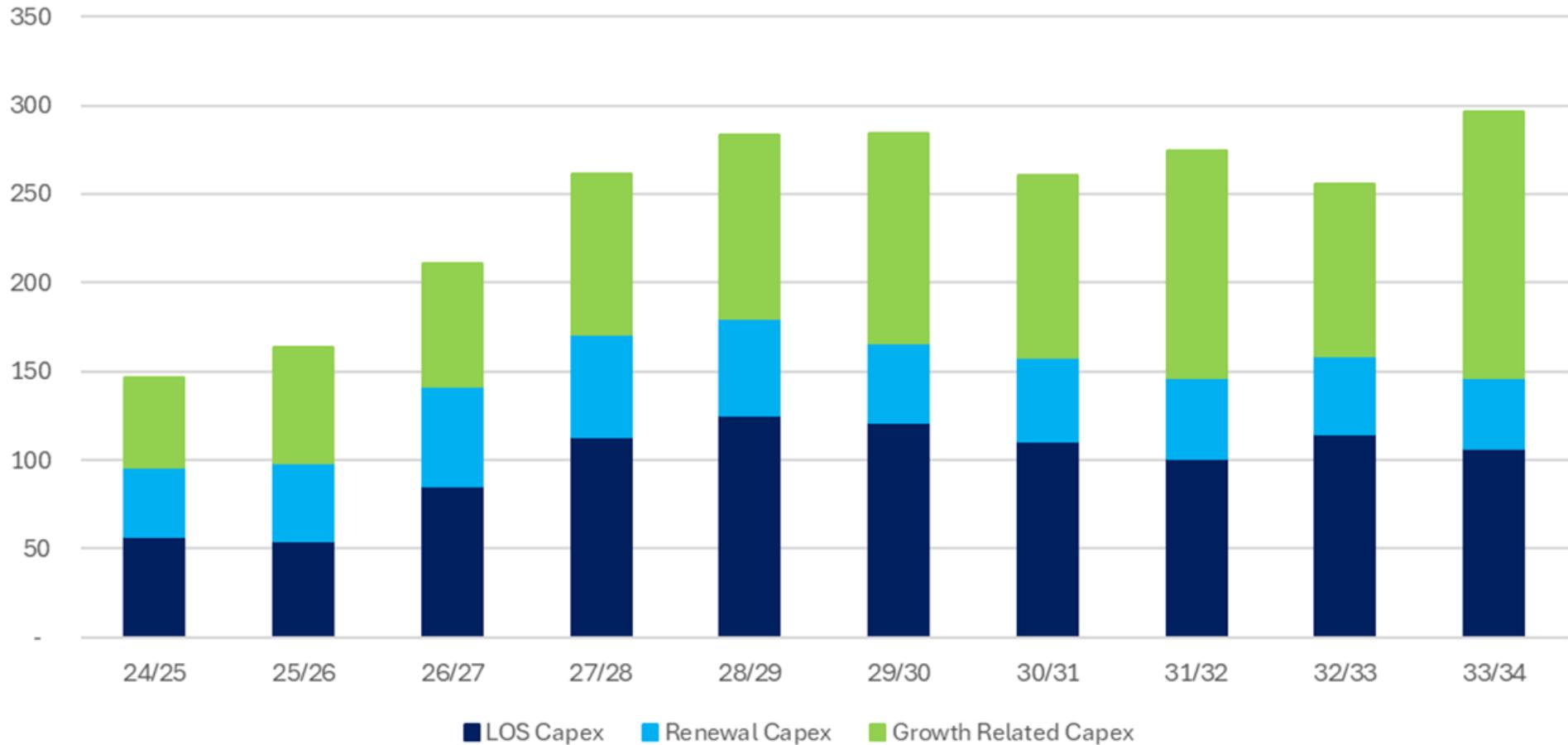
Ten year financial analysis renewals vs depreciation



Significant Increase in amount of Depreciation Funded moving from 30.6% to 51.9% over first 3 years & reaching 67.4% in Year 10.

Capital Expenditure by Cost Driver

Capital Expenditure by Cost Driver Whole Council (Physical Works Only)

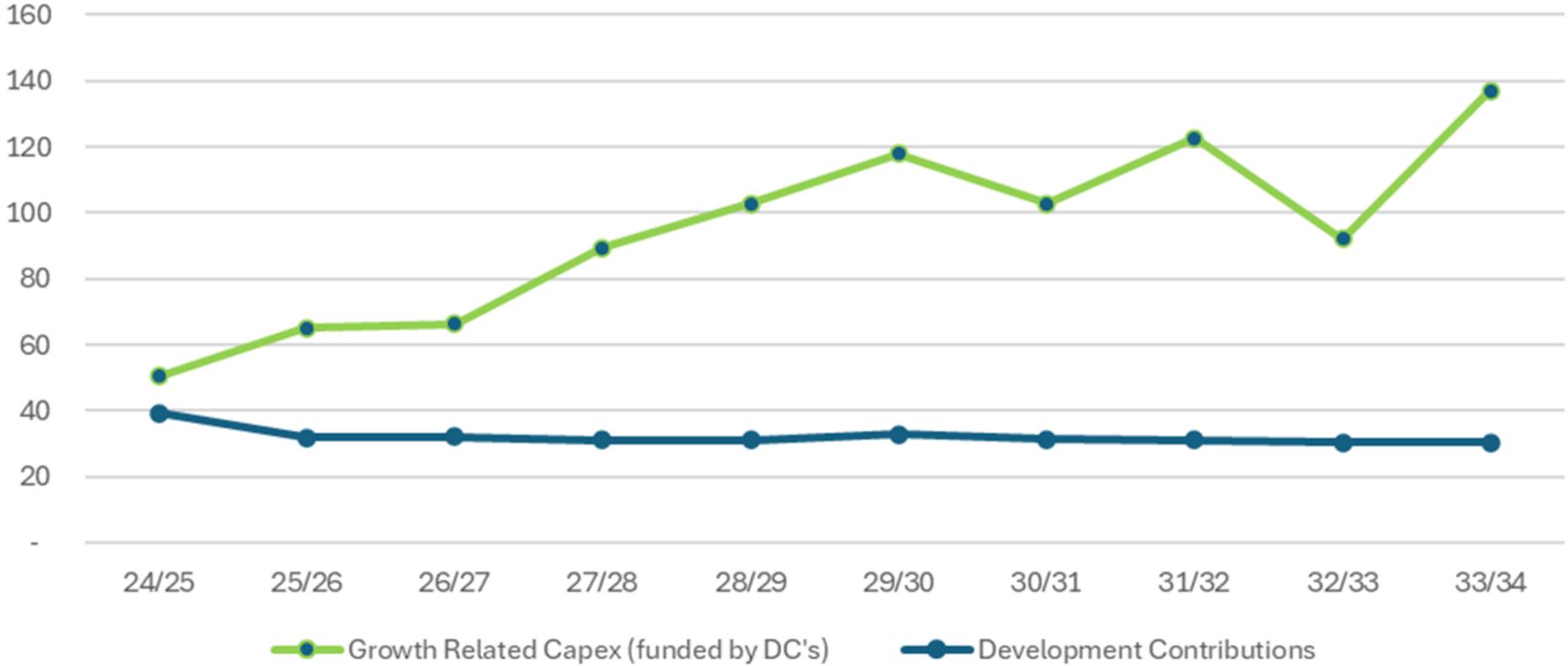


Growth \$975m 40.0%
Renewal \$473m 19.4%
LOS \$989m 40.6%



Growth Related Capex v Development Contr.

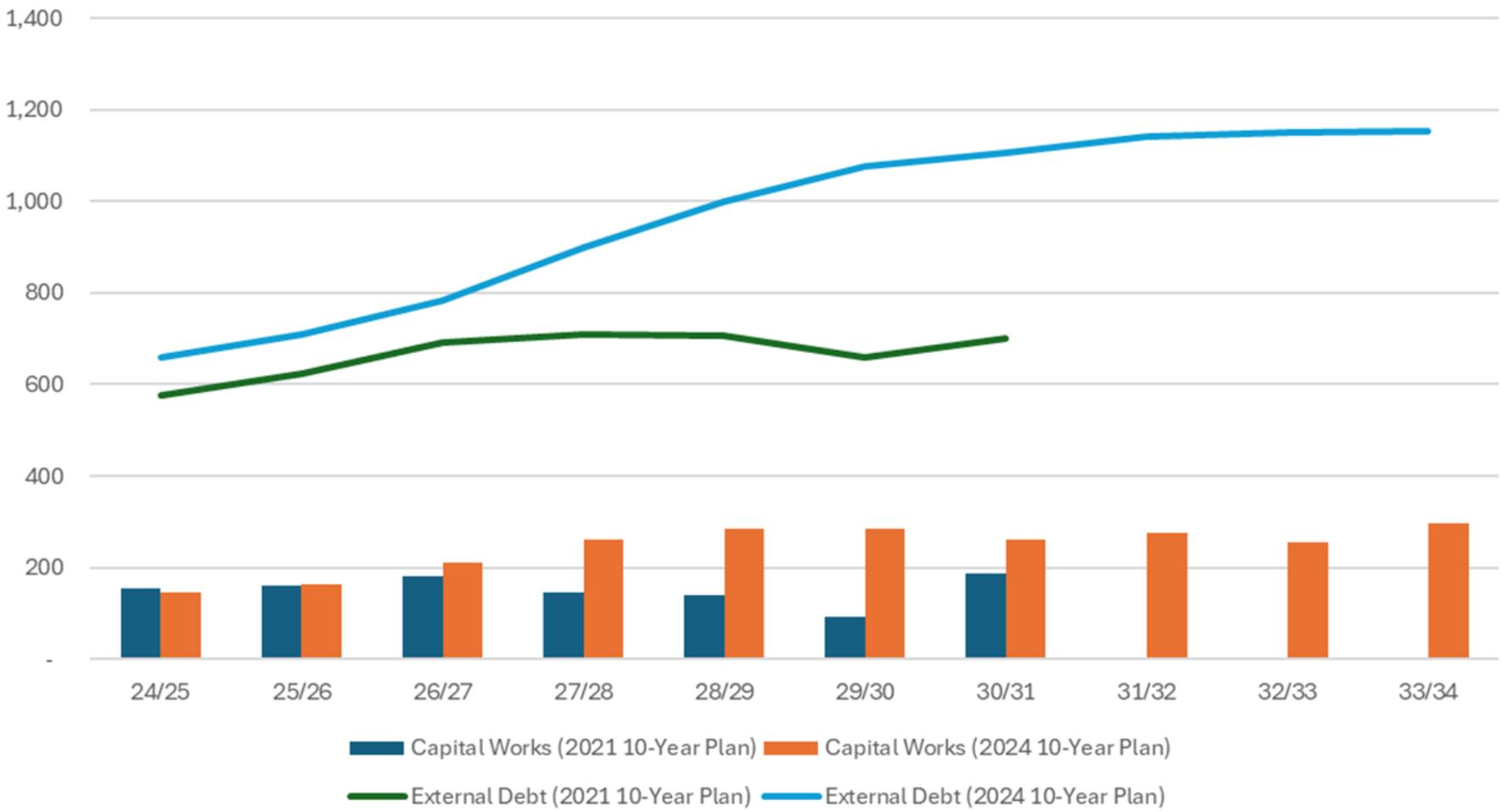
TEN YEAR FINANCIAL ANALYSIS GROWTH RELATED CAPEX VS DEVELOPMENT CONTRIBUTIONS



Significant Growth Capex profile compared to DC Revenue (without upfront payments)

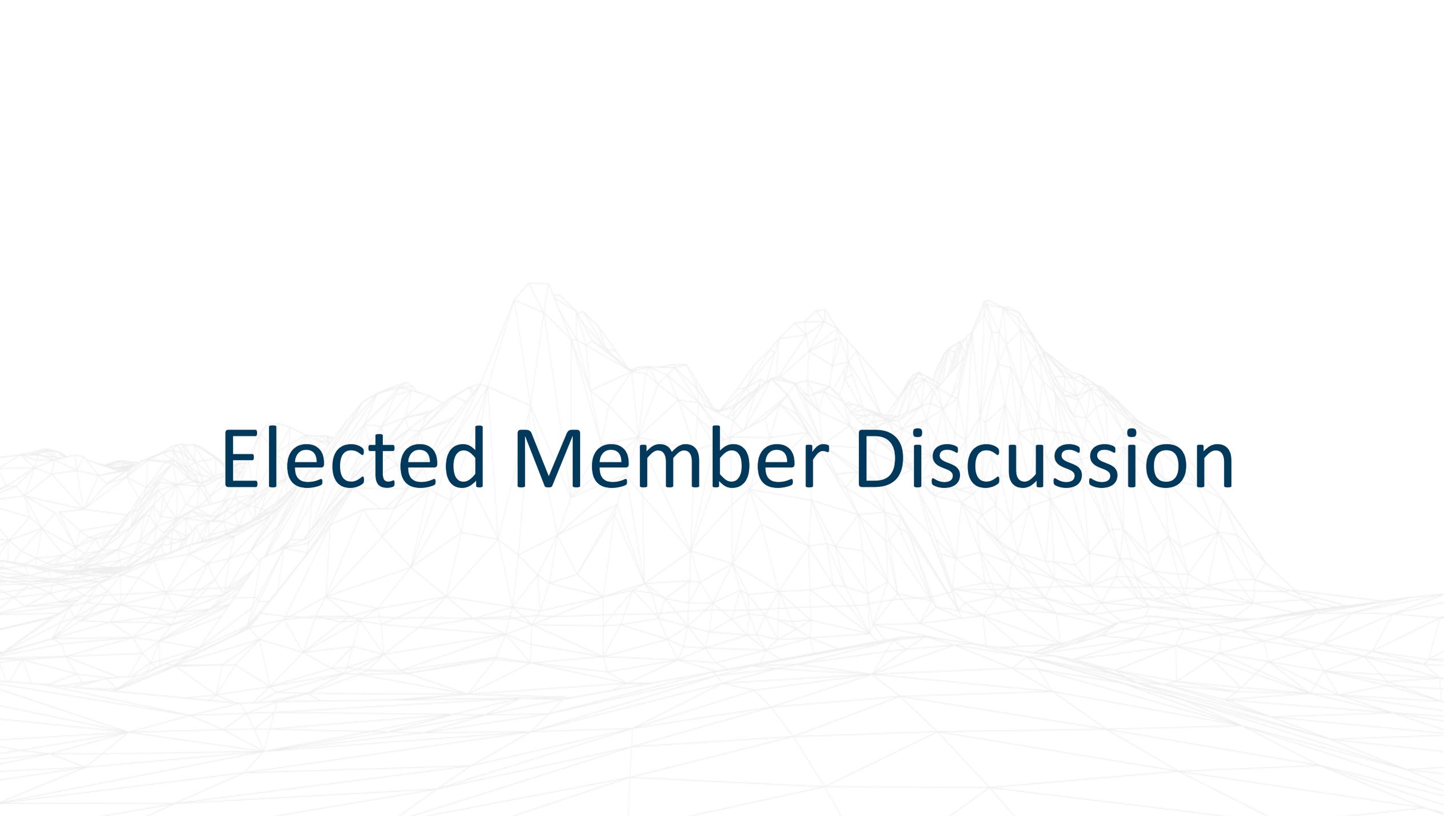
External Debt v Capital Works

TEN YEAR FINANCIAL ANALYSIS EXTERNAL DEBT VS CAPITAL WORKS



Comparison of LTP 24-34 to prior LTP 21-31 for both capex value & debt



The image features a background of a mountain range rendered in a light gray wireframe style. The mountains are composed of numerous interconnected lines forming a mesh of polygons, creating a three-dimensional effect. The text "Elected Member Discussion" is centered horizontally and vertically over the middle of the mountain range. The text is in a bold, dark blue, sans-serif font.

Elected Member Discussion



Financial Statements

10 Yr P&L & Capital Expenditure

Operating Revenue & Expenditure (\$'000)

- Total Operating Revenue
 - 2024/2025 to 2033/2034 - 8.5% Avg Increase per annum
 - 2021/2022 to 2030/2031 - 5.2% Avg Increase per annum
 - Rates - 14% Average Increase per annum (Total Growth: New Properties & Rates Increases)
- Total Operating Expenditure (Excl Interest & Depreciation)
 - 2024/2025 to 2033/2034 - 3.9% Avg Increase per Annum (Excl Interest & Depr)
 - Interest @ 8.0% Avg Increase per Annum
 - Depreciation @ 6.8% increase per Annum
 - Wastewater – 10.4% Avg Increase per Annum (Incl Int & Depr)
 - Water Supply – 11.0% Avg Increase per Annum (Incl Int. & Depr)
 - Storm Water – 5.6% Avg Increase per Annum (Incl Int & Depr)
 - Waste Management – 6.9% Avg Increase per Annum (Incl Int & Depr)

**See next slide for 10 Year Statement of Financial Performance (P&L)*

PROSPECTIVE STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDING 30 JUNE (\$'000)

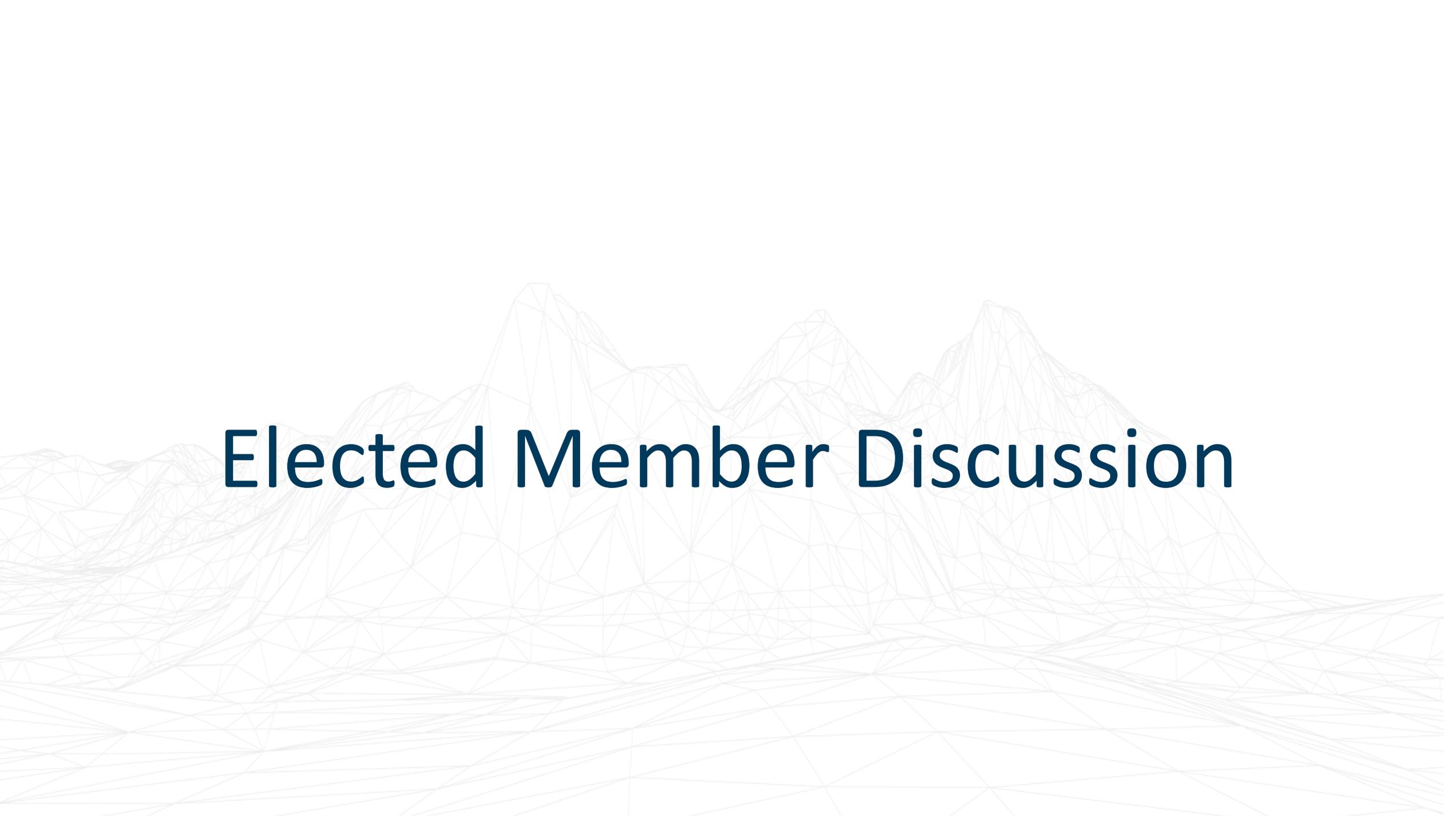
ANNUAL PLAN		TEN YEAR PLAN									
2023/24		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34
Operating revenue											
<i>Revenue from non-exchange transactions</i>											
118,104	Targeted rates	141,711	164,128	188,057	210,398	238,181	261,040	281,238	303,638	321,976	335,569
6,792	General rates	7,706	10,495	11,469	14,740	21,126	22,926	19,179	18,160	18,623	22,360
7,464	User charges - subsidised	8,116	8,514	8,857	9,381	9,756	10,119	10,477	10,942	11,307	11,673
48,013	Grants and subsidies	23,555	26,002	26,558	30,497	29,616	31,893	32,829	23,938	35,377	44,472
20,673	Vested assets	29,250	29,250	29,250	29,250	29,250	29,250	29,250	29,250	29,250	29,250
20,645	Development contributions	39,314	31,932	32,036	31,093	31,123	32,821	31,309	31,026	30,372	30,255
6,998	Other income	7,524	8,091	8,627	9,109	9,383	9,813	10,072	12,268	12,535	12,796
1,630	Revaluation of investment property	2,573	2,007	1,792	1,838	1,959	1,937	2,140	2,200	2,343	2,244
<i>Revenue from exchange transactions</i>											
37,131	User charges - full cost recovery	40,185	41,498	43,058	44,697	46,108	47,450	48,729	50,034	51,321	52,775
7,423	Dividend income	9,763	11,536	9,009	9,207	9,400	9,588	9,771	9,956	10,145	10,328
4,854	Other income - full cost recovery	4,960	5,166	5,611	5,917	6,152	6,381	6,608	6,840	7,065	7,294
3,142	Other gains/(losses) - full cost recovery	-	6,000	-	3,000	-	11,000	-	5,000	-	22,000
282,869	Total revenue	314,657	344,620	364,324	399,128	432,055	474,217	481,602	503,253	530,313	581,018
Operating expenditure											
12,038	Local democracy	11,430	12,436	12,534	12,438	12,119	12,688	12,591	12,955	13,613	13,626
45,140	Community services & facilities	51,892	54,622	57,322	61,097	63,920	67,634	70,561	74,607	77,537	82,035
20,443	Economy	22,520	22,595	22,102	22,052	21,711	21,143	20,559	20,222	20,033	20,127
17,740	Environmental management	19,898	20,829	21,434	22,012	22,449	22,901	23,434	24,077	24,786	25,478
17,734	Regulatory functions & services	18,372	19,271	20,006	20,592	21,041	21,467	21,948	22,643	23,029	23,648
39,615	Transport	46,043	49,335	51,920	53,711	48,224	49,444	50,906	52,458	54,769	56,294
28,619	Wastewater	32,364	34,517	39,255	44,618	49,603	54,626	58,139	61,388	64,425	65,923
18,753	Water supply	22,177	22,820	24,421	26,869	29,366	32,704	35,818	39,857	44,878	46,571
8,727	Stormwater	12,703	11,183	12,023	13,069	14,050	15,046	16,234	17,351	19,053	19,760
20,414	Waste management	22,047	23,912	25,698	30,134	31,900	33,072	35,533	36,415	36,802	37,188
222	Finance & support services	139	297	303	310	316	322	329	335	341	347
229,445	Total operating expenditure *	259,584	271,816	287,017	306,901	314,699	331,047	346,051	362,307	379,266	390,998
53,424	Operating surplus	55,073	72,804	77,308	92,227	117,356	143,169	135,551	140,946	151,047	190,020
* Operating expenditure includes:											
55,537	Depreciation	66,012	68,789	74,923	81,101	78,301	83,680	89,827	95,338	103,536	110,917
23,126	Interest	28,102	27,925	30,434	34,756	39,789	44,091	47,017	49,251	50,747	50,537

Capital Expenditure (\$'000)

- Total Capital Expenditure*
 - 2024/2025 to 2033/2034 – \$2.4B
 - Community Services & Facilities – \$352M / 14%
 - Water Supply – \$530M / 22%
 - Wastewater – \$739M / 30%
 - Storm Water – \$195M / 8%
 - Transport (Inc Roding, Parking, footpaths– \$408M / 17%
 - Waste Management - \$101M / 4%
 - Other - \$112M / 5%

****See Capital Expenditure Hand Out for Detail***

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Elected Member Discussion

A dark blue background featuring a white wireframe mountain range. The mountains are composed of interconnected lines forming a low-poly, geometric landscape. The text "Rating Implications" is centered in white, sans-serif font.

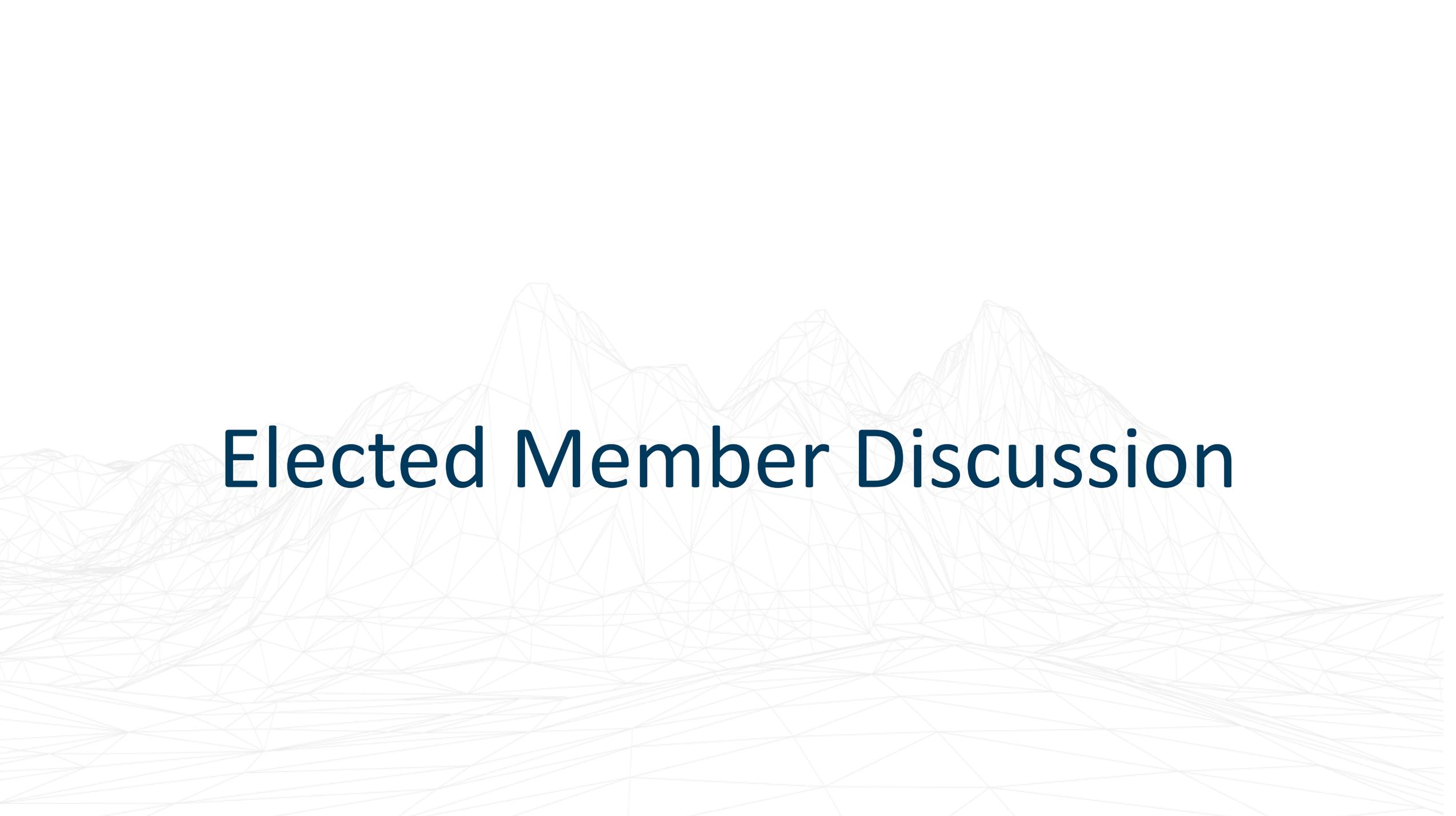
Rating Implications

Rating Implications

- Please see Financial Analyses Handout – Pages 7-9

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Proposed Consultation Topics

Consultation Topics vs Big Issues

- Important to distinguish between the language of "big issues" and consultation topics. The former has been used to refer historically to matters for consultation but is confusing.
- The "big issues" in this consultation refers to the contextual drivers behind the development of the plan, such as:
 - Context of high rates increase across the motu based on increased interest rates, significant increases in cost of project delivery, etc.
 - Strategic priorities developed by the Council
 - Reintegration of Three Waters (which had been taken out from year three under the previous government's Three Waters Reform).
 - Significant financial constraints (Debt to revenue ratio)
- Consultation topics are those as defined by LGA 2002 sections 93B and 93C

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Factors that have influenced potential options for consultation

- Options should be something outside of the baseline, must-do programme of work.
- Something that aligns with the agreed strategic priorities, for example delivering valuable community assets or facilities that currently sit later in the draft programme.
- Projects that could be realistically delivered or commenced within the first three years.
- Projects that are genuine options for delivery, i.e. can be delivered within the existing fiscal constraints noting there is not capacity to keep adding more and more within the already significantly constrained first three years.
- Options that can bring benefit equitably across the district as a whole.
- Options that speak to other strategies and priorities such as the climate and biodiversity plan.

Note: Submitters can comment on any aspect of the draft Long Term Plan and CAPEX & OPEX programmes, as well as the specific consultation topics. This will be made clear throughout the Consultation Document.

Options for consultation topics

- Community facility and sports field investment package
 - 516 Ladies Mile
 - Wānaka sports fields
- Community Pools energy upgrades / LPG replacement
 - Alpine Aqualand (QEC), Wānaka Recreation Centre, Arrowtown Pool
- Targeted CDB rate

Refer to separate documents with supporting information for costs and rates impact

- Note, recommendation DC upfront payment not a consultation topic but will be inserted as part of a discussion on alternative funding and feedback sought on support for Council to pursue this and other funding options.

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Costing impact for community and energy options

Combined Impact Options 1,2,3			
Change to Yr 2		4,461,503	
Change to Yr 3			3,557,500
Grand Total 1,2, 3		4,461,503	3,557,500
Financial Impact Yr 2			
Debt Funded Mixed%			
New Debt			
	3,799,501		
Interest Yr 2	170,978		4.50%
Revised Total Debt	701,397,601		
Revised Revenue	275,663,361		
Revised D/R	254.4% original		253.83%
Revised Headroom	\$70.5M	original	\$72.0M
	Increase \$	Increase %	Revised Annual
Rates Impact	832,979	0.54%	13.44%
Financial Impact Yr 3			
Debt Funded Mixed%			
New Debt			
	1,297,500		
Interest Yr 3	58,388		4.50%
Revised Total Debt	774,349,064		
Revised Revenue	303,929,141		
Revised D/R	254.8% original		255.90%
Revised Headroom	\$76.6M	original	\$73.0M
	Increase \$	Increase %	Revised Annual
Rates Impact	3,151,366	1.74%	12.12%

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Infrastructure Strategy

Strategic Context

The first section of the Strategy sets out the overarching vision and objectives for infrastructure, and the significant issues challenge that vision.

- Council's Strategic Framework translates community outcomes into infrastructure-based outcomes and 10 year investment priorities
- Highlights the interdependency between infrastructure and the Spatial Plan
- Demonstrates how the Strategy is part of a broad and complex planning environment
- Identifies five key issues for Council's infrastructure over the next 30 years:
 - Rapid & sustained population growth
 - Increased & increasing standards and expectations
 - Resilience to shock events
 - Climate emergency
 - Infrastructure deficit

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Meeting the Challenge – The ‘most likely’ scenario

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

GROWTH

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

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

Resident and population growth is materially lower than predicted

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

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

← ABILITY TO FUND →
 Funding capacity remains constrained Capacity to fund increases significantly

The most likely scenario is based on assumptions & constraints about core drivers of infrastructure investment

Council will proactively work towards a more preferable scenario

Delivering outcomes within the most likely scenario will require investment from others

Levels of service will be periodically reviewed over the life of the Strategy

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Meeting the Challenge – Sustainable infrastructure

It will not be sustainable to build our way out of the issues described in the Strategy, or to rely on traditional funding mechanisms to meet our investment needs.

A principles-based approach will underpin how we prioritise, fund, and operate our infrastructure.

- Responsible decision-making and strong resource management
- Consider non-built solutions first
- Partner with others
- Embrace uncertainty and change

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Meeting the Challenge – Significant decisions

Within the context of our ‘most likely scenario’, this Strategy identifies eight significant decisions Council expects it will be required to make and the principal options Council expects to consider.

Each option is supported by:

- A description summarising the intent and primary focus of the option
- Relative assessment of the extent to which the option (a) responds to the significant issues identified in the strategy, and (b) contributes to infrastructure outcomes
- Implications of the option

The most likely option is further supported by a list of key capital expenditure initiatives required to give effect to the option, including indicative cost and timing.

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Responding to natural hazard risks and the effects of climate change

MOST LIKELY

**MAINTAIN EXISTING
ASSETS & REACT TO
SHOCK EVENTS**

**SUSTAIN THE CURRENT
PACE OF RISK
ASSESSMENT AND
RESPONSE**

**STRENGTHEN CRITICAL
ASSETS AND SERVICES**

**HIGH LEVEL OF
INFRASTRUCTURE
RESILIENCE TO SHOCKS
AND STRESSES**

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Reducing infrastructure's impact on the environment

MOST LIKELY

**SLOW CURRENT
EFFORTS**

**MAINTAIN/SUSTAIN
CURRENT EFFORTS**

**ACCELERATE AND
EXPAND ON CURRENT
EFFORTS**

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Well-designed neighbourhoods with social infrastructure that provide for everyday needs



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Servicing of key development areas

**ON DEMAND,
DEVELOPMENT-
LED SERVICING**

**SERVICE EXISTING
ZONED CAPACITY
ONLY**

**PROTECT FOR
FUTURE
DEVELOPMENT
ONLY**

MOST LIKELY

**SERVICE AREAS TO
PROJECTED GROWTH
LEVELS AND/OR
OPTIMAL SERVICING
CAPACITY**

**SERVICE AREAS TO
MAXIMUM
POSSIBLE
CAPACITY**

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Investing in existing three waters schemes

MOST LIKELY



**MAINTAIN EXISTING
ASSETS AND INVEST ONLY
IN LOW/NO BUILD
INFRASTRUCTURE
SOLUTIONS**

**MAINTAIN EXISTING
AND BUILD TO MEET
DEMAND**

**MAINTAIN EXISTING AND
MEET DEMAND THROUGH
A BALANCE OF BUILT AND
NON-BUILT SOLUTIONS**

**MAINTAIN EXISTING, MEET
DEMAND THROUGH A
BALANCE OF BUILT AND
NON-BUILT SOLUTIONS,
AND EXTEND CURRENT
SCHEME BOUNDARIES TO
INCREASE BREADTH OF
SERVICE**

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Providing for the transportation network's capacity, functionality, and transformation



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Extent of Investment in strategically placed, integrated facilities



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The type of waste management services and facilities provided

MOST LIKELY

**MAINTAIN ESTABLISHED
SERVICES & INITIATIVES**

**FOCUS ON EMISSIONS
REDUCTION**

**MOVE TOWARDS A
CIRCULAR ECONOMY**

**PROTECT FOR ALL
POSSIBILITIES**

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Managing and Investing in Council's Assets

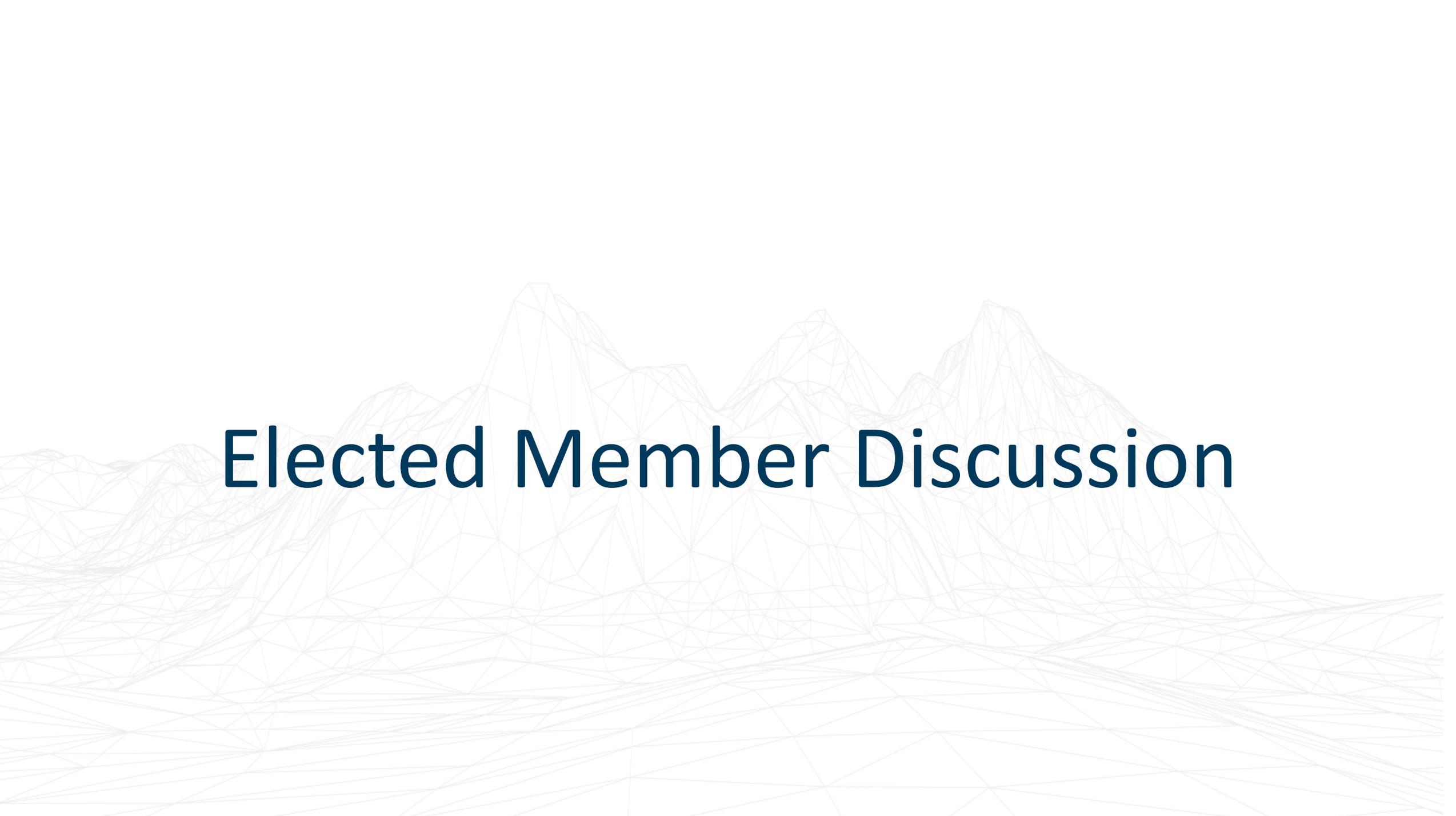
The Strategy must outline how we intend to manage our assets over the next 30 years.

The strategy covers:

- Council's asset management system
- The relationship between the Strategy and the asset management system
- What Council expects to invest in its infrastructure over the next 30 years

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A wireframe illustration of a mountain range, composed of numerous interconnected lines forming a mesh of polygons. The mountains are rendered in a light gray color against a white background. The text "Elected Member Discussion" is centered over the middle of the image.

Elected Member Discussion

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Next Steps

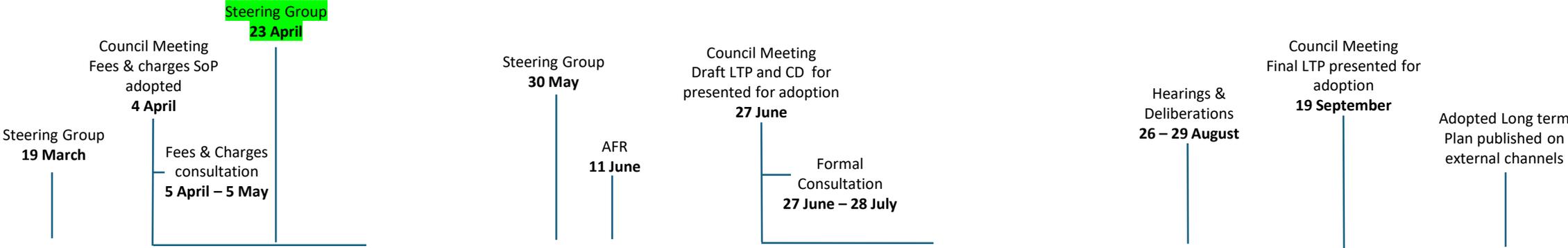
Next Steps

- Note: updates to three KPIs in OneDrive.
- Audit commenced on 22 April.
- Fees and charges consultation finishes on 5 May. 8 responses received as at 9am 22 April.
- Next Steering Group 30 May. Draft agenda: Consultation, Comms & Engagement Plan, PowerBI tool demonstration

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LTP24 Work Programme



Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
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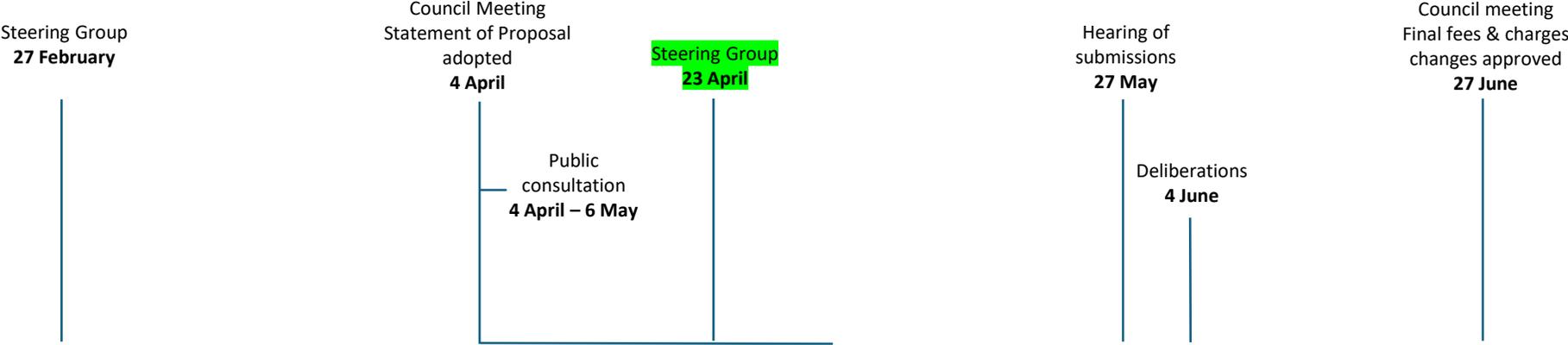
Water programme work	Draft LTP Consultation Document Creation & Internal Compliance Review	LTP Audit	Draft LTP and Consultation Document finalisation

Submission review & analysis

LTP finalisation

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Fees & charges work programme



Feb Mar Apr May Jun Jul

Statement of Proposal document created & finalised

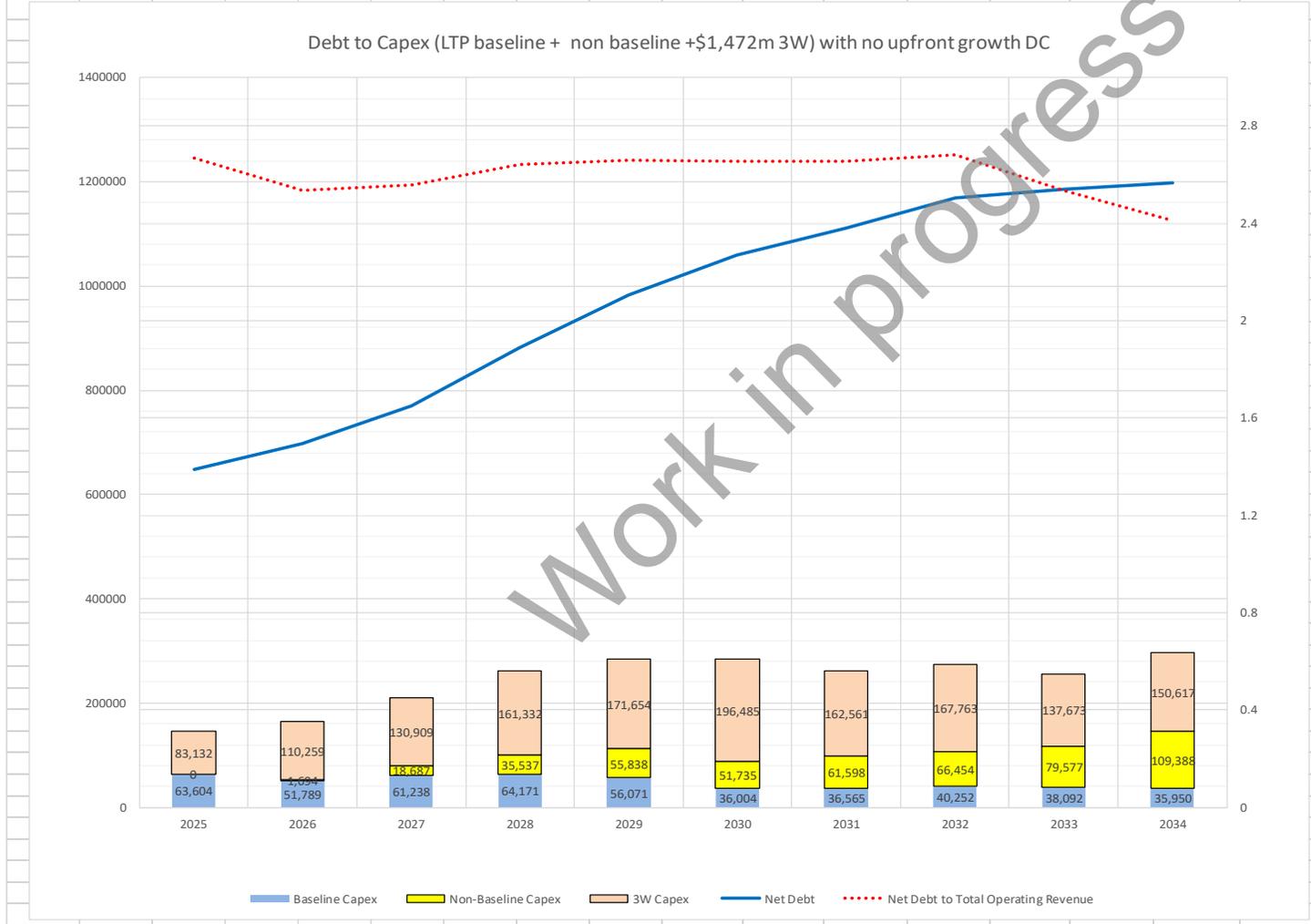
Submission review & analysis

Fees & charges finalisation

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Non-Baseline Capex	0	1,694	18,687	35,537	55,838	51,735	61,598	66,454	79,577	109,388	480,508	
3W Capex	83,132	110,259	130,909	161,332	171,654	196,485	162,561	167,763	137,673	150,617	1,472,385	
Total Capex	146,736	163,742	210,834	261,040	283,563	284,224	260,724	274,469	255,342	295,955	2,436,629	
Capex Adjustment required	0	0	0	0	0	0	0	0	0	0	0	
Headroom by Year	\$45m	\$73m	\$73m	\$53m	\$53m	\$58m	\$61m	\$51m	\$125m	\$193m		
Rates Increase (after growth)	15.8%	12.9%	10.4%	9.0%	11.3%	5.8%	2.2%	3.5%	2.3%	1.5%		7.48%



Option 2 No Upfront Capital

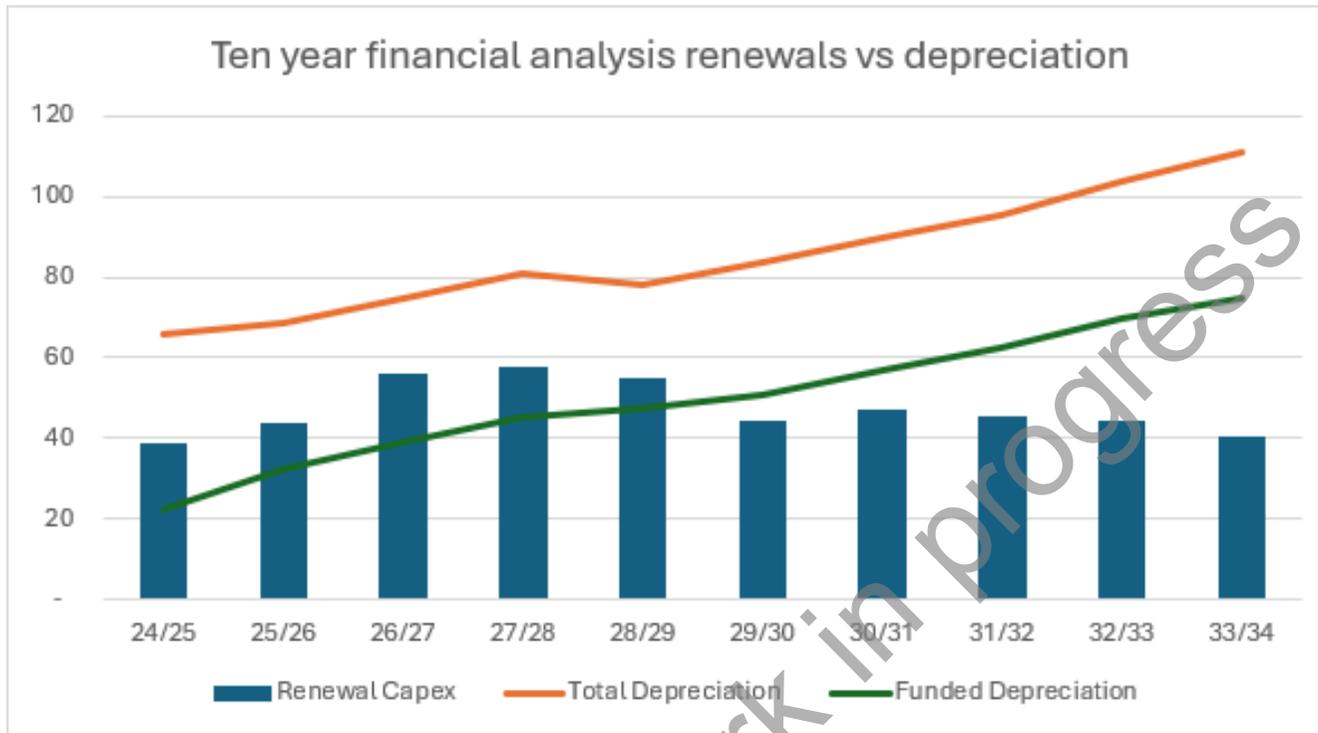
Final Full Analysis now completed. Includes final draft DC income & updated QAC Div in line with SOI. Loan Payments re-worked to minimise & smooth rates increases. Improved overall position to original Option 2. This is now the recommended position based on audit discussions. Assumption re 35% up front capital not justifiable at this time.

Debt Impact – no D/R ratio breaches - all years below 269%. Most below 265%. Headroom – above \$45m all years. Average \$78m. Closing debt \$1.198bn

Rates Impact - First 5 yr average increase 11.9% (was 15.6%) 10 Yr average 7.5%.(was 12.0%) removed spikes Y4 & Y5

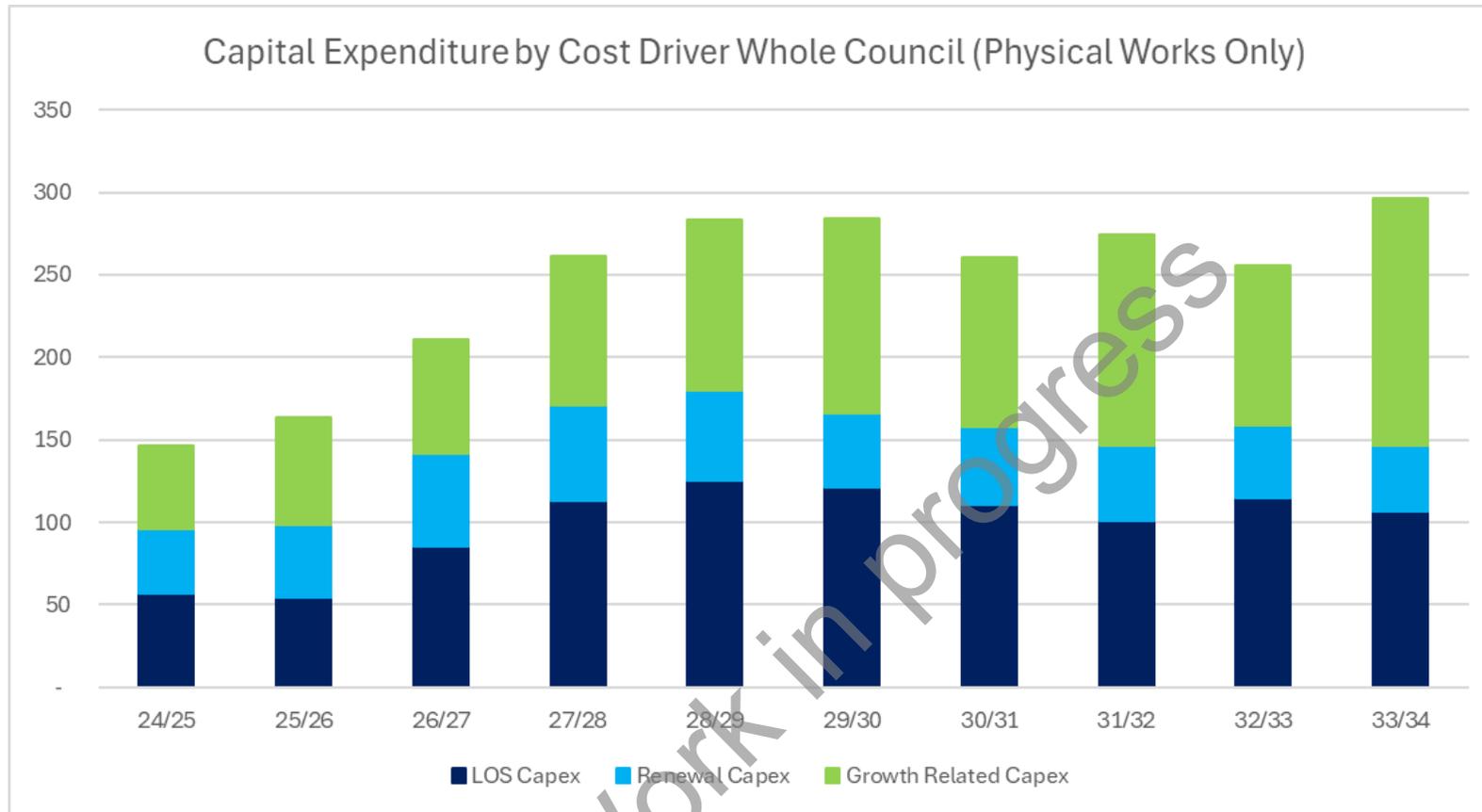
Capex Impact – Includes growth servicing capex – assumes no upfront payment.

Depreciation Funding



Depreciation Funding	23/24	24/25	25/26	26/27	33/34
% Funded	30.6%	33.6%	47.2%	51.9%	67.4%
\$m Funded	16.98	22.16	32.44	38.87	74.76
Movement \$m		5.18	10.28	6.43	
Rates Impact		3.8%	6.7%	3.5%	

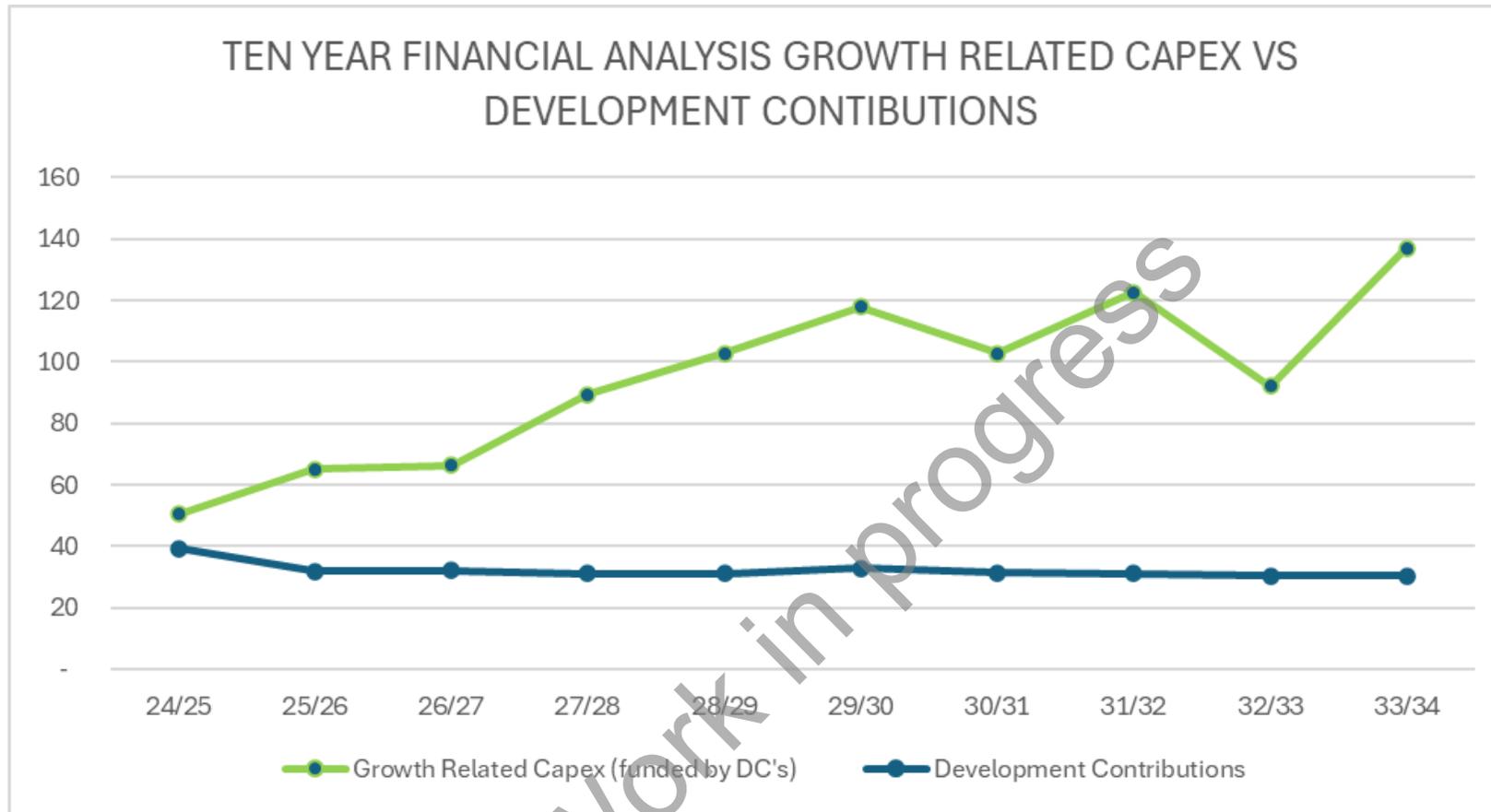
Significant Increase in amount of Depreciation Funded moving from 30.6% to 51.9% over first 3 years & reaching 67.4% in Year 10.



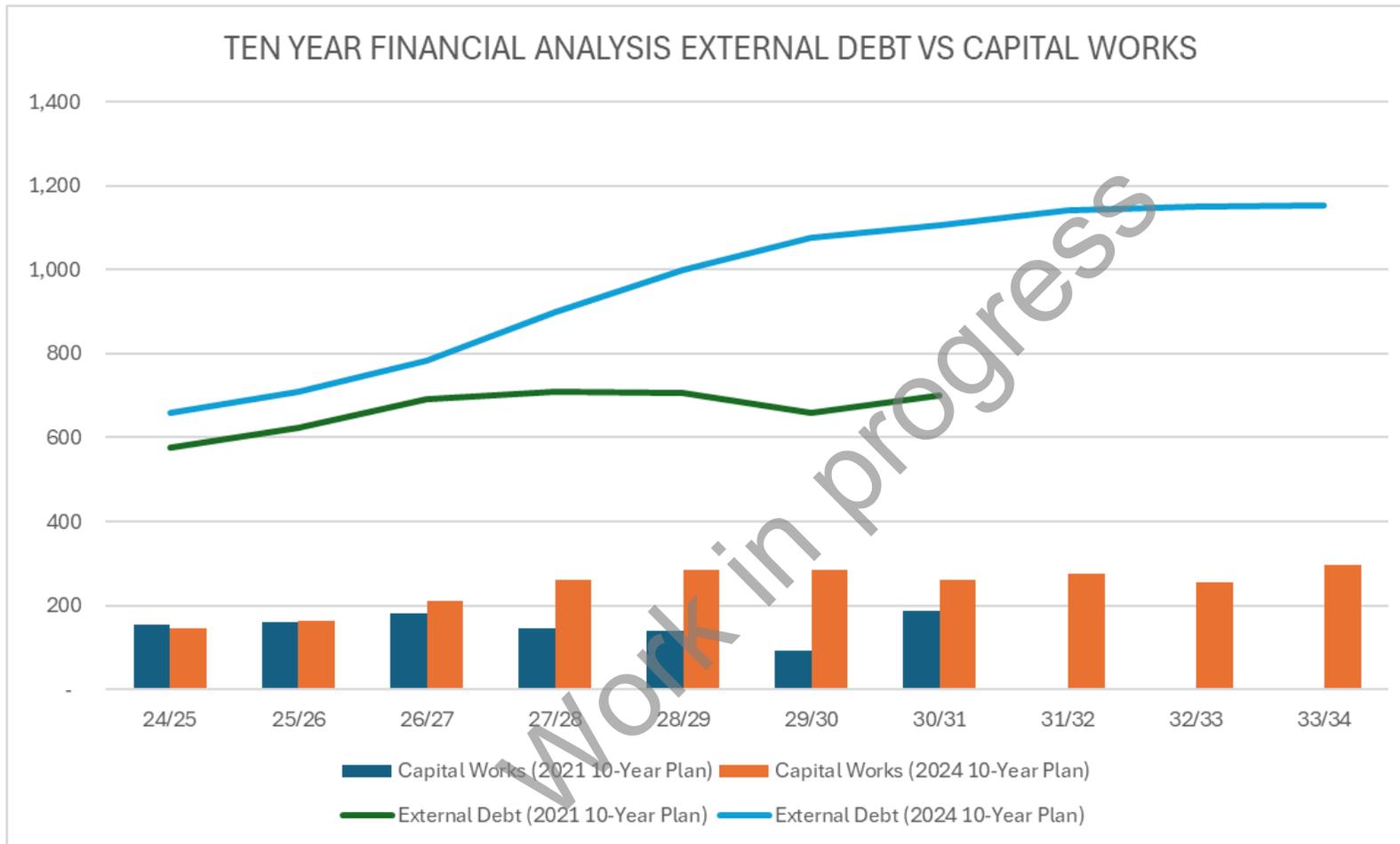
Growth \$975m 40.0%

Renewal \$473m 19.4%

LOS \$989m 40.6%



Significant Growth Capex profile compared to DC Revenue (without upfront payments)



Comparison of LTP 24-34 to prior LTP 21-31 for both capex value & debt

Rates Impact Year 1

SUMMARY OF INDICATIVE TOTAL RATE MOVEMENTS 24/25				
Median Values			24/25	24/25
	<u>new</u>		Draft	Draft
<u>PROPERTY TYPE</u>	<u>CV</u>	<u>LOCATION</u>	%	\$
RESIDENTIAL	\$1,390,000	QUEENSTOWN	16.10%	\$627
COMMERCIAL	\$2,999,000	QUEENSTOWN	14.84%	\$1,227
ACCOMMODATION	\$2,860,000	QUEENSTOWN	18.37%	\$2,361
M/U ACCOMMODATION	\$1,720,000	QUEENSTOWN	17.05%	\$888
VACANT	\$1,086,000	QUEENSTOWN	15.92%	\$481
M/U COMMERCIAL	\$1,565,000	QUEENSTOWN	15.71%	\$718
RESIDENTIAL	\$1,298,000	WANAKA	12.55%	\$486
COMMERCIAL	\$1,780,000	WANAKA	11.47%	\$653
ACCOMMODATION	\$1,724,000	WANAKA	13.32%	\$1,193
M/U ACCOMMODATION	\$1,613,000	WANAKA	13.48%	\$689
PRIMARY INDUSTRY	\$7,138,000	WANAKA	12.03%	\$661
COUNTRY DWELLING	\$2,465,000	WANAKA	12.29%	\$409
VACANT	\$907,500	WANAKA	10.83%	\$310
M/U COMMERCIAL	\$1,390,400	WANAKA	12.21%	\$538
RESIDENTIAL	\$1,437,000	ARROWTOWN	16.40%	\$670
COMMERCIAL	\$3,302,000	ARROWTOWN	16.63%	\$1,463
ACCOMMODATION	\$2,689,000	ARROWTOWN	19.75%	\$2,100
M/U ACCOMMODATION	\$1,380,000	ARROWTOWN	16.90%	\$806
VACANT	\$1,180,000	ARROWTOWN	16.39%	\$514
M/U COMMERCIAL	\$1,430,000	ARROWTOWN	16.04%	\$720
PRIMARY INDUSTRY	\$5,750,000	WAKATIPU	16.53%	\$775
COUNTRY DWELLING	\$3,281,000	WAKATIPU	17.27%	\$675
RESIDENTIAL	\$892,000	GLENORCHY	16.80%	\$548
RESIDENTIAL	\$1,042,000	LAKE HAYES	18.22%	\$657
RESIDENTIAL	\$843,000	HAWEA	15.62%	\$486
RESIDENTIAL	\$788,000	LUGGATE	10.69%	\$369
RESIDENTIAL	\$840,000	KINGSTON	16.48%	\$364
RESIDENTIAL	\$1,013,000	ARTHURS POINT	12.33%	\$447

Average Annual Increase after growth: 15.8%

Residential Range 10.69% (\$369) to 18.22% (\$657)

Commercial Range 11.47% (\$653) to 16.63% (\$1,227)

Accomm Range 13.32% (\$1,193) to 19.75% (\$2,100)

Rural Range 12.03% (\$661) to 17.27% (\$675)

Rates Impact Year 2

SUMMARY OF INDICATIVE TOTAL RATE MOVEMENTS 25/26				
Median Values			25/26	25/26
	<u>new</u>		Draft	Draft
<u>PROPERTY TYPE</u>	<u>CV</u>	<u>LOCATION</u>	<u>%</u>	<u>\$</u>
RESIDENTIAL	\$1,390,000	QUEENSTOWN	11.01%	\$498
COMMERCIAL	\$2,999,000	QUEENSTOWN	11.58%	\$1,100
ACCOMMODATION	\$2,860,000	QUEENSTOWN	12.74%	\$1,939
M/U ACCOMMODATION	\$1,720,000	QUEENSTOWN	10.97%	\$669
VACANT	\$1,086,000	QUEENSTOWN	11.12%	\$389
M/U COMMERCIAL	\$1,565,000	QUEENSTOWN	10.89%	\$576
RESIDENTIAL	\$1,298,000	WANAKA	13.87%	\$604
COMMERCIAL	\$1,780,000	WANAKA	14.12%	\$896
ACCOMMODATION	\$1,724,000	WANAKA	14.55%	\$1,476
M/U ACCOMMODATION	\$1,613,000	WANAKA	13.74%	\$797
PRIMARY INDUSTRY	\$7,138,000	WANAKA	16.25%	\$1,001
COUNTRY DWELLING	\$2,465,000	WANAKA	13.56%	\$507
VACANT	\$907,500	WANAKA	13.92%	\$441
M/U COMMERCIAL	\$1,390,400	WANAKA	13.68%	\$676
RESIDENTIAL	\$1,437,000	ARROWTOWN	8.70%	\$414
COMMERCIAL	\$3,302,000	ARROWTOWN	10.24%	\$1,051
ACCOMMODATION	\$2,689,000	ARROWTOWN	10.36%	\$1,319
M/U ACCOMMODATION	\$1,380,000	ARROWTOWN	8.90%	\$496
VACANT	\$1,180,000	ARROWTOWN	10.46%	\$381
M/U COMMERCIAL	\$1,430,000	ARROWTOWN	8.74%	\$456
PRIMARY INDUSTRY	\$5,750,000	WAKATIPU	13.83%	\$756
COUNTRY DWELLING	\$3,281,000	WAKATIPU	12.10%	\$555
RESIDENTIAL	\$892,000	GLENORCHY	12.91%	\$492
RESIDENTIAL	\$1,042,000	LAKE HAYES	11.33%	\$483
RESIDENTIAL	\$843,000	HAWEA	14.79%	\$532
RESIDENTIAL	\$788,000	LUGGATE	11.79%	\$451
RESIDENTIAL	\$840,000	KINGSTON	9.41%	\$242
RESIDENTIAL	\$1,013,000	ARTHURS POINT	15.65%	\$637

Average Annual Increase after growth: 12.9%

Residential Range 8.70% (\$414) to 15.65% (\$637)

Commercial Range 10.24% (\$1,051) to 14.12% (\$896)

Accomm Range 10.36% (\$1,319) to 14.55% (\$1,476)

Rural Range 12.10% (\$555) to 16.25% (\$1,001)

Rates Impact Year 3

SUMMARY OF INDICATIVE TOTAL RATE MOVEMENTS 26/27				
Median Values			26/27	26/27
	<u>new</u>		Draft	Draft
<u>PROPERTY TYPE</u>	<u>CV</u>	<u>LOCATION</u>	%	\$
RESIDENTIAL	\$1,390,000	QUEENSTOWN	10.65%	\$535
COMMERCIAL	\$2,999,000	QUEENSTOWN	8.19%	\$867
ACCOMMODATION	\$2,860,000	QUEENSTOWN	10.85%	\$1,861
M/U ACCOMMODATION	\$1,720,000	QUEENSTOWN	9.52%	\$644
VACANT	\$1,086,000	QUEENSTOWN	8.24%	\$321
M/U COMMERCIAL	\$1,565,000	QUEENSTOWN	9.85%	\$577
RESIDENTIAL	\$1,298,000	WANAKA	9.86%	\$489
COMMERCIAL	\$1,780,000	WANAKA	5.53%	\$400
ACCOMMODATION	\$1,724,000	WANAKA	7.83%	\$911
M/U ACCOMMODATION	\$1,613,000	WANAKA	7.95%	\$524
PRIMARY INDUSTRY	\$7,138,000	WANAKA	-0.26%	-\$19
COUNTRY DWELLING	\$2,465,000	WANAKA	1.94%	\$82
VACANT	\$907,500	WANAKA	7.69%	\$278
M/U COMMERCIAL	\$1,390,400	WANAKA	8.61%	\$484
RESIDENTIAL	\$1,437,000	ARROWTOWN	6.34%	\$328
COMMERCIAL	\$3,302,000	ARROWTOWN	5.11%	\$578
ACCOMMODATION	\$2,689,000	ARROWTOWN	5.85%	\$823
M/U ACCOMMODATION	\$1,380,000	ARROWTOWN	5.74%	\$349
VACANT	\$1,180,000	ARROWTOWN	6.16%	\$248
M/U COMMERCIAL	\$1,430,000	ARROWTOWN	5.81%	\$329
PRIMARY INDUSTRY	\$5,750,000	WAKATIPU	2.95%	\$184
COUNTRY DWELLING	\$3,281,000	WAKATIPU	4.40%	\$226
RESIDENTIAL	\$892,000	GLENORCHY	4.59%	\$197
RESIDENTIAL	\$1,042,000	LAKE HAYES	6.26%	\$297
RESIDENTIAL	\$843,000	HAWEA	15.93%	\$658
RESIDENTIAL	\$788,000	LUGGATE	7.30%	\$312
RESIDENTIAL	\$840,000	KINGSTON	4.96%	\$139
RESIDENTIAL	\$1,013,000	ARTHURS POINT	6.99%	\$329

Average Annual Increase after growth: 10.4%

Residential Range 4.59% (\$197) to 15.93% (\$658)

Commercial Range 5.11% (\$578) to 8.19% (\$867)

Accomm Range 5.85% (\$1,319) to 10.85% (\$1,861)

Rural Range -0.26% (-\$19) to 4.40% (\$226)

Capital Expenditure 2024-34 Significant Projects > \$5M (Inflated to Funding year \$M's)

Description	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total 24-34
Community Services & Facilities											
516 Ladies Mile Stage 1	-	-	5.2	-	-	-	-	-	-	-	5.2
Ballantyne Rd Site Remediation Works	-	-	-	-	-	5.7	-	-	-	-	5.7
Ballantyne Rd Sports Hub Stage 1	-	-	-	-	-	-	3.8	3.9	-	-	7.7
Ballantyne Rd Sports Hub Stage 2	-	-	-	-	-	-	-	0.8	1.5	7.8	10.1
Coronet Forest Revegetation	-	2.3	3.0	1.7	0.4	0.2	0.1	0.1	-	-	7.8
Jetty Refurbs & Replacements	-	-	-	1.4	1.4	1.7	2.1	2.1	2.4	-	11.1
Lakeview Development - Plaza	-	-	-	2.3	4.0	-	-	-	-	-	6.3
Lynch Block Cabin Removal & Site Works	-	-	-	-	-	-	-	-	0.6	5.9	6.5
QEC - Energy Upgrade	-	-	-	-	-	-	-	1.1	4.7	-	5.8
QEC Building Renewals	0.4	0.3	1.3	0.6	0.7	0.1	1.7	0.8	0.1	1.1	7.1
QEC Indoor Courts, Carpark, Sports Field	0.3	0.8	4.2	20.2	20.6	-	-	-	-	-	46.0
QEC Shared Clubrooms/Fitness Centre expansion	-	-	-	-	1.1	4.5	5.7	-	-	-	11.2
Queenstown Gardens Development	-	-	-	-	-	-	-	1.2	4.7	-	5.9
Southern Corridor Pool Planning	-	-	-	-	-	-	-	-	-	6.0	6.0
Wanaka Airport Upgrades	-	-	0.5	2.2	2.8	0.4	-	-	-	-	5.9
Wanaka Eely Point Jetty/Ramp	-	-	-	-	-	-	-	-	0.6	5.5	6.1
Wanaka Lakefront Development Plan Stg 4	-	-	-	-	-	-	-	0.6	2.2	2.9	5.7
Wanaka Pool extension	-	-	-	-	-	-	-	1.2	8.3	-	9.4
Wanaka Recreation Centre Masterplan	-	-	-	-	-	-	-	-	1.2	4.8	6.0
Wildfire Mitigation Programme	-	-	1.1	1.4	3.3	3.6	3.6	3.6	3.9	3.7	24.3
Balance of Projects less than \$5M	13.9	10.2	16.4	10.1	14.6	12.1	12.3	15.2	19.4	32.6	156.7
Finance & Support Services											
Manawa Stage 1 (CAB)	-	-	-	-	2.3	4.7	18.0	28.2	7.4	-	60.7
Solar Energy Conversion	-	-	-	-	-	-	-	6.0	-	-	6.0
Strategic Land Acquisition	-	-	-	-	-	-	-	3.6	3.7	3.7	11.0
Balance of Projects less than \$5M	3.5	2.7	3.2	1.7	2.9	2.1	1.7	3.0	1.7	2.0	24.4
Regulatory Functions & Services											
Balance of Projects less than \$5M	0.1	0.1	0.0	0.8	0.1	0.0	0.0	0.1	0.0	0.1	1.4
Storm Water											
Kingston New Scheme (SW)	7.8	0.0	-	-	-	0.1	3.9	3.9	-	-	15.7
Ladies Mile New Scheme (SW)	-	-	0.5	1.9	3.4	14.8	15.2	14.5	-	-	50.2
Major Improvements - Upper Clutha (SW)	-	-	-	-	1.2	10.9	1.2	11.4	1.3	11.9	38.0
Major Improvements - Whakatipu (SW)	-	-	-	1.2	10.6	1.2	11.2	1.3	11.7	1.3	38.4
Renewals - Upper Clutha (SW)	0.4	0.4	1.0	1.0	0.9	0.4	0.4	0.2	0.2	0.4	5.3

Description	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total 24-34
Renewals - Whakatipu (SW)	0.8	0.6	1.4	1.4	1.5	0.7	0.9	0.7	0.7	0.9	9.8
Rockabilly Gully Erosion Protection (SW)	0.5	4.7	-	-	-	-	-	-	-	-	5.2
Stone Street Upgrades (SW)	-	-	1.1	10.2	-	-	-	-	-	-	11.3
Balance of Projects less than \$5M	2.4	1.8	6.2	1.5	1.4	1.7	1.4	1.4	1.8	1.5	21.0
Transport Including Rooding, Parking & Footpaths											
Active Travel LCLR - Upper Clutha (TR)	-	-	0.8	0.6	0.6	0.6	0.7	0.7	0.7	0.7	5.4
Active Travel LCLR - Whakatipu (TR)	-	-	0.6	0.6	0.6	0.6	0.7	0.7	0.7	0.7	5.2
Additional Street Lighting (TR)	-	-	-	-	1.8	-	-	3.2	-	-	5.0
Arterial Early Land Acquisition (TR)	-	-	-	-	-	-	-	1.1	3.4	7.0	11.5
Arterial Stage One (TR)	21.7	1.0	0.4	-	-	-	-	-	-	-	23.1
Arthurs Point Bridge Crossing (TR)	0.3	1.0	1.9	4.6	17.0	20.8	21.2	2.2	-	-	69.0
Drainage Renewals - Whakatipu (TR)	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.6	5.0
H?wea Network Optimisation (TR)	-	-	-	-	-	-	0.3	0.2	0.7	5.9	7.1
Ladies Mile Network Optimisation (TR)	-	-	-	-	-	-	0.3	0.2	0.7	5.9	7.1
Minor Improvements - Upper Clutha (TR)	2.3	2.3	2.4	2.4	2.5	2.5	2.6	2.6	2.7	2.7	25.1
Minor Improvements - Whakatipu (TR)	2.3	2.4	2.5	2.5	2.6	2.6	2.7	2.7	2.8	2.8	25.9
PT Interchange - Land Acquisition (TR)	-	-	-	-	-	-	-	0.4	12.4	-	12.8
Public Transport Assets - Whakatipu (TR)	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.6	0.7	0.7	6.1
Public Transport Network Optimisation (TR)	-	-	0.1	0.3	0.3	0.5	0.6	1.1	1.1	1.1	5.2
Quail Rise to Hawthorne Link Road (TR)	-	-	-	0.1	0.7	5.1	1.3	-	-	-	7.4
Road 10 Formation (TR)	-	-	-	-	-	-	-	0.1	0.7	5.8	6.6
Sealed Road Rehabs - Wanaka (TR)	0.5	0.5	0.5	0.5	0.5	0.6	0.6	0.6	0.7	0.7	5.7
Sealed Road Rehabs - Whakatipu (TR)	1.1	1.2	1.2	1.3	1.4	1.4	1.6	1.6	1.6	1.8	14.2
Sealed Road Resurfacing - Wanaka (TR)	1.6	1.6	1.7	1.7	1.7	1.8	1.8	1.8	1.9	1.9	17.5
Sealed Road Resurfacing - Whakatipu (TR)	2.7	2.7	2.8	2.9	2.9	3.0	3.1	3.1	3.2	3.2	29.6
Southern Corridor Network Optimisation (TR)	-	-	-	-	-	-	0.3	0.2	0.7	5.9	7.1
Unsealed Road Metalling - Wanaka (TR)	0.7	0.7	0.7	0.7	0.7	0.7	0.8	0.8	0.8	0.8	7.3
Unsealed Road Metalling - Whakatipu (TR)	0.9	1.0	1.0	1.0	1.0	1.1	1.1	1.1	1.1	1.1	10.5
Wanaka Network Optimisation (TR)	-	-	-	-	-	-	0.3	1.3	6.8	8.7	17.1
Wanaka Primary Cycle Network (TR)	-	-	-	-	-	-	0.1	0.6	3.0	3.0	6.7
Balance of Projects less than \$5M	4.7	7.5	6.0	7.7	4.4	4.6	6.9	6.2	5.9	6.6	60.6
Waste Management											
New Waste Facilities (WM)	1.5	6.1	19.7	28.4	16.6	4.2	-	-	-	-	76.4
Wanaka Waste Facilities (WM)	3.9	5.2	0.6	-	-	-	-	-	-	-	9.7
Balance of Projects less than \$5M	1.4	2.9	1.1	0.9	1.0	1.3	1.0	1.5	2.5	1.4	15.0

Description	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	Total 24-34
Hawea Scheme Upgrades (WS)	0.2	0.9	2.3	4.8	9.8	5.0	1.3	-	-	-	24.2
Historic Land Encroachments (WS)	-	-	-	-	-	-	0.1	0.6	14.1	-	14.8
Kingston New Scheme (WS)	9.4	4.1	-	0.3	3.0	-	-	-	0.4	3.7	20.9
Kingston Reticulation Extension (WS)	-	-	-	-	-	-	-	0.2	0.8	7.0	8.0
Ladies Mile New Scheme (WS)	-	-	0.3	1.1	2.0	8.7	8.9	8.5	-	-	29.3
LoS Performance - Queenstown (WS)	-	-	0.2	1.6	1.6	1.7	1.7	1.8	1.8	1.7	12.0
Los Performance - Wanaka (WS)	-	0.2	1.9	1.9	2.0	2.0	2.1	2.1	2.2	2.0	16.3
Luggate Scheme Upgradees (WS)	-	0.2	0.8	6.3	4.3	5.5	3.4	1.1	-	-	21.6
Quail Rise Reservoir (WS)	-	-	-	0.3	2.5	11.2	11.5	2.9	-	-	28.3
Renewals - Queenstown (WS)	0.5	0.7	0.8	0.9	0.9	0.9	2.2	1.6	2.0	2.1	12.6
Renewals - Wanaka (WS)	0.4	0.6	0.6	0.8	0.7	0.9	0.7	0.7	0.9	1.1	7.3
Southern Corridor New Scheme (WS)	0.0	0.4	2.4	7.5	20.8	14.3	2.9	12.6	12.9	12.1	86.0
Two Mile Supply Upgrades (WS)	-	-	-	-	-	-	0.4	1.5	4.5	17.4	23.8
Wanaka Storage Upgrades (WS)	-	-	-	0.3	3.0	15.5	15.8	3.6	16.5	16.9	71.6
Balance of Projects less than \$5M	7.0	3.3	9.4	4.2	4.1	4.7	6.6	7.2	5.4	6.1	58.0
Grand Total	146.7	163.7	210.8	261.0	283.6	284.2	260.7	274.5	255.3	296.0	2,436.6

Kia ora koutou

At the last LTP steering group meeting the team committed to providing some ideas for the LTP consultation topics and outlining the process for elected members to shape these ahead of the 23 April meeting.

The first thing to note is the differentiation between topics for consultation (which have traditionally been referred to as “big issues”) and what are the contextual big issues that are driving and shaping the overall capex programme development. We’ve noted that there is a need to avoid confusion and be clearer in this differentiation. The contextual big issues, covered in more detail below, will be critical framing in the Consultation Document but are not necessarily or entirely matters that we can genuinely consult on. This email and the meeting on 23 April speaks specifically to the consultation topics in the Consultation Document, the matters that the community can genuinely influence.

Having made that distinction, the process for landing on the consultation topics is very much driven by the contextual big issues. Staff have considered a broad range of factors and are proposing some consultation topics for elected members to discuss, noting that there will no doubt be others that elected members want to put up for consideration. Once there is agreement on the key topics, these are the ones that will be presented in the Consultation Document with options (including a preferred option), costs and rates impact, affect to levels of service etc. Alongside this, the community will be invited to submit on any aspect of the draft Long Term Plan as is standard practice.

The factors that are shaping the consultation topics proposed by staff, and what should shape the final selection, include (but are not limited to) the following:

- Options should be something outside of the baseline, must-do programme of work.
- Something that aligns with the agreed strategic priorities, for example delivering valuable community assets or facilities that currently sit later in the draft programme.
- Projects that could be realistically delivered or commenced within the first three years.
- Projects that are genuine options for delivery, i.e. can be delivered within the existing fiscal constraints noting there is not capacity to keep adding more and more within the already significantly constrained first three years.
- Options that can bring benefit equitably across the district as a whole.
- Options that speak to other strategies and priorities such as the climate and biodiversity plan.

As outlined, the framing around these consultation topics will (in the Consultation Document) cover off the financial challenges for this Council (and others across Aotearoa New Zealand) including bringing the Three Waters programme back in, debt ceilings, cost of living issues for the community, responding to climate change, legal claims, the need to keep providing for the continued and sustained rate of growth across the district and more.

The matters that staff are presenting for consideration as consultation topics are as follows (in no particular order):

1. **Introduction of an upfront developer contribution**

This was presented to you in the last LTP steering group meeting and the preferred option would be to incorporate an upfront developer contribution of 35% of the gross growth servicing costs, which equates to \$88M spread across years 4 to 7.

More information on this in slides 14-18 here: [PDF V2 Final LTP24 Steering Group - 240319.pdf](#)

2. **Targeted CBD rate**

This has been consulted on through the 2021 LTP and the preferred option would be to implement a targeted rate (updated based on actual delivery costs for relevant projects such as streetscape upgrades and arterial road)

Information from the previous consultation can be found in the attached extract from the 2021-2031 Consultation Document.

3. **Energy upgrades (LPG replacement) at QLDC Aquatic facilities**

Providing an option for upgrades in community services at facilities in all three wards, that speak to climate actions, the preferred option would be to realign \$6M funding to 25/26 (current 31-33) to deliver LPG replacement at the Queenstown Events Centre, Arrowtown Memorial Pool and Wānaka Recreation Centre with an electric heat pump solution.

4. **Sports field and community facility investment**

The following are separate, independent projects that could be presented as such if included in the consultation or presented as an holistic investment in community and sporting facilities at a district level:

a. **516 Ladies Mile Community Facilities**

Situated in the Arrowtown-Kawarau ward servicing the growing Te Pūtahi Ladies Mile and surrounds but easily accessible from the Queenstown-Whakatipu ward, the preferred option would be to realign funding to deliver a community centre building (formerly the temporary hall in Luggate), carpark and access extension, three sports fields, necessary site infrastructure services, and a toilet/change block. Delivery would be in 25-27 (was 29-31) noting costs associated with realignment increases overall from \$5M to \$6.8M (difference is including new sports fields).

b. **New sports field investment at Wānaka Recreation Centre**

Situated at the existing Wānaka Rec Centre the preferred option would be to invest in new sports fields and renewals/upgrades for sports field lighting, potentially along with toilet facilities. Delivery would be in 25-27.

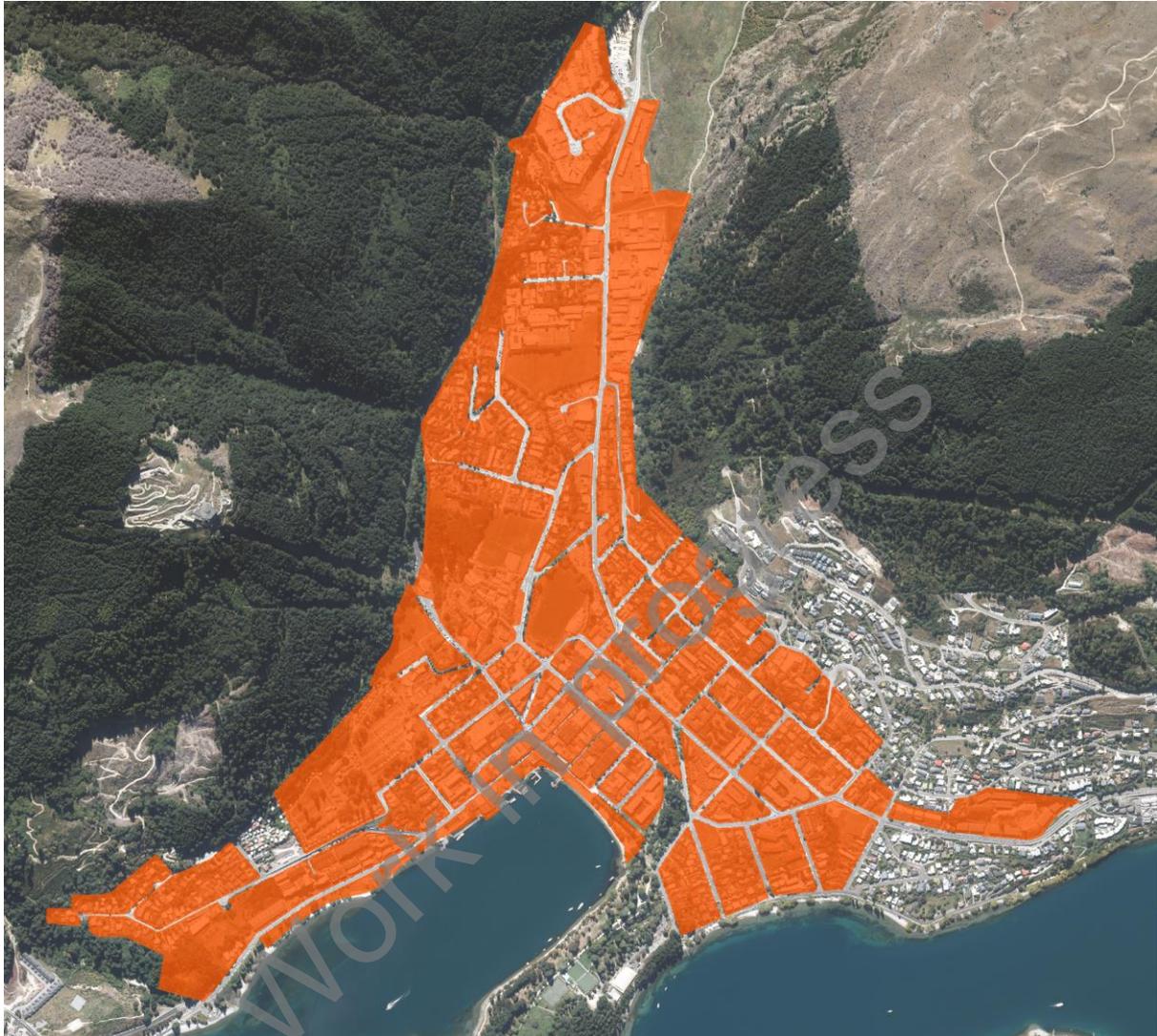
At the 23 April steering group staff will aim to speak to the cost and ratings impacts of these various options. If there are other options that you would think should be prioritised ahead of these proposed and could fit within the factors for consultation topics it would be useful, if possible, to circulate to elected members and key staff to consider ahead of the discussion.

It is important to note that the overall number of consultation topics must be limited to three or four maximum on the basis that the financial and resource constraints do not make it possible to add a significant number of projects in those early years.

Time is also of the essence to confirm the consultation topics as the programme is shortly moving into audit phase and documentation will need to be finalised within that window.

LTP CONSULTATION TOPIC – CBD RATING (QITS PROGRAMME)

Issue flowing on from last LTP consultation involved in setting targeted rate on properties within wider CBD. Benefit analysis for Queenstown Integrated Transport Strategy (QITS) show 65% benefit of programme falls to properties within wider CBD.

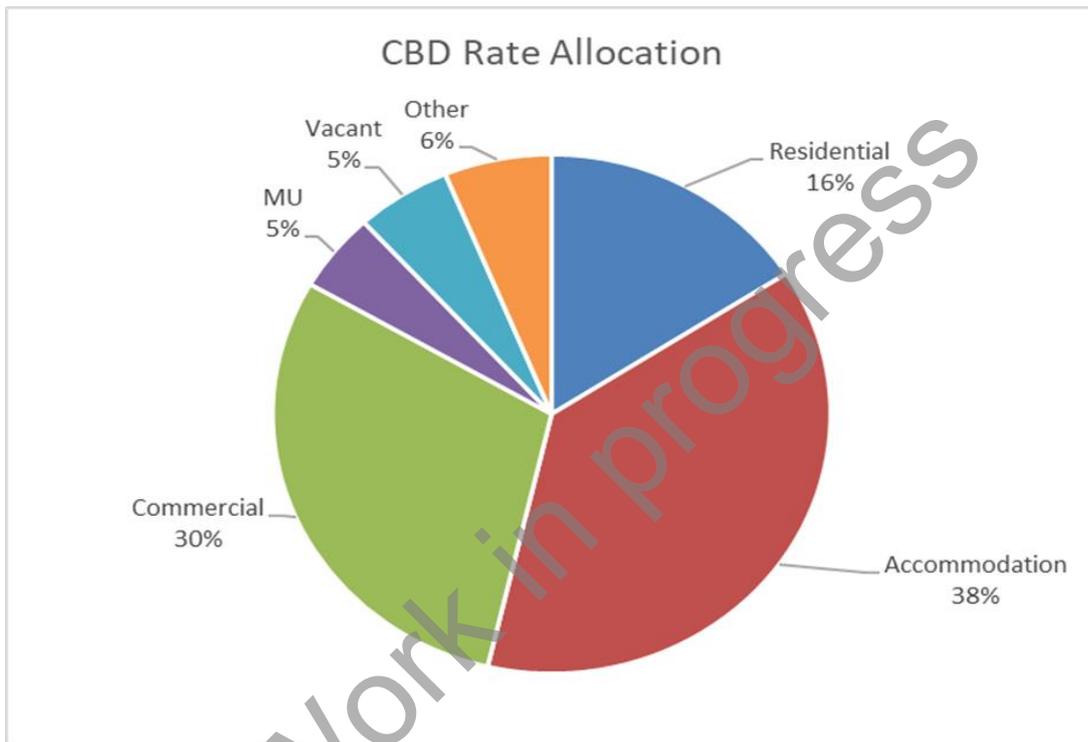


The proposed wider CBD zone indicated above will fund 65% of the cost of the Queenstown Town Centre Masterplan. The remaining 35% will be recovered from the wider Wakatipu ratepayer.

We have now completed the Streetscapes Project at a total cost of \$69m & will need to confirm the rating approach for this element. The following table shows the proposed allocation of roading costs according to the preferred allocation method.

Queenstown Integrated Transport Strategy						
Rating Impact - Option 1						
	Capital Cost	Rates Funded	Rdg Rates		Wider CBD	Balance of Ward
	\$000's	\$000's	\$000's		65.0%	35.0%
Qt Streetscapes Actual	69,034	25,866	19,917		12,946	6,971
Qt Streetscapes Actual (Option A)						
	Annual Cost					
Town Centre Share	842,146	12,945,853	5.00%		30 years	
Balance of Ward Share	453,463	6,970,844	5.00%		30 years	

The rating impact of this allocation is as follows when using the existing road rating differentials. This analysis is based on re-working the 23/24 rates to include the proposed targeted rate:



The Chart above shows that Commercial & Accommodation are funding 68% of the cost with 56% of this coming from within the wider CBD. This appears appropriate as businesses within the wider CBD will receive most of the benefit associated with the upgraded CBD streetworks & associated underground infrastructure.

The following tables illustrate the rates impact on different types of property including both those within the wider CBD & those in the balance of the ward.

SUMMARY OF INDICATIVE TOTAL RATE MOVEMENTS - QITS Programme				
Median Values				
<u>PROPERTY TYPE</u>	<u>CV</u>	<u>LOCATION</u>	Rates %	Rates \$
RESIDENTIAL	\$1,390,000	WIDER CBD	2.30%	\$89
RESIDENTIAL	\$1,390,000	WARD	0.42%	\$17
COMMERCIAL	\$2,999,000	WIDER CBD	2.34%	\$193
COMMERCIAL	\$2,999,000	WARD	0.99%	\$82
ACCOMMODATION	\$2,860,000	WIDER CBD	1.43%	\$184
ACCOMMODATION	\$2,860,000	WARD	0.26%	\$34
M/U ACCOMMODATION	\$1,720,000	WIDER CBD	2.13%	\$111
M/U ACCOMMODATION	\$1,720,000	WARD	0.39%	\$20
PRIMARY INDUSTRY	\$5,750,000	WARD	1.46%	\$68
COUNTRY DWELLING	\$3,281,000	WARD	1.00%	\$39
VACANT	\$1,086,000	WIDER CBD	2.31%	\$70
VACANT	\$1,086,000	WARD	0.43%	\$13
M/U COMMERCIAL	\$1,565,000	WIDER CBD	2.20%	\$101
M/U COMMERCIAL	\$1,565,000	WARD	0.41%	\$19

SUMMARY OF INDICATIVE TOTAL RATE MOVEMENTS - QITS Programme				
Higher Values				
<u>PROPERTY TYPE</u>	<u>CV</u>	<u>LOCATION</u>	Rates %	Rates \$
RESIDENTIAL	\$5,020,000	WIDER CBD	4.14%	\$323
RESIDENTIAL	\$5,020,000	WARD	0.76%	\$60
COMMERCIAL	\$35,800,000	WIDER CBD	2.21%	\$2,304
COMMERCIAL	\$35,800,000	WARD	0.41%	\$426
ACCOMMODATION	\$71,000,000	WIDER CBD	1.40%	\$4,570
ACCOMMODATION	\$71,000,000	WARD	0.26%	\$844
M/U ACCOMMODATION	\$5,012,000	WIDER CBD	3.09%	\$323
M/U ACCOMMODATION	\$5,012,000	WARD	0.57%	\$60
PRIMARY INDUSTRY	\$24,520,000	WARD	1.79%	\$292
COUNTRY DWELLING	\$8,702,000	WARD	1.29%	\$103
VACANT	\$1,501,000	WIDER CBD	2.79%	\$97
VACANT	\$1,501,000	WARD	0.52%	\$18
M/U COMMERCIAL	\$2,170,000	WIDER CBD	2.59%	\$140
M/U COMMERCIAL	\$2,170,000	WARD	0.48%	\$26

SUMMARY OF INDICATIVE TOTAL RATE MOVEMENTS - QITS Programme				
Lower Values				
<u>PROPERTY TYPE</u>	<u>CV</u>	<u>LOCATION</u>	Rates %	Rates \$
RESIDENTIAL	\$862,000	WIDER CBD	1.67%	\$55
RESIDENTIAL	\$862,000	WARD	0.31%	\$10
COMMERCIAL	\$680,000	WIDER CBD	1.32%	\$44
COMMERCIAL	\$680,000	WARD	0.24%	\$8
ACCOMMODATION	\$920,000	WIDER CBD	1.23%	\$59
ACCOMMODATION	\$920,000	WARD	0.23%	\$11
M/U ACCOMMODATION	\$1,004,000	WIDER CBD	1.59%	\$65
M/U ACCOMMODATION	\$1,004,000	WARD	0.29%	\$12
PRIMARY INDUSTRY	\$2,293,000	WARD	0.97%	\$27
COUNTRY DWELLING	\$1,646,000	WARD	0.74%	\$20
VACANT	\$584,000	WIDER CBD	1.51%	\$38
VACANT	\$584,000	WARD	0.28%	\$7
M/U COMMERCIAL	\$996,000	WIDER CBD	1.69%	\$64
M/U COMMERCIAL	\$996,000	WARD	0.31%	\$12

Community Services Projects - Options for Consideration to Bring Budget Forward

Funding Scenario

mixed% Debt Funded
100% debt #1 & #2; 50% debt #3

OPTION 1: Wanaka Sportsfields					
	23/24 \$'s	23/24 \$'s	23/24 \$'s	23/24 \$'s	
	Yr2	Yr 2	Yr 3	Yr 3	
Project Name	Existing Budget 2025/26	Proposed Budget 2025/26	Existing Budget 2026/27	Proposed Budget 2026/27	
New Sports Fields in Wanaka	-	100,000	937,500	837,500	Moved from Yr 3 - split Yr 2/3
Sports Field Lighting Renewals - Wanaka	-	300,000	-	-	Yr 8
TOTAL		400,000	937,500	837,500	

Change to Yr 2

400,000

Change to Yr 3

-100,000

OPTION 2: 516 Ladies Mile Community Centre					
	23/24 \$'s	23/24 \$'s	23/24 \$'s	23/24 \$'s	
	Yr 2	Yr 2	Yr 3	Yr 3	
Project Name	Existing Budget 2025/26	Proposed Budget 2025/26	Existing Budget 2026/27	Proposed Budget 2026/27	
516 Ladies Mile Community Centre	-	1,800,000	5,000,000	3,200,000	Moved from Yr 3 - Split to Yr 2 and Yr 3
New Sports Fields in Queenstown	-	937,500	-	937,500	Yr 6 +Yr 7
TOTAL		2,737,500	5,000,000	4,137,500	

Change to Yr 2

2,737,500

Change to Yr 3

-862,500

Grand Total 1, 2

3,137,500

-962,500

Financial Impact Yr 2

Debt Funded 100%

New Debt

3,137,500	
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Interest Yr 2	141,188	4.50%
Revised Total Debt	700,735,599	
Revised Revenue	274,971,570	
Revised D/R	254.8% original	253.83%
Revised Headroom	\$69.3M original	\$72.0M

Rates Impact	Increase \$ 141,188	Increase % 0.09%	Revised Annual 12.99%
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OPTION 3: LPG Replacement					
	23/24 \$'s	23/24 \$'s	23/24 \$'s	23/24 \$'s	
	Yr 2	Yr 2	Yr 3	Yr 3	
Project Name	Existing Budget 2025/26	Proposed Budget 2025/26	Existing Budget 2026/27	Proposed Budget 2026/27	
Wanaka Pool LPG replacement	-	180,000	-	520,000	Yr 8
QEC - Energy Upgrade	-	944,000	-	4,000,000	Yr 8 +Yr 9
Arrowtown Pool - Energy Upgrade	-	200,000	-	-	Yr 8
TOTAL		1,324,000	0	4,520,000	

Change to Yr 2

1,324,000

Change to Yr 3

4,520,000

Grand Total 3

1,324,003

4,520,000

Financial Impact Yr 2

Debt Funded 50%

New Debt

	662,001	
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Interest Yr 2	29,790	4.50%
Revised Total Debt	698,260,101	
Revised Revenue	275,522,174	
Revised D/R	253.4% original	253.83%
Revised Headroom	\$73.1M original	\$72.0M
	Increase \$	Increase %
Rates Impact	691,791	0.44%
		Revised Annual
		13.34%

Financial Impact Yr 3

Debt Funded 50%

New Debt

	2,260,000	
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Interest Yr 3	101,700	4.50%
Revised Total Debt	772,174,064	
Revised Revenue	304,352,080	
Revised D/R	253.7% original	255.90%
Revised Headroom	\$79.9M original	\$73.0M
	Increase \$	Increase %
Rates Impact	3,053,491	1.69%
		Revised Annual
		12.07%

Combined Impact Options 1,2,3

Change to Yr 2	4,461,503	
Change to Yr 3		3,557,500
Grand Total 1,2, 3	4,461,503	3,557,500

Financial Impact Yr 2

Debt Funded Mixed%

New Debt

	3,799,501	
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Interest Yr 2	170,978	4.50%
Revised Total Debt	701,397,601	
Revised Revenue	275,663,361	
Revised D/R	254.4% original	253.83%
Revised Headroom	\$70.5M original	\$72.0M
	Increase \$	Increase %
Rates Impact	832,979	0.54%
		Revised Annual
		13.44%

Financial Impact Yr 3

Debt Funded Mixed%

New Debt

	1,297,500	
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Interest Yr 3	58,388	4.50%
Revised Total Debt	774,349,064	
Revised Revenue	303,929,141	
Revised D/R	254.8% original	255.90%
Revised Headroom	\$76.6M original	\$73.0M
	Increase \$	Increase %
Rates Impact	3,151,366	1.74%
		Revised Annual
		12.12%

Community Services Projects - Options for Consideration to Bring Budget Forward

Funding Scenario

50% Debt Funded

OPTION 1: Wanaka Sportsfields				
	23/24 \$'s	23/24 \$'s	23/24 \$'s	23/24 \$'s
	Yr2	Yr 2	Yr 3	Yr 3
Project Name	Existing Budget 2025/26	Proposed Budget 2025/26	Existing Budget 2026/27	Proposed Budget 2026/27
New Sports Fields in Wanaka	-	100,000	937,500	837,500
Sports Field Lighting Renewals - Wanaka	-	300,000	-	-
TOTAL		400,000	937,500	837,500

Change to Yr 2 400,000
 Change to Yr 3 -100,000

OPTION 2: 516 Ladies Mile Community Centre				
	23/24 \$'s	23/24 \$'s	23/24 \$'s	23/24 \$'s
	Yr 2	Yr 2	Yr 3	Yr 3
Project Name	Existing Budget 2025/26	Proposed Budget 2025/26	Existing Budget 2026/27	Proposed Budget 2026/27
516 Ladies Mile Community Centre	-	1,800,000	5,000,000	3,200,000
New Sports Fields in Queenstown	-	937,500	-	937,500
TOTAL		2,737,500	5,000,000	4,137,500

Change to Yr 2 2,737,500
 Change to Yr 3 -862,500

Grand Total 1, 2 3,137,500 -962,500

Financial Impact Yr 2

Debt Funded 50%

New Debt

1,568,750	
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Interest Yr 2	70,594	4.50%
Revised Total Debt	699,166,849	
Revised Revenue	276,469,726	
Revised D/R	252.9% original	253.83%
Revised Headroom	\$74.9M original	\$72.0M

Rates Impact	Increase \$ 1,639,344	Increase % 1.06%	Revised Annual 13.96%
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OPTION 3: LPG Replacement				
	23/24 \$'s	23/24 \$'s	23/24 \$'s	23/24 \$'s
	Yr 2	Yr 2	Yr 3	Yr 3
Project Name	Existing Budget 2025/26	Proposed Budget 2025/26	Existing Budget 2026/27	Proposed Budget 2026/27
Wanaka Pool LPG replacement	-	180,000	-	520,000
QEC - Energy Upgrade	-	944,000	-	4,000,000
Arrowtown Pool - Energy Upgrade	-	200,000	-	-
TOTAL		1,324,000	0	4,520,000

Change to Yr 2 1,324,000
 Change to Yr 3 4,520,000

Grand Total 3 1,324,003 4,520,000

Financial Impact Yr 2

Debt Funded 50%

New Debt

	662,001	
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Interest Yr 2	29,790	4.50%
Revised Total Debt	698,260,101	
Revised Revenue	275,522,174	
Revised D/R	253.4% original	253.83%
Revised Headroom	\$73.1M original	\$72.0M
	Increase \$	Increase %
Rates Impact	691,791	0.44%
		Revised Annual
		13.34%

Financial Impact Yr 3

Debt Funded 50%

New Debt

	2,260,000	
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Interest Yr 3	101,700	4.50%
Revised Total Debt	772,174,064	
Revised Revenue	304,352,080	
Revised D/R	253.7% original	255.90%
Revised Headroom	\$79.9M original	\$73.0M
	Increase \$	Increase %
Rates Impact	3,053,491	1.69%
		Revised Annual
		12.07%

Combined Impact Options 1,2,3

Change to Yr 2	4,461,503	
Change to Yr 3		3,557,500
Grand Total 1,2, 3	4,461,503	3,557,500

Financial Impact Yr 2

Debt Funded 50%

New Debt

	2,230,751	
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Interest Yr 2	100,384	4.50%
Revised Total Debt	699,828,851	
Revised Revenue	277,161,518	
Revised D/R	252.5% original	253.83%
Revised Headroom	\$76.2M original	\$72.0M
	Increase \$	Increase %
Rates Impact	2,331,135	1.51%
		Revised Annual
		14.41%

Financial Impact Yr 3

Debt Funded 50%

New Debt

	1,778,750	
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Interest Yr 2	80,044	4.50%
Revised Total Debt	773,261,564	
Revised Revenue	304,897,110	
Revised D/R	253.6% original	255.90%
Revised Headroom	\$80.3M original	\$73.0M
	Increase \$	Increase %
Rates Impact	4,189,929	2.32%
		Revised Annual
		12.70%

Community Services Projects - Options for Consideration to Bring Budget Forward

Funding Scenario

100% Debt Funded

OPTION 1: Wanaka Sportsfields				
	23/24 \$'s	23/24 \$'s	23/24 \$'s	23/24 \$'s
	Yr2	Yr 2	Yr 3	Yr 3
Project Name	Existing Budget 2025/26	Proposed Budget 2025/26	Existing Budget 2026/27	Proposed Budget 2026/27
New Sports Fields in Wanaka	-	100,000	937,500	837,500
Sports Field Lighting Renewals - Wanaka	-	300,000	-	-
TOTAL		400,000	937,500	837,500

Change to Yr 2 400,000
 Change to Yr 3 -100,000

OPTION 2: 516 Ladies Mile Community Centre				
	23/24 \$'s	23/24 \$'s	23/24 \$'s	23/24 \$'s
	Yr 2	Yr 2	Yr 3	Yr 3
Project Name	Existing Budget 2025/26	Proposed Budget 2025/26	Existing Budget 2026/27	Proposed Budget 2026/27
516 Ladies Mile Community Centre	-	1,800,000	5,000,000	3,200,000
New Sports Fields in Queenstown	-	937,500	-	937,500
TOTAL		2,737,500	5,000,000	4,137,500

Change to Yr 2 2,737,500
 Change to Yr 3 -862,500

Grand Total 1, 2 3,137,500 -962,500

Financial Impact Yr 2

Debt Funded 100%

New Debt

3,137,500	
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Interest Yr 2	141,188	4.50%
Revised Total Debt	700,735,599	
Revised Revenue	274,971,570	
Revised D/R	254.8% original	253.83%
Revised Headroom	\$69.3M original	\$72.0M

Rates Impact	Increase \$ 141,188	Increase % 0.09%	Revised Annual 12.99%
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OPTION 3: LPG Replacement				
	23/24 \$'s	23/24 \$'s	23/24 \$'s	23/24 \$'s
	Yr 2	Yr 2	Yr 3	Yr 3
Project Name	Existing Budget 2025/26	Proposed Budget 2025/26	Existing Budget 2026/27	Proposed Budget 2026/27
Wanaka Pool LPG replacement	-	180,000	-	520,000
QEC - Energy Upgrade	-	944,000	-	4,000,000
Arrowtown Pool - Energy Upgrade	-	200,000	-	-
TOTAL		1,324,000	0	4,520,000

Change to Yr 2 1,324,000
 Change to Yr 3 4,520,000

Grand Total 3 1,324,000 4,520,000

Financial Impact Yr 2

Debt Funded 100%

New Debt

	1,324,000	
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Interest Yr 2	59,580	4.50%
Revised Total Debt	698,922,099	
Revised Revenue	274,889,962	
Revised D/R	254.3% original	253.83%
Revised Headroom	\$70.5M original	\$72.0M
	Increase \$	Increase %
Rates Impact	59,580	0.04%
		Revised Annual
		12.94%

Financial Impact Yr 3

Debt Funded 100%

New Debt

	4,520,000	
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Interest Yr 2	203,400	4.50%
Revised Total Debt	775,096,062	
Revised Revenue	300,929,357	
Revised D/R	257.6% original	255.90%
Revised Headroom	\$67.4M original	\$73.0M
	Increase \$	Increase %
Rates Impact	262,980	0.14%
		Revised Annual
		10.52%

Combined Impact Options 1,2,3

Change to Yr 2	4,461,500	
Change to Yr 3		3,557,500
Grand Total 1,2, 3	4,461,500	3,557,500

Financial Impact Yr 2

Debt Funded 100%

New Debt

	4,461,500	
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Interest Yr 2	200,768	4.50%
Revised Total Debt	702,059,599	
Revised Revenue	275,031,150	
Revised D/R	255.3% original	253.83%
Revised Headroom	\$68.0M original	\$72.0M
	Increase \$	Increase %
Rates Impact	200,768	0.13%
		Revised Annual
		13.03%

Financial Impact Yr 3

Debt Funded 100%

New Debt

	3,557,500	
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Interest Yr 2	160,088	4.50%
Revised Total Debt	777,271,062	
Revised Revenue	301,168,420	
Revised D/R	258.1% original	255.90%
Revised Headroom	\$65.9M original	\$73.0M
	Increase \$	Increase %
Rates Impact	360,855	0.14%
		Revised Annual
		10.52%

Consultation Topic – Upfront 35% Up Front Capital Contribution for Growth Servicing Capex (LM & SC)

Traditional Approach – DCs over time

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	LTP Total	LTP Avg
Net Debt	647,975	697,598	769,252	881,284	982,253	1,058,818	1,110,822	1,168,280	1,185,702	1,198,371		
Net Debt to Total Operating Revenue	266.7%	253.8%	255.9%	264.3%	266.1%	265.6%	265.5%	268.4%	253.4%	241.2%		260.11%
Baseline Capex	63,604	51,789	61,238	64,171	56,071	36,004	36,565	40,252	38,092	35,950	483,736	
Non-Baseline Capex	0	1,694	18,687	35,537	55,838	51,735	61,598	66,454	79,577	109,388	480,508	
3W Capex	83,132	110,259	130,909	161,332	171,654	196,485	162,561	167,763	137,673	150,617	1,472,385	
Total Capex	146,736	163,742	210,834	261,040	283,563	284,224	260,724	274,469	255,342	295,955	2,436,629	
Capex Adjustment required	0	0	0	0	0	0	0	0	0	0	0	0
Headroom by Year	\$45m	\$72m	\$73m	\$53m	\$53m	\$58m	\$61m	\$51m	\$125m	\$193m		
Rates Increase (after growth)	15.8%	12.9%	10.4%	9.1%	11.3%	5.8%	2.2%	3.5%	2.3%	1.5%		7.48%

Alternative Approach – Upfront Deposit 35%

	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	LTP Total	LTP Avg
Net Debt	647,975	697,598	769,252	864,332	956,978	1,025,306	1,069,028	1,139,060	1,168,829	1,193,946		
Net Debt to Total Operating Revenue	266.7%	253.8%	255.9%	259.5%	266.1%	263.8%	262.2%	267.8%	254.8%	244.5%		259.51%
Baseline Capex	63,604	51,789	61,238	64,171	56,071	36,004	36,565	40,252	38,092	35,950	483,736	
Non-Baseline Capex	0	1,694	18,687	35,537	55,838	51,735	61,598	66,454	79,577	109,388	480,508	
3W Capex	83,132	110,259	130,909	161,332	171,654	196,485	162,561	167,763	137,673	150,617	1,472,385	
Total Capex	146,736	163,742	210,834	261,040	283,563	284,224	260,724	274,469	255,342	295,955	2,436,629	
Capex Adjustment required - 50% to non baseline; 50% to 3W	0	0	0	0	0	0	0	0	0	0	0	0
Headroom by Year	45,000	72,000	73,000	72,000	54,000	61,000	72,000	56,000	112,000	171,000		
Rates Increase (after growth)	15.8%	12.9%	10.4%	8.9%	7.3%	6.0%	2.2%	4.0%	2.7%	1.8%		7.20%

Main benefits:

Lower rates quantum: \$58 million over last 7 years

Lower rates increases: 7.20% average vs 7.48% average plus smoothed increases Y4 & Y5

30 YEAR INFRASTRUCTURE STRATEGY

Water, Transport, Waste, and Social

2024 - 2054

Work in progress

SECTION 1: ABOUT THIS STRATEGY

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

Infrastructure included in this Strategy

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

- Social** Social infrastructure plays an important role in developing strong and inclusive communities. It provides opportunities to bring different groups of people together, contributing to social integration and the desirability of a place. Social infrastructure enables locals and visitors to connect, socialise, play, learn, and participate in a wide range of social, cultural, art, sport, and recreational activities. This has a direct impact on the lives of the community and on their wellbeing.
- In the context of this Strategy social infrastructure includes the community spaces, reserves, parks and playgrounds, sports fields, and sports and recreation facilities provided by Council. Council takes a network approach, and as such the social infrastructure provided by others (eg schools) informs what Council needs to provide. Council also provides a wide range of programmes and services, using this infrastructure, that enable strong and inclusive communities, which are not the subject of this Strategy.
- Transport** The transport system is an integrated network that enables the movement of people and goods. The types of transport assets Council manages include local roads, intersections, bus stops, footpaths and cycleways, parking, signs and road markings, traffic signals, lighting, bridges, and retaining walls.
- Waka Kotahi NZ Transport Agency manages the state highways within the district, and Otago Regional Council operates the district's public transport service.
- Waste Management & Minimisation** Waste management and minimisation encompasses waste reduction (reducing the production of waste materials at source), resource recovery (diverting waste from landfill), and waste disposal (collecting, transporting, and disposing of waste products). Key waste management assets include rubbish bins, and transfer and recycling facilities. Waste services are supported by other assets that contractors own and maintain, including collection vehicles, the landfill and its associated assets.
- Three Waters** 'Three Waters' is the collective term for the three main types of water infrastructure Council provides: water supply, wastewater, and stormwater.
- Water supply provides people with safe drinking water and firefighting flows. The service involves the abstraction, treatment, storage, distribution, and ongoing management of most of the district's water

supplies. Water supply assets include water mains, bores, treatment plants, pump stations, and reservoirs.

- Wastewater (or sewage) is used water that has been affected by domestic, industrial, and commercial use. Council is responsible for the collection, transfer, conveyance, treatment and disposal of the district's wastewater and trade waste. Wastewater assets include wastewater mains, pump stations, treatment plants, and disposal fields.
- Stormwater is the water that runs off surfaces when it rains. Stormwater assets include stormwater mains, interceptors, detention basins, and outlets.

Future water service delivery model

By mid-2025, Council must submit a Water Service Delivery Plan (WSDP) to Government.¹ It is expected that the WSDP will be required to detail the current state of three waters assets and services, the type and level of investment required to ensure services are compliant and respond to projected growth, and how services will be organised and funded to ensure ongoing financial sustainability.

Key considerations of the WSDP will include:

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

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

¹ This statement is based on indications from Government and assumes that the necessary legislation will be passed to establish this requirement.

Other infrastructure

Te Waihanga estimates local government collectively owns and operates about 26% of New Zealand's infrastructure.² While Council has an important role to plan in building and operating the infrastructure types outlined above, there are a range of other enabling infrastructure networks and services that are not addressed within this Strategy but are equally as important to supporting community outcomes.

Airports and airfields

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

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

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

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

Telecommunications and energy

[TBC]

State Highways and public transport

[TBC]

Healthcare, Education, and Justice

[TBC]

Flood, drainage, and river control

[TBC]

Emergency management

[TBC]

Other?

[TBC]

² *Build or maintain? New Zealand's infrastructure asset value, investment, and depreciation, 1990-2022*. Te Waihanga, February 2024.

Interpreting and using this strategy

[summary on how the sections of the strategy are inter-connected, as well as visuals to show how to interpret option tables, keys, etc.]

Work in progress

SECTION 2: STRATEGIC CONTEXT

In this section

- Council's Strategic Framework
- Infrastructure Vision
- Queenstown Lakes Spatial Plan
- PCG Action: Adding a system level mapping of all the influences internal and external
Relationship with other plans and providers
- Significant issues

Work in progress

COUNCIL'S STRATEGIC FRAMEWORK

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

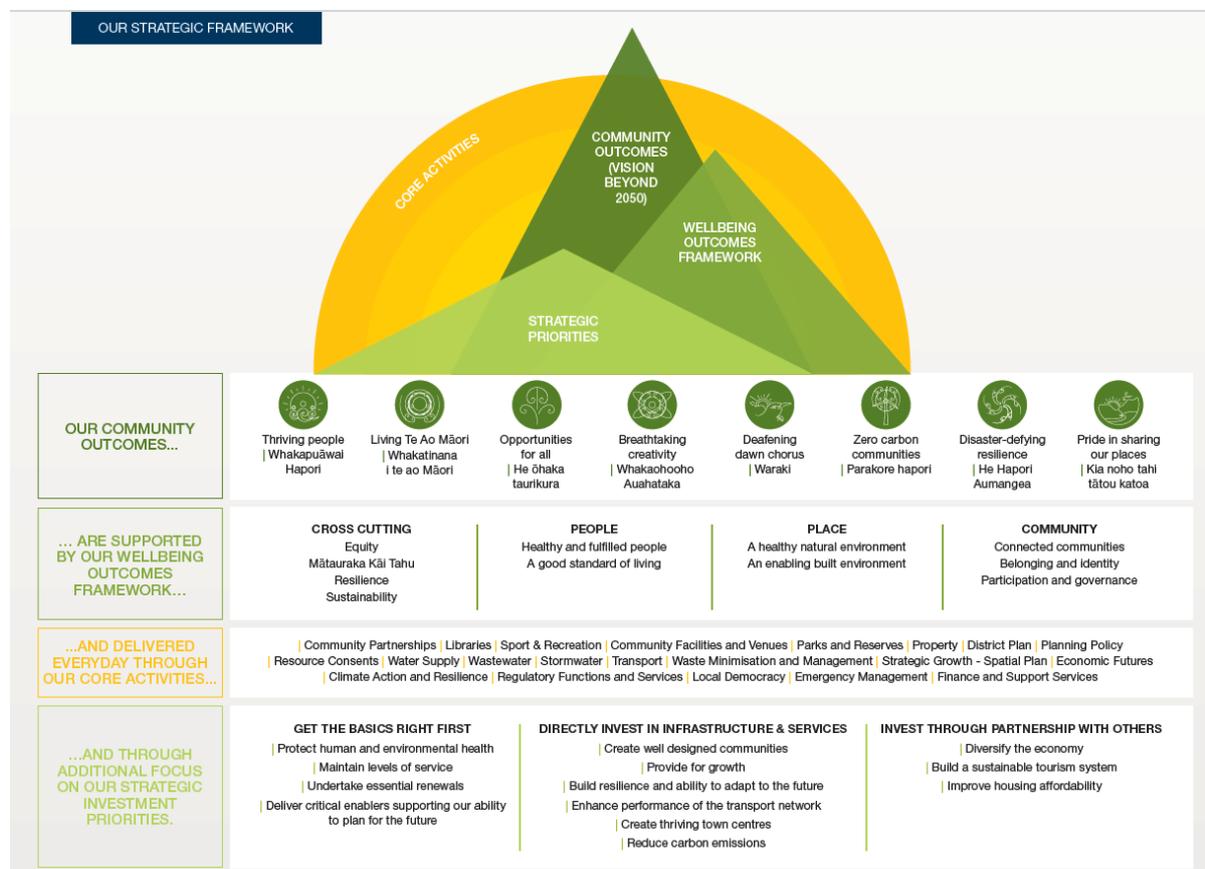


Figure x: Council's Strategic Framework

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

Wellbeing Outcomes Framework Community outcomes are supported by the wellbeing outcomes framework, which drives how Council contributes to wellbeing across the community. This provides a common set of outcomes to help us ensure all aspects of Council work are focussed on a shared understanding of community wellbeing. This is based on the Wellbeing Framework for Otago developed by Otago Regional Council in conjunction with Otago's district and city councils.

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

Strategic priorities are changeable over time and drive investment over the ten-year period of the Long-Term Plan (short and medium term). The LTP capital programme has been built taking these priorities into account, including legislatively mandated responsibilities and the financial constraints that Council is under.

COUNCIL'S INFRASTRUCTURE VISION AND OBJECTIVES

[introductory content to be added]

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

Water, Transport, and Waste Infrastructure

[To be added]

The following objectives guide how investment in, and management of, Council's three waters, transport, and waste infrastructure give effect to the Wellbeing Outcomes Framework:

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

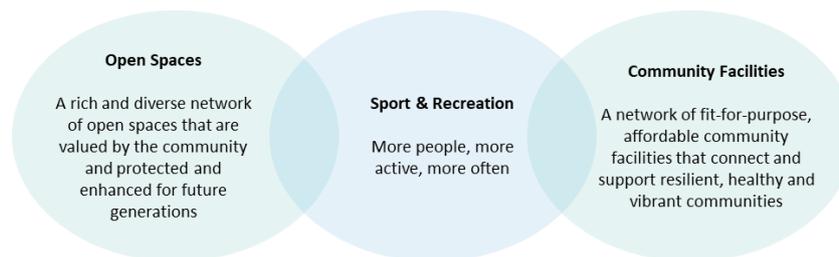
Social Infrastructure

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

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

Add blue green network comment – talk to Bill / Anita.

Council has three inter-related visions, underpinned by a set of common objectives that together inform how the 30-year plan for social infrastructure contributes to achieving Council’s outcomes and delivering on the Spatial Plan vision.



The following objectives³ guide how investment in, and management of, Council’s social infrastructure give effect to the Wellbeing Outcomes Framework:

<p>Healthy and fulfilled people</p>	<p>Create opportunities for people to increase activity, recreation and social connection</p> <p>Deliver social infrastructure that is diverse, fit-for-purpose and provides for community, mana whenua and visitor needs</p> <p>Provide social infrastructure that meets many everyday (non-work) needs within a short walk, cycle or bus ride of home</p>
<p>A healthy natural environment</p>	<p>Ensure natural and heritage features of open spaces are protected and treasured</p> <p>Improve social infrastructure impact on biodiversity, water quality, embodied carbon and carbon emissions</p>
<p>An enabling built environment</p>	<p>Plan for sufficient social infrastructure to accommodate the district’s growing population</p> <p>Develop a network of strategically placed, multipurpose facilities that maximises efficiencies</p>

³ Largely based on existing objectives from the Community Facilities Strategy and Parks and Open Spaces Strategy.

QUEENSTOWN LAKES SPATIAL PLAN

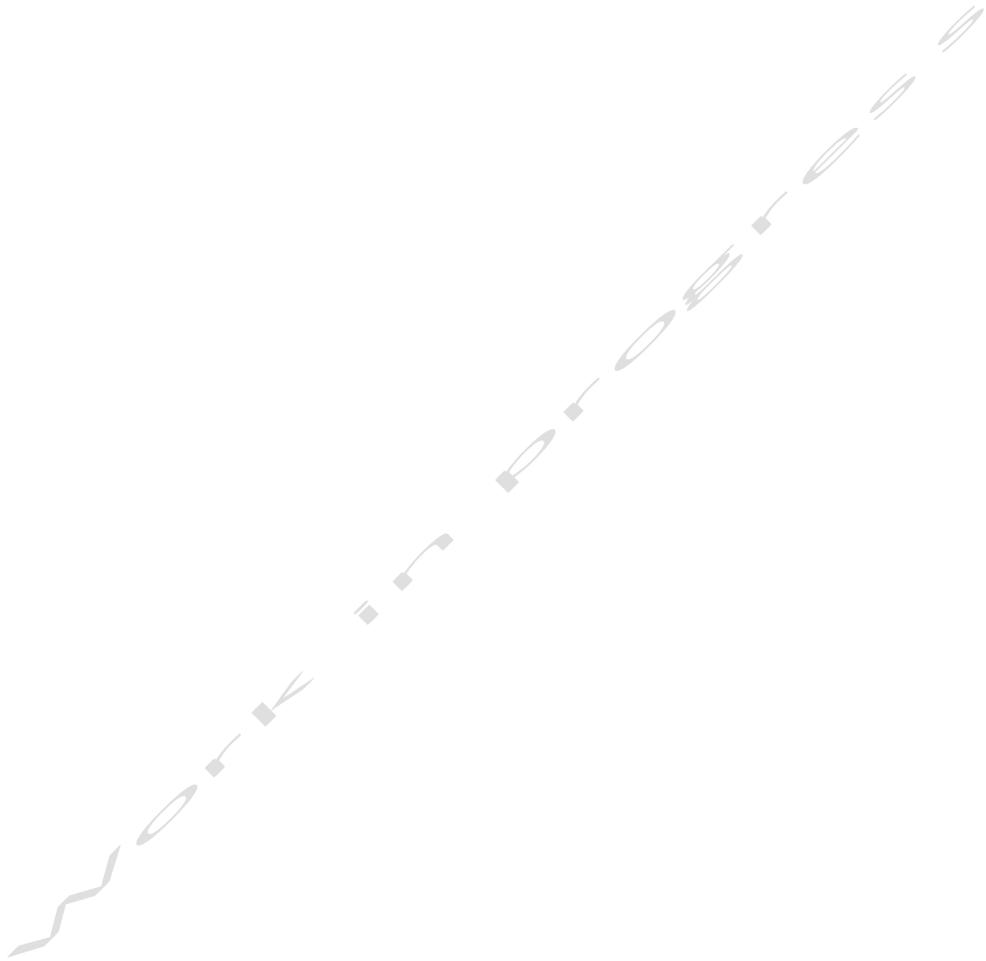
The Queenstown Lakes Spatial Plan 2021 ('Spatial Plan') sets out the strategic growth plan for the district, with key priorities aimed at ensuring future growth happens in the right places and is supported by the right infrastructure and services – those within the control of the Council and wider utility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

- The Spatial Plan identifies **where and in what manner the district will grow** and what infrastructure will be required to support this growth. The delivery of responsive and cost-effective infrastructure that is delivered in a staged manner, linked in a sequenced way to growth, is critical to achieving the outcomes of the Spatial Plan and ensuring that growth is adequately provided for. This strategy responds to the need to develop infrastructure in line with how and where the district is going to grow.
- The delivery of an **integrated transport network that is focussed on moving goods and people**, is critical to achieving the outcomes of the Spatial Plan and ensuring that growth is adequately provided for. This means increasing the level of investment in new infrastructure and optimising the use of road space for all road users and to support better public transport services and active travel. This is a key input in to determining the focus areas for transport investment. This Strategy outlines the choices needed about transport and social infrastructure to transform neighbourhoods and transport networks to respond to this.
- Much of the recent growth has been in housing developments that sometimes lack local shops, services and adequate parks and community facilities. Ensuring **well-designed neighbourhoods**, particularly in new development areas, will mean more everyday needs can be met locally, improve connections and a feeling of belonging helping to improve the health and wellbeing of communities now and into the future. This strategy outlines the infrastructure required to enable more everyday needs to be met close to home.
- Including mana whenua perspective across Council activities is essential to creating thriving communities. Council, as a crown entity, honours its commitment to its Te Tiriti o Waitangi Partners (Kāi Tahu) by acknowledging and adopting **Kāi Tahu values and aspirations** as a shared responsibility. This strategy has considered Kāi Tahu's aspirations in options for future infrastructure interventions.

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

THE STRATEGIC PLANNING ENVIRONMENT

[TBC]



SIGNIFICANT ISSUES

The Queenstown Lakes District is a highly desirable place to call home due to the attractive scenery and climate, clean environment, outdoor lifestyle, strong economic opportunities and strong national and international connectivity. Over the past 30 years, the Queenstown Lakes has grown from 15,000 residents to its current population of 42,000, alongside significant growth in visitors to the area. The economy has performed very strongly, with GDP growth over double the New Zealand average and there has been very low unemployment. The 2023 Quality of Life survey results demonstrate a solid commitment to, and pride in, the district amongst its residents. Respondents generally reported having a high quality of life with over half likely to recommend working and living in the district to others.

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

Rapid and sustained population growth

The Queenstown Lakes district is one of the fastest growing areas in Aotearoa, with resident and visitor growth that has consistently exceeded predictions. Growth has had benefits and caused some challenges. Urban development has often been developer-led, spreading out over large areas of land putting pressure on both the environment and infrastructure. Areas in the district are already zoned to enable greater than 30 years' worth of housing growth, before considering priority growth areas. Much of the district's growth is demand led with high levels of inward migration from both NZ and overseas. This demand places considerable price pressure on the market and an ongoing demand for additional supply of both land and housing

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

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

Increased and increasing standards

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

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

Resilience to shock events

The Queenstown Lakes district is in an inland mountainous environment exposed to climatic extremes in terms of high and low temperatures, extreme rainfall, drought and heavy snowfall. The likelihood of more severe and frequent weather events will increase with a warming climate.⁴ The most likely natural hazards for the region are major storms (with associated flooding, high winds, and landslides - as was experienced in September 2023) and earthquakes (with associated ground shaking, liquefaction, rockfall, and landslides).

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

Climate emergency

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

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

Infrastructure deficit

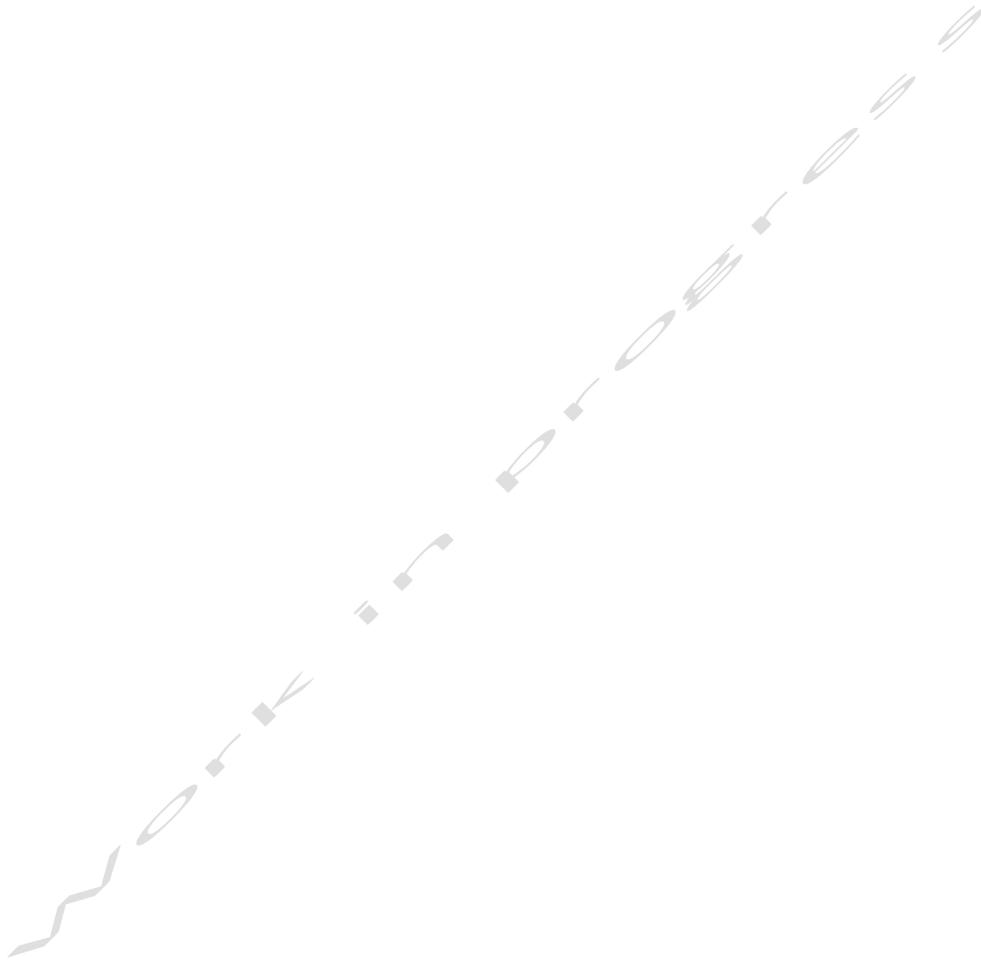
The issues outlined above put pressure on existing services and require Council to do more. But the ability to do more is constrained by:

- continued escalating costs due to increasing interest rates, high inflation, high demand, and supply chain issues (often due to macro-economic and international geo-political issues),
- limited capacity to deliver due to the size of both Council's workforce and the contractor / professional services market in the district,
- long project incubation periods and barriers to implementation make it difficult and costly to respond to changing requirements,

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

- the timing and investment of other infrastructure and service providers that are also critical to meeting demand and maintaining levels of service within the district, and
- limited funding availability exacerbated by settlement of large defective building claims, debt associated with a major capital delivery programme in recent years, and ratepayer affordability limitations.

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



SECTION 3: MEETING THE CHALLENGE

In this section:

- The 'most likely' scenario for the district's infrastructure over the next 30 years
- Making infrastructure services sustainable
- Significant decisions

Work in progress

THE 'MOST LIKELY' SCENARIO

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

Key drivers:

- **Population growth:** The extent to which resident and visitor populations grow is a critical determinant of the type and scale of infrastructure required. In addition to providing for high and sustained growth in the district's resident population, Council's infrastructure also needs to be able to support considerable total population peaks when visitor numbers are high. These variable demand patterns exacerbate the servicing challenges associated with providing infrastructure that meets the demands of a growing district.
- **Ability to fund:** Ability to fund infrastructure is determined by a range of assumptions made in the Finance Strategy about currently known external funding streams, the size of rates increases, and Council debt to revenue ratio requirements from LGFA. Combined, this means the expected ability to fund infrastructure will likely not keep pace with the need to fund infrastructure to desired levels, without significant changes to the funding models and tools used by Council.

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

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

[placeholder – insert summary of likely scenario mapped over the 30 years and its contribution to our objectives]

The most likely scenario is not the preferred scenario. Current fiscal constraints mean Council is unable to invest at the optimal quantum and pace required to respond to issues and realise Council's vision. This strategy outlines a realistic 30-year plan that makes meaningful progress towards outcomes, but acknowledges there will be trade-offs and challenges along the way.

Council is critically dependent on investment other providers make over the next 30 years. Council is not the only infrastructure provider in the district. Waka Kotahi NZ Transport Agency is responsible for the state highways, Otago Regional Council for public transport services, Transpower for electricity, Ministry of Education for schools, and Te Whatu Ora Health New Zealand for healthcare facilities - amongst many others. Like Council, these other infrastructure providers are facing similar issues and constraints; accordingly, it is assumed investment in third-party provided infrastructure in the district will follow a similar trajectory to Council's for the foreseeable future.

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

Levels of service will be periodically reviewed over the life of this Strategy. Levels of service (LoS) define the type and standard of services the community can expect. These LoS inform when and to what extent investment in new and existing infrastructure is required, what services will cost to operate and maintain, the standard to which developers must build new infrastructure, and provide a basis on which Council measures its performance as a service provider. Council’s infrastructure related LoS are articulated across a range of different publications and sources, and are due for consolidation and review. In determining the most likely scenario for the next 30 years, it is assumed that differentiated LoS models will continue to be utilised across Council’s infrastructure activity types.⁵

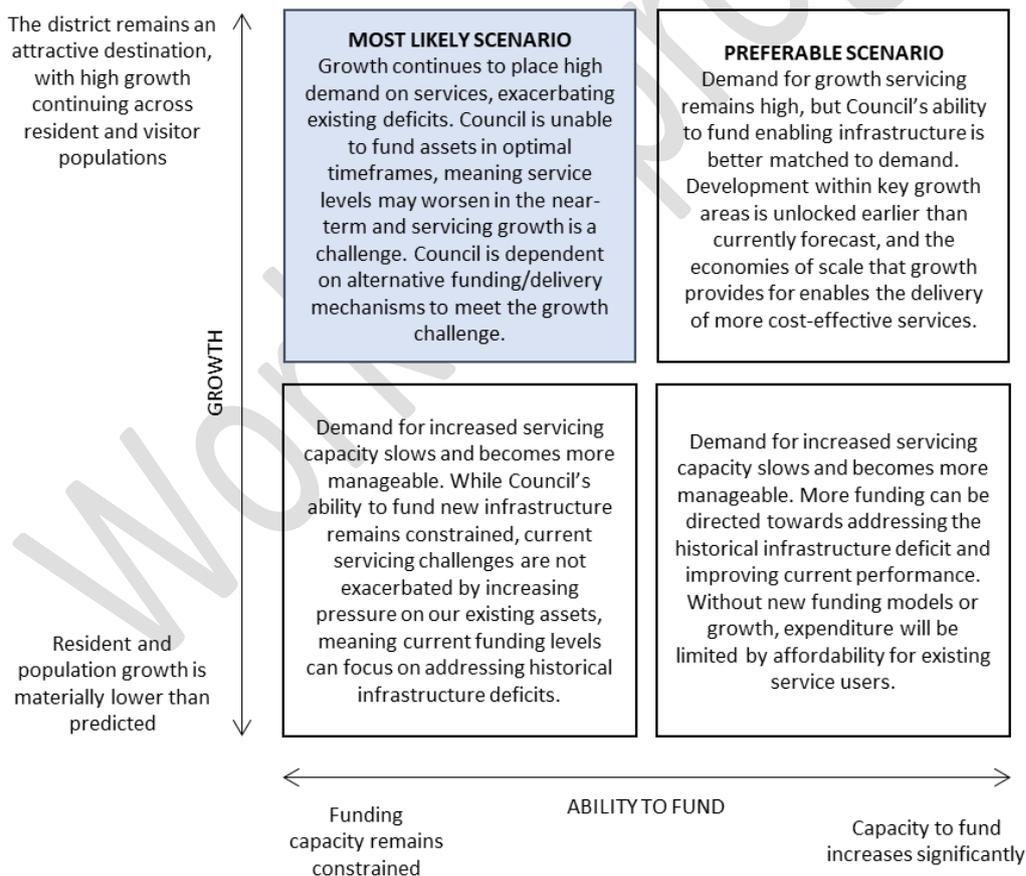


Figure x: defining the most likely scenario for this Strategy

⁵ A differentiated LoS model seeks to balance user need and value. Under a differentiated model, service users can expect core and common minimum LoS, to which additional services and increased performance standards can be added where it makes sense to do so.

[Summary of most likely scenario to be inserted – graphic representation of timing and scale of key decisions and supporting initiatives, and relative contribution to objectives]

Work in progress

MAKING INFRASTRUCTURE SERVICES SUSTAINABLE

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

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

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

Responsible decision-making and strong resource management

Council is committed to being responsible stewards of the district's infrastructure resources, and to ensuring every investment it makes extracts true value-for-money. Infrastructure planning and decision-making will always give regard to the principles and approaches described in Council's Financial Strategy to ensure the organisation continues to operate in a responsible and affordable way. In accordance with, and in support of, the Financial Strategy, Council will seek to:

- Comprehensively forecast future infrastructure needs, set long-term investment priorities, manage trade-off decisions, and minimise the cost of change to ensure critical initiatives can continue to be funded.
- Understand and value whole-of-life costs, opportunity costs, and intergenerational impacts – always giving regard to overall affordability, and ensuring beneficiaries of investments Council makes are reliably identified to ensure costs are apportioned in a fair way.
- Develop and implement a continuous improvement programme that identifies opportunities to do more for the same, do the same for less, generate new revenue, and generally streamline and rationalise ongoing service provision.
- Consider a mix of different funding mechanisms when determining how to meet the district's infrastructure resourcing needs over the next 30 years.
- Retain sufficient funding agility within the infrastructure portfolio to be responsive to arising opportunities or unexpected needs without compromising other planned investments.
- Be consistent and responsible resource managers - establishing and adhering to internal controls, expenditure targets, and savings plans.
- Implement strategic procurement arrangements that make best use of market capacity and capability, minimise the interface burden to Council, and improve the reliability of costs.

Consider non-built solutions first

Expenditure on new infrastructure is a critical component of responding to the challenges set out in this Strategy, but it is not the only response. Sometimes, adapting existing assets or utilising them more efficiently, managing demand and/or customer expectations will yield lower-cost, better outcomes. Council will seek to:

- Concurrently plan for integrated infrastructure and land use – this will enable Council to better coordinate the prioritisation of infrastructure servicing to new areas, optimise the

functionality of existing networks, and manage the allocation of capacity where there are finite servicing constraints.

- Identify and invest in low-cost actions that help achieve a more sustainable use of infrastructure – [add further detail]
- Use behavioural and pricing interventions to influence how and when users engage with infrastructure assets and services.
- Explore how planning and policy-based interventions can delay or negate the need for physical infrastructure solutions, in particular, scalable and differential service levels that are set in consultation with the communities Council serves.
- Keep existing assets in good working order, minimising the need for expensive rehabilitations or replacements.
- Support the use of emergent technologies and methodologies to improve the efficiency and effectiveness of infrastructure services, and to grow productivity and capability within the district's infrastructure sector.

Partner with others

To give effect to this Strategy, support and participation from key partners including central government, the New Zealand Transport Agency, Kāi Tahu, Otago Regional Council, developers, not-for-profit organisations, funding trusts and the private sector. Council will seek to:

- Plan in partnership with funders and providers to achieve common alignment, foster shared commitment, allocate risk fairly, and leverage each party's respective strengths.
- Proactively look for opportunities to work with others in the delivery of new or expanded assets and services that move the district closer to long-term outcomes.
- Advocate for the district's needs and opportunities on a national scale, acknowledging the material contribution the district makes to the national economy.
- Foster mutually beneficial, high-performing, and dynamic relationships with Council's partners, contractors, and suppliers that are underpinned by a 'best-for-district' approach
- Build strong relationships with current and potential funders to improve revenue assurance and flexibility.
- Grow internal commercial capability to ensure the infrastructure deals Council makes are robust, affordable, and deliver real value.

Embrace uncertainty and change

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

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

- Use scenario and adaptive planning methods to explore how Council will respond to change. [too buzzwordy? Do we need to change the phrasing?]
- Prioritise resource towards initiatives that transform the way infrastructure assets and services are delivered – rethinking, redesigning, or rapidly accelerating investments that deliver on community outcomes.
- Invest confidently and quickly in assets and services that are beneficial in any scenario (“no/low regrets infrastructure”).
- Embrace ambiguity and prioritise agility in investments where the future need is less certain; for example, asking whether a response can be staged over time, future-proofing assets for emergent technologies, or changing the way users interact with infrastructure services.

Work in progress

SIGNIFICANT DECISIONS

Council's significant infrastructure decisions over the next 30 years relate to:

- Responding to natural hazard risks and the effects of climate change
- Reducing infrastructure's impact on the environment
- Well-designed neighbourhoods that provide for everyday needs
- Servicing of key development areas
- Investing in existing three waters schemes
- Providing for the transportation network's capacity, functionality, and transformation
- Investment in strategically placed, integrated community hubs
- Type of waste management services and facilities provided

Options for responding to these decisions, and associated key initiatives, are set out in this section. In this context, key initiatives are indicated where they are of notable scale, cost, complexity, and will fundamentally influence the way Council plans, delivers, and operates its infrastructure.

Work in progress

Responding to natural hazard risks and the effects of climate change

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

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

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

Option 1: Maintain existing assets & react to shock events		\$
This response-based option means Council would continue to invest in a regular programme of renewals with some resilience benefits, and plan to reprioritise resources towards rebuilding assets/networks if major disaster strikes. Individuals and communities will need to ensure they are prepared for protracted service outages.		
Responds to:	Resilience to shock events (low)	
Delivers on:	Provide social infrastructure that is diverse, fit-for-purpose and provides for community/mana whenua/visitor needs (low)	
Implications:	As the effects of climate change worsen over the next 30 years, an overall decline in the resilience of infrastructure networks and services is likely – particularly stormwater management, with flooding and uncontrolled wastewater overflow events likely to become more frequent and impactful. The community will need to be aware of, and prepared for, the impacts of shocks and stressors.	
Option 2: Sustain the current pace of risk assessment and response		\$\$
While remaining largely dependent on reactive responses to major shock events, this option directs some resources toward better understanding network vulnerabilities, development of a long-term resilience-based investment plan, targeted low-cost interventions, and inclusion of increased asset resilience standards as part of major infrastructure upgrade projects triggered by other business needs (e.g. capacity increases, end-of-life asset replacements).		
Responds to:	Resilience to shock events (low); Infrastructure deficit (low)	
Delivers on:	Enable access to essential services following a natural hazard event, and optimise the recovery of all services thereafter (low)	
	Provide social infrastructure that is diverse, fit-for-purpose and provides for community/mana whenua/visitor needs (low)	
Implications:	While mitigating actions are identified, they are not invested in until the longer term resulting in risks associated with shocks and stressors being carried for longer. As the impacts of a changing climate become more pronounced, there may be an overall decline in network and service resilience over time. The community will need to be aware of, and prepared for, the impacts of shocks and stressors that cannot be fully mitigated with this level of investment.	

Option 3: Strengthen critical assets and services (most likely)	\$\$\$
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In addition to maintaining the current programme of risk assessment and response, targeted investment in at-risk assets will be prioritised over the medium-long term.

Responds to: Resilience to shock events (moderate); Infrastructure deficit (moderate)

Delivers on: Enable access to essential services following a natural hazard event, and optimise recovery of all services thereafter (moderate)

Provide social infrastructure that is diverse, fit-for-purpose and provides for community/mana whenua/visitor needs (moderate)

Implications: This option prevents decline in the resilience of infrastructure networks and services, and takes additional mitigating actions for risks associated with shocks and stressors. The strengthening of some critical assets will require significant capital expenditure, at times limiting Council's ability to make investment in other outcome areas. The community will need to be aware of, and prepared for, the impacts of shocks and stressors that cannot be fully mitigated with this level of investment.

Option 4: High level of infrastructure resilience to shocks and stresses	\$\$\$\$
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All of major assets will be strengthened/replaced/protected to withstand disaster events, and n+1 redundancy will be achieved across all critical assets wherever possible. Ongoing investigations, planning, and low-cost interventions will also continue. Delivery of interventions identified through a resilience investment plan (to be developed) will be accelerated.

Responds to: Resilience to shock events (high); Infrastructure deficit (mod)

Delivers on: Enable access to essential services following a natural hazard event, and optimise recovery of all services thereafter (high)

Provide social infrastructure that is diverse, fit-for-purpose and provides for community/mana whenua/visitor needs (high)

Implications: Building high levels of resilience into infrastructure assets and services will come at a high cost, materially impacting Council's ability to fund other investment priorities and core services.

Key initiatives associated with the most likely scenario

Short-term	<p>Stormwater Catchment Management Planning \$X (ongoing activity)</p> <p>Natural Hazard Projects- Glenorchy, Gorge Road \$0.5M</p> <p>Hazard mitigations – Glenorchy, Ben Lomond, Gorge Road \$0.6M</p> <p>Wildfire mitigation \$1.7M</p> <p>Seismic risk mitigation \$0.4M</p> <p>Reserve erosion management \$0.3M</p> <p>Transport network resilience programme \$4.7M - ongoing over ten years</p> <p>Seismic strengthening & minor improvements (QLDC buildings) \$0.4M</p> <p>Infrastructure Resilience Strategy development \$0.5M</p> <p>Rockabilly Gully erosion protection \$4.7M</p> <p>CBD to Frankton wastewater conveyance pipeline \$33.4M</p> <p>Shepherds Creek bridge \$2.0M</p>
Medium-term	<p>Wildfire mitigation \$20M</p> <p>Emergency Operations Centre \$0.9M</p> <p>New Arthurs Point Bridge \$59.5M</p> <p>Kingston jetty & wharf refurbishment \$3.0M</p> <p>Jetty refurbishments & replacements programme \$9.5M</p> <p>Stone Street stormwater upgrades \$9.8M</p> <p>Major stormwater improvements \$60.8M</p> <p>Butlers Green retaining wall \$1.5M</p> <p>Transport network land stabilisation programme \$1.2M</p> <p>Increased water storage for Frankton, Arrowtown, Arthurs point, Hāwea, Luggate, and Wanaka</p>
Long-term	<p>Glenorchy Adaptation Pathways \$?</p> <p>Wildfire mitigation \$60M</p> <p>Ongoing major stormwater improvements programme, with the likely addition of stormwater treatment</p> <p>Stormwater 'green' infrastructure e.g. floodable green spaces, daylighting streams, providing room for rivers</p> <p>Additional water storage across key growth areas</p> <p>Inflow and infiltration reduction programme</p> <p>Ongoing water supply and wastewater LoS performance improvement programmes</p> <p>Other resilience and adaptation interventions to be identified via the Infrastructure Resilience Strategy</p>

Reducing infrastructure’s impact on the environment

Council has a major role to play in leading the district-level response to the climate and ecological emergency. This role extends to the decisions made about the district’s assets and services; for example, the effectiveness of the transport network and type of waste services provided will directly impact the district’s emissions, and three waters infrastructure will determine how impactful extreme rainfall events are on the community and environment.⁶

Council works closely with the community and local organisations to partner in the delivery of climate and biodiversity actions. This includes funding a wide variety of community groups and projects that are focussed on district-level emission reduction, climate change education, biodiversity regeneration, and helping communities to be prepared and resilient for a just and equitable transition.

The Kāi Tahu climate change strategy, He Rautaki mō te Huringa Āhua o Te Rangi, speaks to creating a legacy for those whānau to come in response to the effects of climate change. Council shares Kāi Tahu’s aspiration to secure the best possible future for us and our children after us.

Three principal options for reducing infrastructure’s impact on the environment have been identified. Over the next 30 years, Council expects to maintain the current pace of efforts to reduce its infrastructure’s impact on the environment. This option reinforces Council’s continued commitment to protecting and respecting the natural environment, and reflects the substantial progress underway.

Option 1: Slow current efforts		\$
[TBC]		
Responds to:	[TBC]	
Delivers on:	[TBC]	
Implications:	[TBC]	

Option 2: Maintain/sustain current efforts (most likely)		\$\$\$
A wide range of initiatives (as set out in the Climate and Biodiversity Action Plan) are already underway to address the climate and biodiversity emergency declared for the district. Many of these initiatives involve partnering with the community to achieve better environmental outcomes – and will continue as planned. This option focusses on initiatives that require specific investment in infrastructure to make further progress on the Climate and Biodiversity Action Plan outcomes. The pace at which these activities occur is driven by capacity to delivery and funding availability.		
Responds to:	Climate emergency (mod)	
Delivers on:	Improve social infrastructure impact on biodiversity, water quality, embodied carbon and carbon emissions (moderate)	
	Prevent contaminants associated with infrastructure services from entering the natural environment (moderate)	
	Reduce infrastructure’s impact on global emissions and resource extraction (moderate)	

⁶ Wastewater network capacity needs to be able to cope with surge events to mitigate the risk of untreated wastewater overflows, secure water sources and reliable treatment mechanisms are critical for mitigating the risk of contaminants entering the public water supply, and the capacity of stormwater conveyance systems determines where, and for how long, areas of the district may be in flood.

Implications	<p>Leverage investment in infrastructure to create opportunities for people to increase activity, recreation, and social connection (low)</p> <p>This option will sustain Council’s contribution to biodiversity regeneration and global emission reduction within the district, ensuring the current situation does not worsen as the impact of a warming climate become more pronounced. Some improvement or change opportunities will be delivered later than optimal or desired as Council seeks to balance competing demands for investment.</p>
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Option 3: Accelerate current efforts		\$\$\$\$
<p>This option delivers the same programme of interventions but on an accelerated timetable.</p>		
Responds to:	Climate emergency (high)	
Delivers on:	<p>Improve social infrastructure impact on biodiversity, water quality, embodied carbon and carbon emissions (high)</p> <p>Prevent contaminants associated with infrastructure services from entering the natural environment (moderate)</p> <p>Reduce infrastructure’s impact on global emissions and resource extraction (high)</p> <p>Leverage investment in infrastructure to create opportunities for people to increase activity, recreation, and social connection (low)</p>	
Implications:	<p>With this option the benefits associated with environmental regeneration and emissions reduction will be felt by the community on a more timely basis. Implementing the option will require more funding, sooner – this means that Council would need to scale back investment in other areas.</p>	

Work in progress

Key initiatives associated with the most likely scenario

Short-term	<p>Wilding pine / conifer reforestation \$5M</p> <p>Blue-Green network plan development \$X</p> <p>Biodiversity partnerships, including tree planting programmes \$1.35M</p> <p>Pest management programmes \$0.48M</p> <p>EV charging stations for QLDC vehicles \$0.5M</p> <p>Food & green waste kerbside collection service \$1.4M (with ongoing opex implication)</p> <p>Zero waste programme \$4.8M – ongoing over ten years</p> <p>Stormwater catchment management planning \$3.0M – ongoing over ten years</p> <p>Stormwater compliance plans \$2.4M – ongoing over ten years</p> <p>Low-cost low-risk public transport and active travel programme \$18.3M – ongoing over ten years</p> <p>Travel demand management programme \$1.0M – ongoing over ten years</p> <p>Mode shift plan \$0.1M</p> <p>Transport emissions reduction plan \$0.3M</p> <p>Climate Impact Assessment Reporting \$0.1M</p>
Medium-term	<p>Wilding pine / conifer reforestation \$2.2M</p> <p>Biodiversity partnerships, including tree planting programmes \$3.15M</p> <p>Retrofit existing buildings to environmentally sustainable building design (LPG replacement, solar energy) \$10.8M</p> <p>Pest management programmes \$1.1M</p> <p>Product stewardship \$0.7M</p> <p>Public transport network optimisation \$4.3M</p> <p>Biosolids disposal \$18.0M</p> <p>Water demand management programme \$42.4M</p> <p>New Materials Recovery Facility \$66.4M</p> <p>Shotover wastewater disposal field \$66.1M</p> <p>Mode shift plan \$0.3M</p> <p>Transport emissions reduction plan \$0.6M</p>
Long-term	<p>Wilding pine / conifer reforestation \$10M</p> <p>Blue-Green network plan implementation \$X</p> <p>Biodiversity partnerships, including tree planting programmes \$9M</p> <p>Retrofit existing building to environmentally sustainable building design (e.g. rainwater harvesting, energy load shedding, low energy use appliances) \$XM</p> <p>Pest management programmes \$3.2M</p> <p>Zero waste programme \$10M</p> <p>Queenstown public transport interchange \$XM</p> <p>Whakatipu active travel network \$XM</p> <p>Wanaka active travel network \$XM</p> <p>Improved/new methane collection and energy conversion technologies at Victoria Flats Landfill (\$TBC)</p> <p>Resource recovery hub, including construction & demolition waste (\$TBC)</p> <p>Distributed community waste minimisation solutions e.g. container return schemes, repair cafes, community composting hubs (\$TBC)</p> <p>Other organic material collection/processing (\$TBC)</p>

Well-designed neighbourhoods with social infrastructure that provide for everyday needs

Having places for people to connect is important for growing strong, healthy and inclusive communities. It provides opportunities to bring different groups of people together, contributing to social integration, a sense of belonging and the desirability of a place. A connected and healthy community is one that can live, work and play together.

The everyday needs of the community need to be considered upfront when new neighbourhoods are designed. Increasing densities and the redevelopment of sites can often make it difficult for social infrastructure to be provided retrospectively. This highlights the need for areas to be planned in their entirety to ensure the everyday needs of the community are met close to home.

The Spatial Plan aims to create more connected neighbourhoods and improve access to the everyday needs of communities in a number of ways. The consolidated approach to managing growth concentrates population in settlements and neighbourhoods of a scale that can sustain more local services, such as parks and community spaces. It will also support improved public transport services. The plan also proposes several new centres that will improve access to everyday needs by walking and cycling for many residents.

The district is made up of a combination of larger centres, supporting settlements, self-contained villages, and small remote settlements. Each of these areas experience a range of social infrastructure provision, with some of their needs met locally and some requiring a short or longer drive. Supplying a consistent level of service for a population spread over such a large geographical area presents a challenge. It is not always achievable to deliver social infrastructure to the same level, particularly for existing neighbourhoods. However, Council should aspire to achieve this in priority development areas and where significant intensification is planned in existing settlements.

To address this, we have designed a service model that provides a guide on the number and type of facilities that should be available in communities of different sizes. The model combines settlement population size with a hierarchy of travel means to access social infrastructure and provides a graphical way of showing the tipping points where a settlement is large enough to warrant its own local asset or service.

		<2,500 people	2,500-6,250 people	6,250-12,500 people	>12,500 people
Parks	Local Park				
	Community Park				
	Destination Park				
Sports Fields	Sportsground Park (Community)				
	Sportsground Park (Premier)				
Sports & Recreation Facilities	Indoor Courts	single	single	multiple	multiple
	Outdoor Courts	single	single	single	multiple
	Local Pool				
	Aquatic Facility				
Community Spaces	Community Centre	small hall	small hall	community centre	community centre
	Event and Function Centre				
	Local Library Service				
	Destination Library				

Key:	< 15-minute walk	< 15-minute bus ride (or drive)	15 to 30-minute bus ride (drive)	> 30 minute bus ride (or drive)
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Many existing settlements already have access to social infrastructure consistent with this model.

The district is also well provisioned with natural features that complement the social infrastructure provided by Council, and others, and is readily accessible to all. The amount and quality of natural reserves and open spaces available to the community are high compared to many other urban centres across Aotearoa. Many people move to this region for this experience and Council proactively works, individually and with a network of partners, to maintain and grow these experiences.

Four principal options have been identified that build on each other, demonstrating an increasing extent of implementation of the service model. The most likely scenario is based on applying the model to priority development areas and existing settlements only where this is practical.

Option 1: Make best use of existing assets	\$\$
<p>Council will maintain existing facilities and spaces and invest in improving the capacity and quality of existing social infrastructure. This option involves getting the most value out of existing assets, without extending the network of social infrastructure over time. The service model will not be implemented.</p>	
Responds to:	Growth (low), Infrastructure deficit (low)
Delivers on:	<p>Create opportunities for activity/recreation/social connection (low),</p> <p>Infrastructure is diverse, fit for purpose, and meets community/mana whenua/visitor needs (low),</p> <p>Provide social infrastructure that meets many everyday (non-work) needs within a short walk, cycle or bus trip of home (low),</p> <p>Plan for sufficient social infrastructure to accommodate the district's growing population (low)</p>
Implications:	Social infrastructure will not respond effectively to growth and this will likely have flow on implications for housing availability and affordability.
Option 2: Protect the network for future development	\$\$\$
<p>In addition to making the best use of existing social infrastructure, Council will also protect the ability to apply the service model in priority development areas in the future. This means Council will invest in early design and land acquisitions for social infrastructure in priority development areas.</p>	
Responds to:	Growth (low - enabler), Infrastructure deficit (low - enabler)
Delivers on:	<p>Create opportunities for activity/recreation/social connection (low)</p> <p>Infrastructure is diverse, fit for purpose, and meets community/mana whenua/visitor needs (low)</p> <p>Provide social infrastructure that meets many everyday (non-work) needs within a short walk, cycle or bus trip of home (low)</p> <p>Plan for sufficient social infrastructure to accommodate the district's growing population (low)</p>
Implications:	While the ability to improve services in the future is protected, the implications associated with not having everyday needs met locally will still be experienced by the community.

Option 3: Deliver good practice social infrastructure for priority development areas		\$\$\$
<p>In addition to making the best use of existing social infrastructure and protecting the network for future development, Council will actively work towards delivering social infrastructure in line with the service model for priority development areas, but this may lag housing development. Council will also work to retrofit the service model to existing settlements, but only where it is practical to do so.</p>		
Responds to:	Growth (moderate), Infrastructure deficit (moderate)	
Delivers on:	<p>Create opportunities for activity/recreation/social connection (moderate), Infrastructure is diverse, fit for purpose, and meets community/mana whenua/visitor needs (moderate), Provide social infrastructure that meets many everyday (non-work) needs within a short walk, cycle or bus trip of home (high), Plan for sufficient social infrastructure to accommodate the district's growing population (moderate)</p>	
Implications:	<p>This option ensures that good practice social infrastructure is built into planning and delivered for high growth areas and also provides for an increase in social infrastructure for some existing settlements. While not giving all residents an ideal level of access to social infrastructure, this provides an increase in the proportion of residents who would experience a good practice level of access.</p>	

Option 4: Deliver good practice social infrastructure for all settlements		\$\$\$\$
<p>In addition to making the best use of existing social infrastructure and protecting the network for future development, Council will actively work towards delivering the service model for all settlements.</p>		
Responds to:	Growth (high), Infrastructure deficit (high)	
Delivers on:	<p>Create opportunities for activity/recreation/social connection (high), Infrastructure is diverse, fit for purpose, and meets community/mana whenua/visitor needs (high), Provide social infrastructure that meets many everyday (non-work) needs within a short walk, cycle or bus trip of home (high), Plan for sufficient social infrastructure to accommodate the district's growing population (high)</p>	
Implications:	<p>All communities would have improved social infrastructure, but this would come at considerable upfront and intergenerational cost with costs being disproportionately borne by smaller communities.</p>	

Key initiatives associated with the most likely scenario

Short term	<p>Resurfacing QEC outdoor courts \$1M</p> <p>New playgrounds across the district \$2.6M</p> <p>New sports fields across the district \$1M</p> <p>New public toilets across the district \$0.6M</p> <p>Reserve development planning \$0.3M – Arrowtown, Widgeon Place</p>
Medium term	<p>New sports fields across the district \$3.75M</p> <p>New playgrounds across the district \$3.5M</p> <p>New public toilets across the district \$3.8M</p> <p>Community Park upgrades \$1.2M– Arrowtown skatepark, Luggate outdoor courts</p> <p>Destination Park upgrades \$5M – Queenstown Gardens</p> <p>Reserve development planning \$2.1M– Kingston Lakeside, Warren Park</p> <p>Reserve development implementation \$4.8M – Wānaka lakefront stage 4</p>
Long term	<p>New Wānaka Library \$16M</p> <p>Reserve Development Implementation (\$ dependent on outcome of planning) – Arrowtown, Widgeon Place, Kingston Lakeside, Warren Park</p> <p>Refer to “servicing of key growth areas” significant decision for key initiatives in growth areas (bring through dollars?)</p>

Servicing of key development areas

There are a number of key development areas within the district. Significant investment in infrastructure is required over the next 30 years to unlock these areas for the district's rapidly growing population. The sequence, pace, and capacity of infrastructure provided to service these areas will be a key determinant of the quantum and locality of new housing released within the district.

[summarise activity done in support of this to date e.g. spatial plan, structure planning, capacity upgrades of headworks e.g. WWTPs. Reiterate the role of third party utility providers in unlocking these areas]

Whakatipu

Key development areas within the Whakatipu extend to the west, south, and east of the established Frankton metropolitan area. Development of an integrated infrastructure investment programme is a priority action for 2024/25 to determine the optimal mix and sequence of infrastructure interventions across these development areas.

[insert Whakatipu map with colour-coded hotspots. Colour coding to provide an indicator of readiness/certainty – using infrastructure status, ability to fund, zoning, other? as a combined proxy]

Te Putahi Eastern Corridor

This area is in the process of being upzoned via a Streamlined Planning Process.

Maximum potential dwellings: [tbc – pending strategic growth team]

Projected population at 2054: [tbc – pending strategic growth team]

Key infrastructure servicing constraints:

- Water supply treatment, storage, and reticulation
- Wastewater reticulation, treatment, and disposal arrangements
- Stormwater reticulation and disposal
- State Highway capacity and public transport services
- Social infrastructure availability

Readiness/certainty: [TBC]

Frankton

Identified development areas are zoned High Density, Mixed Use, and Flexible Mixed Use.

Maximum potential dwellings: [tbc – pending strategic growth team]

Projected population at 2054: [tbc – pending strategic growth team]

Key infrastructure constraints:

- Shotover wastewater disposal field performance
- Water storage and firefighting flows
- Wastewater reticulation
- State Highway capacity and public transport services

Readiness/certainty: [TBC]

Te Tapuae Southern Corridor

This area includes a mixture of consented, zoned, and unzoned land. A Structure Plan is exploring the upzoning potential for some areas within the corridor, the outcome of which will influence the nature of infrastructure investment required.

Maximum potential dwellings: [tbc – pending strategic growth team]

Projected population at 2054: [tbc – pending strategic growth team]

Key infrastructure constraints:

- Water supply intake, treatment, storage, and reticulation
- Wastewater reticulation, treatment, and disposal arrangements
- State Highway capacity and public transport services
- Active transport network
- Land availability to meet future social infrastructure needs

Readiness/certainty: [TBC]

Frankton Road Corridor

[overview of zoning]

Maximum potential dwellings: [tbc – pending strategic growth team]

Projected population at 2054: [tbc – pending strategic growth team]

Key infrastructure constraints:

- Wastewater reticulation
- Frankton Road (SH6A) capacity

Readiness/certainty: [TBC]

Upper Clutha

[intro & map to be inserted]

Southern Wanaka

[overview of zoning]

Maximum potential dwellings: [tbc – pending strategic growth team]

Projected population at 2054: [tbc – pending strategic growth team]

Key infrastructure constraints:

- Wastewater conveyance capacity
- Water intake, treatment, storage, and reticulation
- [transport network tbc – bypass routes etc per WKA network optimisation b/c?]
- Land availability to meet future social infrastructure needs

Readiness/certainty: [TBC]

Three Parks

[strategic growth to confirm if this should be included]

Hāwea

[overview of zoning]

Maximum potential dwellings: [tbc – pending strategic growth team]

Projected population at 2054: [tbc – pending strategic growth team]

Key infrastructure constraints:

- Wastewater conveyance capacity
- Water intake, treatment, storage, and reticulation
- [transport network content to be added]
- Land availability to meet future social infrastructure needs

Readiness/certainty: [TBC]

Five principal options for servicing of key development areas have been identified. Over the next 30 years, Council expects to adopt a servicing approach that balances the potential for development with predicted population growth and any constraints associated with the size and operations of infrastructure. Priority will be given to infrastructure types that must precede development (e.g. three waters), with other infrastructure types following as and when development or funding enable (e.g. social infrastructure, active transport).

Option 1: On demand, development-led servicing

TBC

This option relies on developers to implement infrastructure that supports individual developments to a standard set by Council. The cost and delivery of the infrastructure development is the responsibility of the developer.

Responds to: Rapid and sustained population growth (mod)

Delivers on: Nil

Implications: While this option may appear to address requirements for individual settlements, it would lead to an overall inefficient network that is difficult and expensive for Council to manage and maintain into the future. As development is often undertaken on a piecemeal basis, this means that individual developments might not be of a size to trigger specific requirements, but in aggregate they might; this has led to a growing infrastructure deficit.

Option 2: Service existing zoned capacity only

TBC

This option involves extracting the maximum possible effectiveness from existing infrastructure as the population grows within existing zoned areas. Investment will be made in demand management initiatives and then optimisation of existing infrastructure. The success of this option will be dependent on the community being motivated to make material changes to the way they interact with infrastructure services.

Responds to: Rapid and sustained population growth (low)

Delivers on: Create opportunities for activity/recreation/social connection (low)
 Infrastructure is diverse, fit for purpose, and meets community/mana whenua/visitor needs (low),
 Provide social infrastructure that meets many everyday (non-work) needs within a short walk, cycle or bus trip of home (low)
 Plan for sufficient social infrastructure to accommodate the district's growing population (low)
 Optimally sequence infrastructure interventions to maximise servicing capability for the district's growing population (low)

Implications: It is unlikely that increasing infrastructure servicing capacity to currently zoned levels alone will meet the needs of the district's growing population. Housing development, particularly large-scale development that offers economies of scale, will be constrained by the lack of supporting infrastructure – exacerbating the current challenges of housing availability and affordability. Additionally, the capacity increases required within existing schemes will be unable to leverage the infrastructure that would be created to support these development areas, potentially resulting in a higher servicing cost per user relative to more growth-enabling options.

Option 3: Protect for future development only

TBC

This option is about preserving options into the future only, and is an important consideration now as private development rapidly encroaches on land that could be used to develop key infrastructure. This option is still dependent on 'service existing zoned capacity only' to manage demand and service levels.

Responds to:	Rapid and sustained population growth (low)
Delivers on:	<p>Create opportunities for activity/recreation/social connection (low)</p> <p>Infrastructure is diverse, fit for purpose, and meets community/mana whenua/visitor needs (low)</p> <p>Provide social infrastructure that meets many everyday (non-work) needs within a short walk, cycle or bus trip of home (low)</p> <p>Plan for sufficient social infrastructure to accommodate the district's growing population (low)</p> <p>Optimally sequence infrastructure interventions to maximise servicing capability for the district's growing population (low)</p>
Implications:	While the ability to deliver infrastructure for these development areas is preserved into the future, without provision of the infrastructure itself, the implications of this option remain the same as in Option 1.

Option 4: Service areas to projected growth levels and/or optimal servicing capacity (most likely) TBC

The maximum capacities that could be achieved within these development areas, combined with potential for infill and redevelopment of established areas, is greater than the demand associated with the district's projected population growth over the next 30 years.

This option seeks to strike a balance between ensuring sufficient development capacity is serviced to keep pace with the needs of the growing population, without investing too far ahead of where and when growth occurs. The option recognises that there are certain infrastructure types that must lead development, and some that can lag – and focusses on accelerating critically enabling infrastructure to unlock the identified areas at a pace that is aligned with the increasing demand for housing within the district. It also seeks to preserve the necessary land and permissions required to develop other supporting infrastructure as and when funding allows or demand requires.

In implementing this option, Council will seek to work closely with developers, leveraging their capability and funding to provide supporting infrastructure in a way that is consistent with the overarching servicing strategy to be developed as part of this option. It also requires Council to investigate and establish new funding and financing models to make the delivery of required infrastructure achievable and affordable to the community.

Council will focus on protecting the ability to implement social infrastructure using the service model (refer above) including smaller scale strategically placed, integrated hubs in growth areas but this will lag housing development. This means protecting the ability to do this in the longer term by investing in high level design and land acquisitions that inform planning of development in the medium term.

Responds to:	Rapid and sustained population growth (mod); Infrastructure deficit (mod)
Delivers on:	<p>Create opportunities for activity/recreation/social connection (moderate)</p> <p>Infrastructure is diverse, fit for purpose, and meets community/mana whenua/visitor needs (moderate)</p> <p>Provide social infrastructure that meets many everyday (non-work) needs within a short walk, cycle or bus trip of home (high),</p> <p>Plan for sufficient social infrastructure to accommodate the district's growing population (moderate)</p> <p>Optimally sequence infrastructure interventions to maximise servicing capability for the district's growing population (moderate)</p>
Implications:	Over the next 30 years, infrastructure servicing constraints on these development areas will markedly reduce – aligning the timing, location, and capacity of infrastructure across these areas to best match demand growth. The timing and sequence of these infrastructure interventions may not always align with the development community's

preferred timelines or approaches, potentially constraining the ability and willingness to develop in the short to medium term.

The indicative staging of key initiatives is reflective of readiness to advance development (status of structure planning/zoning, certainty of solution, ability to fund and deliver, etc). There will continue to be short-term constraint on development of these areas while the necessary planning, design, and consenting activities required to shift these areas into a high state of readiness are advanced.

Option 5: Service areas to maximum possible capacity

TBC

The maximum capacities that could be achieved within these development areas, combined with potential for infill and redevelopment of established areas, is greater than the demand associated with the district's projected population growth over the next 30 years. In this option, supporting infrastructure will be developed to support an area's maximum possible capacity. For this option to be feasible, one development area would need to be advanced at a time, consolidating most growth to a single area until servicing capacity is utilised, following which the next development area would be advanced. In practice, some elements of this location-based, staged approach to servicing development areas are reflected in Option 3 as a result of the differing levels of certainty and readiness associated with developing and servicing the respective areas.

Responds to: Rapid and sustained population growth (high);
Infrastructure deficit (low)

Delivers on: Create opportunities for activity/recreation/social connection (moderate)
Infrastructure is diverse, fit for purpose, and meets community/mana whenua/visitor needs (moderate)
Provide social infrastructure that meets many everyday (non-work) needs within a short walk, cycle or bus trip of home (moderate),
Plan for sufficient social infrastructure to accommodate the district's growing population (high)
Optimally sequence infrastructure interventions to maximise servicing capability for the district's growing population (high)

Implications: This option is dependent on the growing population consolidating in a designated development area. The option risks oversizing infrastructure, resulting in expenditure levels that are unaffordable for the community and sub-optimal asset performance.

Key initiatives associated with the most likely scenario

Short term	<p>Whakatipu priority growth areas integrated infrastructure programme development \$1M</p> <p>Eastern Corridor Community Hub (516 Ladies Mile) (\$5M) – initial development</p> <p>Remarkables Park stormwater outlet \$4.4M</p> <p>Hanleys Farm wastewater pump station \$2.7M</p> <p>Capell Ave watermain extension \$1.1M</p> <p>Capell Ave road extension \$3.3M</p>
Medium term	<p>Eastern Corridor other social infrastructure (\$XM) – land acquisition</p> <p>Southern Corridor Community Hub (\$XM) – land acquisition, masterplan development</p> <p>Southern Corridor other social infrastructure (\$XM) – land acquisition</p> <p>Southern Wānaka other social infrastructure (\$XM) – land acquisition</p> <p>Hāwea other social infrastructure (\$XM) – land acquisition</p> <p>Ladies Mile Water Supply Scheme \$23.7M</p> <p>Ladies Mile Wastewater Scheme \$27.7M</p> <p>Ladies Mile Stormwater Scheme \$40.6M</p> <p>Southern Corridor Water Supply Scheme \$69.6M</p> <p>Southern Corridor Wastewater Scheme \$71.7M</p> <p>Quail Rise Reservoir \$23.0M</p> <p>Hawthorne Drive wastewater conveyance capacity \$5.0M</p> <p>Remarkables Park & Kawarau Place wastewater pump station \$7.1M</p> <p>Southwest Wanaka wastewater conveyance scheme \$22.3M</p> <p>Upper Clutha wastewater conveyance scheme \$75.7M</p> <p>Beacon Point water supply upgrades \$24.3M</p> <p>Hāwea water supply scheme upgrades \$20.5M</p> <p>Wanaka storage upgrades \$56.4M</p> <p>Quail Rise to Hawthorne link road \$6.3M</p> <p>Frankton Road 10 formation \$5.3M</p> <p>Wanaka transport network optimisation \$13.8M – stage one</p> <p>Southern Corridor transport network optimisation \$5.7M</p> <p>Ladies Mile transport network optimisation \$5.7M</p> <p>Hāwea transport network optimisation \$5.7M</p> <p>Public transport network optimisation \$4.3M</p> <p>Wanaka primary cycle network \$5.4M – stage one</p>
Long term	<p>Eastern Corridor Community Hub (516 Ladies Mile) – masterplan completion</p> <p>Eastern Corridor other social infrastructure \$XM</p> <p>Southern Corridor Community Hub (\$XM) – masterplan implementation</p> <p>Southern Corridor other social infrastructure \$XM</p> <p>Southern Wānaka other social infrastructure \$XM</p> <p>Hāwea other social infrastructure \$XM</p> <p>Wanaka transport network optimisation \$XM – remaining stages</p> <p>Wanaka primary cycle network \$XM – remaining stages</p> <p>Whakatipu active travel network \$XM – remaining stages</p> <p>Queenstown public transport interchange \$XM</p> <p>Balance of Queenstown Arterial route \$XM</p> <p>[other infrastructure initiatives to be added]</p>

Investing in existing three waters schemes

In addition to the growth anticipated in key development areas, the demand for three waters servicing within existing and imminently planned schemes will continue to increase over time. Council will continue to work with local communities to address both infrastructure needs and the funding and recovery mechanisms to support significant shifts in existing and historic level of services, which have been barriers to community uptake in the past. As part of prioritising these investments Council will also work with Kāi Tahu to give effect to Te Mana o te Wai, that has regard to the cultural mauri of water as well as its functional protection.

Council has made considerable investment in its existing networks and services. Funding for the maintenance and renewal of current assets has remained a top priority, along with technology improvements to lift service performance, and capacity upgrades to maintain service levels in line with growth.

New schemes and services have been progressively introduced across the district to ensure the district's growing population has access to high-quality infrastructure that protects and respects the natural environment. Notably, Luggate has been connected to Wanaka's wastewater treatment plant, the Cardrona settlement now has new reticulated wastewater and water supply schemes, and arrangements are in place to introduce the same for Kingston.

A key consideration for Council in giving effect to this decision will be how and where wastewater is treated and disposed across the district. Historically and where realistic, Council has pursued a strategic approach of centralising wastewater management; this has resulted in two major wastewater treatment and disposal sites within the district (Project Shotover and Project Pure), accompanied by investment in modern localised facilities for Cardrona (operational) and Kingston (planned) where it is not feasible to connect to a central system. As growth within the district continues, and consents for existing operations come up for renewal, Council will need to reassess this predominantly centralised approach to wastewater management – either reconfirming and expanding the existing arrangements, or pursuing additional treatment and disposal locations within the district. An adaptive planning pathways approach is being deployed to understand and confirm how Council can best manage the additional wastewater volumes into the future; this work will be completed in close collaboration with mana whenua, and will influence the nature and timing of major investment in wastewater infrastructure beyond the 2024-34 Long Term Plan.

Four principal options for ongoing investment in existing three waters schemes have been identified. All options identified are underpinned by an assumption that Council will continue to invest in the maintenance and renewal of existing assets at a level that optimises their performance and useful life. Over the next 30 years, Council expects to drive more sustainable infrastructure service provision through the introduction of demand management and other efficiency-based initiatives. In addition, ongoing investment in asset-based solutions that increase network capacity and service performance will be made in line with projected growth, and the breadth of serviced areas will be expanded through the extension of established schemes.

Option 1: Maintain existing assets and invest only in low/no build infrastructure solutions**TBC**

This option seeks to primarily respond to growing demand for service through low/no build solutions only. It recognises that there are efficiencies and alternative management approaches that can be deployed to mitigate the effects of growth – but relying on these approaches alone comes with considerable risk and limitations.

The district's water usage rates are amongst the highest in New Zealand. Council must ensure water usage is efficient and sustainable in order to support future generations within permitted abstraction levels. Reducing per person demand will enable Council to reduce or defer costly and carbon-intensive network capacity increases, and demonstrates respect for the lakes, rivers, and aquifers from which freshwater is abstracted. Reducing indoor water use also has the benefit of reducing wastewater flows for conveyance, treatment, and discharge back to the natural environment. The key focus of this option is to implement a water demand management programme across the district, with a target of reducing average water consumption per person per day to below 300L by 2031 (a 40% reduction from 2020 usage levels) – bringing the district in line with the national average and providing a more sustainable water supply service for a growing population.

Even with the success of water demand management, growth within the district will continue to place pressure across the three waters networks. A focus on inflow and infiltration will be required to help preserve wastewater network capacity. Stormwater hazard mapping to identify areas at risk of flooding will continue, enabling affected property owners to be prepared and supporting future planning/consenting decisions with the most up-to-date information.

Responds to: **[TBC]**

Delivers on: **[TBC]**

Implications: While demand management is a critical component of providing sustainable three waters services into the future, pursuing a low/no build only pathway for existing schemes will rapidly constrain growth and/or result in a significant deterioration in service levels over time as growth erodes available capacities. Compliance with standards and regulations will become increasingly difficult, and it is unlikely environmental protections will be provided to a level reasonably expected by residents, mana whenua, and regulators. It will not be feasible to extend current scheme boundaries to connect adjacent settlements or facilitate further new development.

Option 2: Maintain existing and build to meet demand**TBC**

This option provides infrastructure assets and services that support an extrapolation of current network demands in line with projected population growth. Under this option, major capacity increases across water supply and wastewater networks will continue over the next 30 years, and the extent of Council's stormwater network will continue to expand in response to more houses, roads, and other built environment activities. Demand management and behaviour change initiatives will be deprioritised in favour of accelerating built capacity solutions.

Responds to: **[TBC]**

Delivers on: **[TBC]**

Implications: Major infrastructure capacity increases will accommodate high levels of growth within existing schemes; however, these infrastructure solutions will be costly and carbon intensive, challenging affordability and diverging from environmental outcomes and objectives. Consenting and other necessary planning permissions required for ongoing operations may become increasingly difficult.

Option 3: Maintain existing and meet demand through a balance of built and non-built solutions**TBC**

This option seeks to sustainably support growth and maintain service levels within existing scheme boundaries by investing in a balanced programme of built and non-built initiatives. Over the next ten years capacity increases will be made to respond to any existing infrastructure deficits and provide for projected demand growth, and efficiency-based initiatives will also be pursued to change demand patterns on network over time – meaning future capacity upgrades can be of a smaller scale or later than would otherwise be required. The scope of this option is confined to established scheme boundaries; Council does not invest in infrastructure to connect adjacent areas (established settlements or new developments) to existing networks.

Responds to: **[TBC]**

Delivers on: **[TBC]**

Implications: Established schemes will continue to attract investment that maintains or improves service levels, alongside an expectation that efficiency-based initiatives make better use of existing and new assets. Settlements that are adjacent to established or planned schemes (in particular, the existing townships of Kingston and Luggate) will remain dependent on alternative arrangements.

Option 4: Maintain existing, meet demand through a balance of built and non-built solutions, and extend current scheme boundaries to increase breadth of service (most likely)**TBC**

Council has made significant investment in lifting the performance of existing schemes, and development of new schemes, to continuously increase the availability of high-quality three waters services across the district. This option continues to invest in these schemes as outlined in Option 3 (i.e. a balanced programme of built and efficiency-based initiatives), but provides for their expansion to leverage existing infrastructure to further increase the number of existing and new residents that can be supported by Council's three waters services. In addition to the improved public health and environmental standards that can be achieved through scheme expansions, the fixed costs associated with scheme operations can be spread across a broader user base, providing overall affordability benefits.

A possible addition to this option is the provision of a reticulated wastewater scheme for Glenorchy. This would be a new standalone scheme, as there is no existing Council wastewater service in the area to leverage.

Responds to: **[TBC]**

Delivers on: **[TBC]**

Implications: Expanding scheme boundaries will require upfront investment in expensive and carbon-intensive infrastructure; however, overtime the environmental and public health benefits, combined with the broader user base to spread fixed operational costs across, could outweigh the upfront investment required. Proposed scheme expansions will be subject to rigorous analysis and community consultation before confirming.

Key initiatives associated with the most likely scenario	
Short term	<p>Water treatment upgrades – UV compliance programme and surface water filtration</p> <p>New Kingston water supply, wastewater, and stormwater schemes</p> <p>Rockabilly Gully erosion protection</p> <p>Remarkables Park stormwater outlet</p> <p>Robins Road wastewater conveyance upgrade</p> <p>Hanleys Farm wastewater pump station upgrade</p> <p>SCADA and telemetry upgrades</p> <p>North Wanaka wastewater conveyance upgrade – stage 2</p> <p>Septage disposal upgrades</p> <p>Project Pure aeration grid renewal</p> <p>Project Shotover stage 3 upgrades</p> <p>Water demand management – Hāwea</p> <p>Hāwea water supply LoS improvements</p> <p>Lake Hayes permit renewal</p>
Medium term	<p>Wastewater and water supply scheme extensions to existing Kingston and Luggate settlements</p> <p>Kingston water supply, wastewater, and stormwater schemes – future stages</p> <p>Major wastewater conveyance upgrades for CBD to Shotover, Hawthorne Drive, Arrowtown to Lake Hayes, and Riverbank Road to Project Pure</p> <p>Major stormwater improvements programme, including Stone Street</p> <p>Wastewater pump station upgrades, including Marine Parade and Remarkables Park/Kawarau Place</p> <p>Project Shotover & Project Pure – future stages</p> <p>Shotover wastewater disposal field upgrade</p> <p>Biosolids disposal</p> <p>Wastewater and water supply LoS performance improvement programmes</p> <p>Two Mile and Beacon Point water supply intake and treatment upgrades</p> <p>Increased water storage for Frankton, Arrowtown, Arthurs Point, Hāwea, Luggate, and Wanaka</p> <p>Water demand management programme</p> <p>Arrowtown, Cardrona, and Corbridge water permit renewals</p> <p>Water supply fluoridation (if directed by government)</p>
Long term	<p>Staged upgrades of Shotover Country borefield and water treatment plant</p> <p>Additional water storage across key growth areas</p> <p>Project Shotover, Project Pure, and Cardrona WWTP consent renewals</p> <p>Wastewater treatment and disposal capacity increases</p> <p>Inflow and infiltration reduction programme</p> <p>Reticulated wastewater schemes for Gibbston and Glenorchy – subject to further analysis</p> <p>Ongoing major stormwater improvements programme, with the likely addition of stormwater treatment</p> <p>Stormwater ‘green’ infrastructure e.g. floodable green spaces, daylighting streams, providing room for rivers</p> <p>Ongoing water supply and wastewater LoS performance improvement programmes</p> <p>[list in development]</p>

Providing for the transportation network’s capacity, functionality, and transformation

The delivery of an integrated transport network that focusses on moving people and goods is critical to sustainably providing for the district’s growth and achieving the outcomes of the Spatial Plan. The district’s transportation assets and services are provided in partnership with the New Zealand Transport Agency (NZTA) and Otago Regional Council (ORC); this collective partnership is known as Way To Go, and recognises all three agencies have an important role to play in realising the district’s transport and broader outcomes.

The Way To Go partnership has, and continues to, collectively and comprehensively plan for the future needs of the district’s transportation network (see [Way to Go](#) for further information). Investment across the district is underway for transportation initiatives that give effect to the Queenstown Lakes Spatial Plan. These major upgrades and service expansions are supported by Council’s ongoing investment in the transport network’s maintenance, renewal, and targeted low-cost improvement programmes.

Investment in Whakatipu’s transport network is well advanced with a low-cost frequent public transport service operational, recently completed upgrades to primary active travel routes and the Queenstown CBD, construction of the first stage of Queenstown’s arterial bypass route underway, the planned New Zealand Upgrade Programme works package on State Highway 6, and a full suite of detailed planning documents for the ongoing evolution of the area’s transport networks and services.

Planning for the Upper Clutha network is rapidly advancing, with particular emphasis on the development of business cases for an Upper Clutha public transport service and the optimisation of Wanaka’s transport network. A range of network safety improvements have been delivered, a long with a number of high-quality primary active travel connections throughout Wanaka.

Four principal options for investment in the transport network’s capacity, functionality, and transformation have been identified. Over the next 30 years, Council expects to achieve targeted network expansions and provide more transport choices for people. The most likely scenario assumes that Way To Go partner agencies will continue to invest in the district’s state highways, transportation networks, and public transport services in a way that is consistent with agreed plans and arising network needs. Council will continually collaborate with, and advocate to, the Way To Go partners to ensure future investment plans remain aligned and right for the district.

The investment priorities of Way To Go partners are guided by the Government Policy Statement (GPS) on Land Transport. Changes to the GPS directly influence the level of funding support Council’s transportation investments attract; this means that, while the initiatives defined in the most likely scenario are all expected to advance over the life of this Strategy, the timing of delivery will continue to be realigned to current funding priorities to ensure the greatest level of funding assistance can be uplifted for the district.

Option 1: Make best use of existing assets	\$
<p>This low-build option involves extracting the maximum possible effectiveness from the existing asset base (do more for the same). Investment will be made in travel demand management initiatives and optimisation of established transportation networks and services. The success of this option will be dependent on W2G partners also investing in the optimisation of their respective assets and services (in particular ORC’s public transport service), and the community being motivated to make material changes to the way they interact with transportation networks and services.</p> <p>Responds to: Rapid and sustained growth (low); Climate emergency (low)</p>	

Delivers on: [TBC]
 Implications: [TBC]

Option 2: Protect the network for future development \$\$

Investment will focus on protecting key transport corridors and other strategic locations/assets, but won't extend to the physical assets that enable their utilisation. This option is about preserving options into the future only, and is an important consideration now as private development rapidly encroaches on important transportation corridors. This option is still dependent on 'making best use of existing assets' to manage demand and service levels and includes associated investment. In addition, investment will be directed towards early design and land acquisitions that enable/ maintain designations and inform the planning of other dependent activities.

Responds to: Rapid and sustained population growth (low); Infrastructure deficit (low)

Delivers on: [TBC]

Implications: [TBC]

Option 3: Targeted expansions & more travel choices (most likely) \$\$\$

This option builds on protection of the network by targeting major investment in the development of key corridors and services. Investment will deliver the formation of critical bypass routes in the hubs of Queenstown and Wanaka, major upgrades to PT networks, and expansion of active travel networks. A concurrent focus on 'making the best use of existing assets' will continue to make the evolving transportation network more efficient.

This option is underpinned by an assumption that new funding mechanisms will be introduced over the life of this Strategy to enable investment at this level.

Responds to: Rapid and sustained population growth (moderate); Climate emergency (low); Infrastructure deficit (moderate)

Delivers on: [TBC]

Implications: [TBC]

Option 4: Transform the way the transportation network operates \$\$\$\$

New high-capacity high-frequency public transport modalities, major streetscape upgrades, and secondary cycle networks feature in this option, in addition to the targeted expansions and network effectiveness interventions described in previous options. The extent to which this option could be given effect is critically dependent on both the pace of behaviour change and the availability of new funding. It is also highly dependent on similar levels of investment in, and support from, key transportation partners and central government.

Responds to: Rapid and sustained population growth (high); Climate emergency (moderate); Infrastructure deficit (high)

Delivers on: [TBC]

Implications: [TBC]

X

Key initiatives associated with the most likely scenario

Short-term	<ul style="list-style-type: none"> Travel demand management (\$) Parking Management Plans (\$) Minor improvements programme (\$) - ongoing Active travel and public transport low cost low risk programmes (\$) - ongoing
Medium-term	<ul style="list-style-type: none"> Growth localities transport network optimisations (\$\$) PT network optimisations (\$\$) Network reseals & rehabs (\$\$) Land acquisitions for major future transport assets/services (\$\$) Acquisitions for growth localities network expansions (\$-\$\$)
Long-term	<ul style="list-style-type: none"> Major Bypass Routes (\$\$-\$\$\$) Main PT Hubs (\$\$) Main Corridor Upgrades (\$\$) Whakatipu Ferry Network (\$\$) Freight links (\$-\$\$) Active Travel Networks (\$\$)

Work in progress

Extent of Investment in strategically placed, integrated facilities

Due to regional typography, climatic conditions, and a small, dispersed population base, it is not affordable, or efficient from a transport and people resource perspective, to have all types of social infrastructure replicated across individual neighbourhoods. This can be managed by having certain social infrastructure for each ward centralised in a strategically placed, multipurpose facility that integrates different community needs, including sports, recreation, events, and other community activities. As priority development areas continue to grow, additional smaller scale integrated hubs in these areas will also be developed, complementing the centralised facilities, to meet local sports, recreation and community needs.

Council has developed key strategic facilities in Wakatipu and the Upper Clutha that are high quality, heavily used and easily accessible to a large portion of the population. These facilities are strategically placed in central locations and have been designed with the needs of the community in mind. These strategic facilities have been built to enable future development and the Community Services team regularly engage with the community to understand changing needs and service gaps.

Two principal options have been identified; the most likely scenario suggests that over the next 30 years shared, centrally located, multipurpose facilities will be invested in over a decentralised network of facilities.

Option 1: Decentralised facilities	\$\$\$\$
<p>Current centralised facilities are maintained but not expanded, instead capacity required to service the district’s growing community is built in multiple locations across the district.</p> <p>Responds to: Growth (low as inefficient), infrastructure deficit (low as inefficient)</p> <p>Delivers on: Opportunities for activity/recreation/social connection (moderate), Infrastructure is diverse, fit for purpose, and meets community/mana whenua/visitor needs (moderate)</p> <p>Plan for sufficient social infrastructure to accommodate the district’s growing population (low as inefficient)</p> <p>Develop a network of strategically placed, multipurpose facilities that maximises efficiency (low)</p> <p>Implications: Enables local use of facilities but will impact on ability to host ward, district, and regional competition and events particularly as the population grows. Result is a disjointed network that doesn’t effectively support ward-wide events and activities and is inefficient from a travel perspective, although does enable access for local community events and activities.</p>	

Option 2: Strategically placed, integrated, multipurpose facilities (most likely)	\$\$\$
<p>Council invests in strategically placed, integrated and multipurpose facilities that maximise efficiencies in meeting user needs of the entire community within each ward. These facilities are expanded to accommodate the growing population, provide shared facilities to support a range of community, recreation and sporting groups and are supported by smaller scale hubs in settlements with high populations. At least one of these facilities should be able to host district and regional sporting tournaments and events.</p> <p>Council will continue to invest in three strategically placed, multi-purpose, integrated community hubs that service each ward:</p> <ul style="list-style-type: none"> • Wānaka Recreation Centre (Upper Clutha) 	

- Queenstown Events Centre (Wakatipu)
- Ballantyne Road Sports Hub (Upper Clutha)

The Southern Corridor and Eastern Corridor in the Wakatipu and Southern Wānaka are predicted to reach the population where additional smaller scale community hubs are warranted.

Council also aims to support the development of specific community hubs for the following purposes:

- Creativity and culture – For use by groups delivering creative and cultural activities including performing arts, visual arts, mana whenua heritage story telling.
- Social service – For use by organisations providing social services to the community.
- Environmental hub – For use by organisations working to improve environmental outcomes for and with the community.

Responds to: Growth (moderate), infrastructure deficit (moderate)

Delivers on: Opportunities for activity/recreation/social connection (moderate),
Infrastructure is diverse, fit for purpose, and meets community/mana whenua/visitor needs (high),
Plan for sufficient social infrastructure to accommodate the district's growing population (high),
Develop a network of strategically placed, multipurpose facilities that maximises efficiency (high)

Implications: The combination of strategically placed, integrated, multipurpose hubs, together with smaller hubs in high population areas, means Council is investing efficiently in quality facilities that can provide for the district's diverse and expanding population.

Key initiatives associated with the most likely scenario

Short-term

-

Medium-term

Wānaka Recreation Centre (\$8.5M) – replacement flooring, pool extension
 Queenstown Events Centre (\$52M) – indoor court extension, shared clubrooms, fitness centre expansion
 Ballantyne Road Sports Hub (\$20M) – land remediation, sports fields and supporting facilities
 Refer to “servicing of key growth areas” significant decision for key initiatives related to hubs in priority development areas

Long-term

Wānaka Recreation Centre masterplan completion \$X
 Queenstown Event Centre masterplan completion \$X
 Ballantyne Road Sports Hub masterplan completion (\$8M)
 Creativity and cultural hub – Wānaka and/or Queenstown \$X
 Social Service hub – Wānaka and/or Queenstown \$X
 Environmental hub – Wānaka and/or Queenstown \$X
 Refer to “servicing of key growth areas” significant decision for key initiatives related to hubs in priority development areas

Work in progress

The type of waste management services and facilities provided

The amount of waste entering the district's landfill is driving up emissions and exhausting finite disposal capacity. Council is committed to working with mana whenua, central government, businesses, and communities to change this.

Distributed community solutions will play an important part in reducing, avoiding, and managing waste within the district. Examples of community-based solutions include container return schemes, repair cafes, and community composting hubs – all of which can help build resilience and community ownership into waste minimisation models. Council has, and will continue to support, community-led waste reduction initiatives through its successful Zero Waste grant funding programme.

Four principal options for the types of waste management services and facilities provided for the district have been identified. Over the next 30 years, Council will invest in moving the district towards a circular economy by increasing rates of waste diversion, influencing how materials are managed and processed, leveraging no and low build solutions where possible, and empowering the community to take ownership of waste minimisation models and outcomes.

Option 1: Maintain established services & initiatives \$\$

To maintain current service levels in line with demand growth and legislative change, end-of-life MRF and Transfer Station facilities will be replaced with new fit-for-future facilities. Investment in the established programme for community-led zero waste initiatives will also continue.

Responds to: Rapid and sustained population growth (low)

Delivers on: [TBC]

Implications: [TBC]

Option 2: Focus on emissions reduction \$\$\$

In order to meet incoming standards around emission reduction, more organic waste will be diverted from landfill. In addition, other initiatives and technologies that minimise the emissions generated by waste management activities will be explored.

Responds to: Rapid and sustained population growth (mod); Climate emergency (mod); Increasing standards and expectations (mod)

Delivers on: [TBC]

Implications: [TBC]

Option 3: Move towards a circular economy (most likely) \$\$\$

Building on the 'focus on emissions reduction option', further steps will be taken towards a circular economy by providing more opportunities and incentives to divert more product from landfill – particularly construction sector waste which accounts for 50% of all landfill waste in New Zealand.⁷

In addition to key investment initiatives, Council will work closely with the hospitality and tourism sectors to reduce industry waste. National behaviour change programmes will be leveraged, and commercial opportunities with other waste service providers (in particular neighbouring councils) will be pursued.

⁷ How do we stop throwing so much away? New Zealand Infrastructure Commission Te Waihanga. <https://tewaihanga.govt.nz/the-strategy/issues/how-do-we-stop-throwing-so-much-away> (retrieved Dec 2023)

Responds to:	Rapid and sustained population growth (high); Increasing standards and expectations (high); Climate emergency (high); Resilience to shock events (low)
Delivers on:	[TBC]
Implications:	[TBC]

Option 4: Protect for all possibilities	\$\$\$\$
This option retains a focus on achieving a circular economy, but provides additional landfill capacity for an event where diversion levels are insufficient to manage with Victoria Flats alone in perpetuity.	
Responds to:	Rapid and sustained population growth (high); Increasing standards and expectations (mod); Climate emergency (mod); Resilience to shock events (low)
Delivers on:	[TBC]
Results in:	[TBC]

Work in progress

Key initiatives associated with the most likely scenario

Short-term	<p>Wanaka transfer station upgrade (\$\$)</p> <p>Food and green waste kerbside collection (\$) NB: has notable annual opex impact</p> <p>Zero waste programme (\$\$) - ongoing</p>
Medium-term	<p>Materials recovery facility (\$\$\$)</p>
Long-term	<p>Improved/new methane collection and energy conversion technologies at Victoria Flats Landfill (\$TBC)</p> <p>Resource recovery hub, including construction & demolition waste (\$TBC)</p> <p>Distributed community solutions e.g. container return schemes, repair cafes, community composting hubs (\$TBC)</p> <p>Other organic material collection/processing (\$TBC)</p> <p>Zero waste programme</p>

Work in progress

SECTION 4: MANAGING AND INVESTING IN COUNCIL'S ASSETS

[Note: this section will continue to be reviewed and refined to ensure continuity with key AMPs which are being updated concurrently]

Council is continually working to lift its asset management capability and performance. Elevating asset management performance and capability offers the potential for significant value creation, including improved service delivery, cost savings, and long-term sustainability. Effective asset management and investment is fundamental to, and a key component of, [Council's Strategic Framework](#).

Council's Asset Management...

Vision To deliver fit-for-purpose integrated asset management that supports the wellbeing of an evolving community, whilst balancing service, risk, and cost efficiency.

Objectives

- The asset management system is fit-for-purpose and is integrated with other management systems
- To comply with the relevant legal, regulator, and stakeholder requirements
- The organisation is committed to asset management at the highest level with responsibilities, roles, and authorities defined
- The planning to achieve the asset management objectives considers life cycle costs, performance, and risks
- To provide adequate support for the asset management system
- To implement operational and control processes and ensure expected outcomes are achieved
- To evaluate the performance of assets, asset management, and the asset management system
- To continually improve asset management capability and asset management performance
- To support long-term objectives and sustainable outcomes

System Council's asset management system is comprised of a Strategic Asset Management Plan SAMP (in development)⁸, Asset Management Policy, Asset Management Plans, Asset portfolio and systems, and the elements associated with the continual implementation, review, and improvement of the system (e.g. performance evaluations, improvement plan, people, etc).

Generally, Council aims to review its asset management system every three years. Triennial review ensures risks and opportunities are determined and corresponding responses are planned.

⁸ The SAMP will align the asset management system with organisational strategic objectives and priorities – serving as a comprehensive road map for achieving the asset management vision across Council's asset portfolio.

Portfolio Council's asset management portfolio is predominantly comprised of Community Services and Facilities, Transport, Three Waters, and Waste Management and Minimisation. It also includes other activities such as environmental management, regulatory functions and services, local democracy and economy-based activities, and financial and support services.

The Long Term Plan (updated every three years) provides a summary of Council's key asset activity types, the extent and median age of Council's assets, proposed ten-year investment profiles, performance indicators, and approach for managing any significant negative effects associated with operating and investing in Council's assets.

Plans An Asset Management Plan (AMP) is developed for each of Council's key activity types. These AMPs translate the strategic direction set through Council's Strategic Framework, this Strategy, and the SAMP, into detailed plans that prioritise asset management activities and resources in order to deliver on overarching asset management objectives.

Council's AMPs include detailed information about the operating environment, key challenges and risks, service levels, and the age, condition, performance, and valuation of Council's assets. The AMPs also define Council's corresponding asset lifecycle management approach, including the level of investment Council proposes to make in assets and services (and associated financial management arrangements), how Council plans to manage risk, the commercial models Council plans to use for the procurement and delivery of services, and Council's plans for ongoing improvement.

The relationship between this Strategy and the Asset Management System

Council's asset management system translates the strategic investment direction set out in this Strategy into asset-based investment considerations and programmes. The AMPs define Council's investment needs and opportunities, potential investment profiles, and ultimately, a proposed asset investment programme. Accordingly, Council's AMPs build on, and are an extension, to this Strategy – providing the detailed information about how Council plans to manage and invest in its assets over time.

[insert diagram that shows the relationship within the asset management system, and how that system is a component of the broader strategic planning framework]

Council's approach to...

Replacement of existing assets Renewals programmes are optimised to ensure that best whole-of-life value is achieved. Critical assets (as identified under Council's Risk Management Framework) are prioritised for investment. Council's renewals programmes are developed strategically alongside capital improvement programmes to ensure best use is made of Council's resources in responding to [significant issues](#) and delivering on strategic objectives.

Responding to changes in demand Council measures, updates, and confirms demand for services on an annual basis to ensure future projections for infrastructure are based on the best available information. Any necessary adjustments are made to proposed expenditure via the Annual Plan process, and AMPs are reviewed and updated triennially, and the Long Term Plan is recalibrated.

Planned changes in service levels	<p>Council will research, monitor, and engage on the setting of service levels to best balance service efficiency and effectiveness, customer expectations, legal requirements, and community affordability.</p> <p>Council’s projected expenditure over the next 10 and 30 year horizons reflects any reasonably quantifiable impacts of anticipated changes to service levels (in particular those associated with the significant decisions detailed in this Strategy) and the approach for managing the associated assets is captured in the respective AMP.</p>
Providing resilient infrastructure assets and managing risks	<p>Council’s strategic renewals and improvement investment programmes seek to deliver a balanced approach to asset reinforcement, relocation, and de-risking; this approach informs and underpins insurance and other financial provisions as detailed in Council’s Finance Strategy [link in final iterations]. To support continual improvement in this area, Council:</p> <ul style="list-style-type: none"> • Has commenced a programme of work to identify and assess natural hazard risks across the district. The findings of this programme, along with any required responses, will be progressively reflected through updates to this Strategy, the Long Term Plan, and AMPs as the knowledge base in this area grows. • Will continue to periodically complete asset criticality assessments. The output of this work informs ongoing long-term network and service planning processes. • Has established a dedicated internal risk and assurance function. Risks are now being systematically identified, categorised, and planned for through a single risk management framework and system. • Has provisioned dedicated funding to support the development of an Infrastructure Resilience Strategy.
Asset optimisation	<p>As much as practicable, Council optimises and extends the effective life/capacity of its existing infrastructure to reduce investment in new infrastructure. Council’s proposed renewals expenditure reflects the level of maintenance required to keep existing assets in good working order – particularly where the cost of remediation or replacement is expensive (e.g. Council plans to steadily increase expenditure on pavement resurfacing and rehabilitation to ensure the network doesn’t deteriorate as the cost associated with these activities increases). To achieve this level of expenditure on critical assets, Council makes informed trade-offs in other areas (e.g. Council plans to utilise footpath assets beyond optimal renewal timeframes).</p> <p>A critical component of optimising Council’s existing asset base is reducing and or shifting per capita demand on services. Key behaviour-change programmes Council plans to invest in include:</p> <ul style="list-style-type: none"> • Travel demand management: reducing the need to travel, changing the time of travel, and facilitating/incentivising uptake of public transport and active transport modalities. • Water demand management: smart meters, software, and potentially the introduction of volumetric charging, will support a reduction in demand for water supply. Achieving reduction targets will enable

Council to defer investment in costly and capital intensive infrastructure that is otherwise required due to capacity/supply constraints.

- Zero waste programme: Council's investment in community-led waste minimisation initiatives has been a highly effective method of diverting waste from landfill.

What this means for Council's likely expenditure over the next 30 years

[summary expenditure for 10 and 30y horizons to be finalised and added]

Work in progress

Change Request to LoS and KPIs for draft LTP 24

17 April 2024

Following the review of the KPIs and changes circulated to the October 2023 LTP SG the following changes have been requested that affect three KPIs.

Responsible Camping

In October 2023 the KPI ‘*Number of RFS freedom camping complaints*’ moved responsibility from the Regulatory to Community Partnerships.

A new Level of Service (LoS) for the KPI is proposed reflect the broadening in focus from enforcement to also include education. Changing of the name of the KPI to Responsible Camping also reflects this change.

KPI targets have also been reviewed to ensure the intent is on measuring the level of service Council provides as opposed to the number of RFS received.

Comparison:

	Previous LTP21	Proposed LTP24
Responsible Officer	Anthony Hall	Marie Day
New Level of Service	Our Council provides effective and appropriate enforcement and control of activities to minimise the potential harm to the public	Our Council provides effective and appropriate enforcement and education to freedom campers to reduce their impact on the community and natural environment within the district
KPI	Number of RFS freedom camping complaints	Percentage of RFS about Freedom Camping resolved within 20 Working Days
KPI targets	Baseline annual performance as at 30 June: 98 All years’ targets: Improve year on year	Baseline annual performance as at 30 June: 98 Year 1: >95% Year 2: >95% Year 3: >95% Year 10: >95%
Reporting Frequency	Monthly	

Community Grants

The KPI ‘*Percentage of total community grants to total Council operating expenditure excluding depreciation and personnel costs*’ was recommended to be removed at the

September 2023 LTP Steering Group as it was not useful to measure community grants against operating expenditure.

Proposed that a KPI and associated LoS should be retained for community grants as they are something of interest to the community.

Comparison:

	Previous LTP21	Proposed LTP24
Responsible Officer	Marie Day	
Level of Service wording change	Our Council provides financial support and general guidance to community development initiatives	Our Council provides capability building, financial support, in-kind services and general guidance to community groups and community development initiatives
KPI	Percentage of total community grants to total Council operating expenditure excluding depreciation and personnel costs	Percentage of total community grants budget allocated
KPI targets	(Targets relate to the previous approach to measuring the KPI) Year 1: 1.65% Year 2: 1.65% Year 3: 1.65% Year 4: 2%	Baseline annual performance as at 30 June: n/a Year 1: 100% Year 2: 100% Year 3: 100% Year 4: 100%
Reporting Frequency	Annual	

Reduction in the Total Recordable Injury Frequency Rate (TRIFR)

Proposal to change the TRIFR target from 8 to 9 owing to the growth of the organisation and the district. The target for TRIFR KPI proposed to be consistent through year one to three.

Comparison:

	Previous LTP21	Proposed LTP24
KPI	Reduction in the Total Recordable Injury Frequency Rate	
KPI Targets	Year 1: <9 Year 2: <8.5 Year 3: <8	<9 for all years