

Ashburton District Council

Agenda

Notice of Meeting:

An **Extraordinary Meeting of the Ashburton District Council** will be held on:

Date: Thursday 23 May 2024

Time: 9.00am

Venue: Hine Paaka Council Chamber
Te Whare Whakatere, 2 Baring Square East, Ashburton

Membership

Mayor	Neil Brown
Deputy Mayor	Liz McMillan
Members	Leen Braam
	Carolyn Cameron
	Russell Ellis
	Phill Hooper
	Lynette Lovett
	Rob Mackle
	Tony Todd
	Richard Wilson

Meeting Timetable

Time	Item
9.00am	Extraordinary Council meeting commences

1 Apologies

2 Extraordinary Business

3 Declarations of Interest

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as an elected representative and any private or other external interest they might have.

Reports

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4. Key Decision 1: What should our kerbside green waste collection look like

Author	<i>Louise Dunstan, Policy Advisor</i>
Activity Manager	<i>Hernando Marilla, Operations & Projects Manager</i>
Executive Team Member	<i>Neil McCann, GM Infrastructure & Open Spaces</i>

Summary

- The purpose of this report is to decide on the options associated with delivery of a food or green waste system in the Ashburton District.
- Two options were presented as part of the LTP 2024-34 consultation, being:
 - Option 1: Introduce a green waste collection service.
 - Option 2: Only provide the mandatory food waste collection.
- Council received 1,313 submissions relating to key decision one. 1,097 (83%) were in favour of option one to introduce a green waste collection service.

Council LTP workshop indication:

1. **That** Council introduce a green waste collection service for all residential users from September 2026 as part of the Long-Term Plan 2024-34.
2. **That** Council consider:
 - a. what bin size options, if any, will be made available to the community in 2024/25; and
 - b. the approach to implementation of a green waste collection service for businesses.

Attachment

- Appendix 1** LTP Consultation Document – Green Waste section
Appendix 2 [Key Decision 1: Green waste – Summary of Feedback \(available online\)](#)

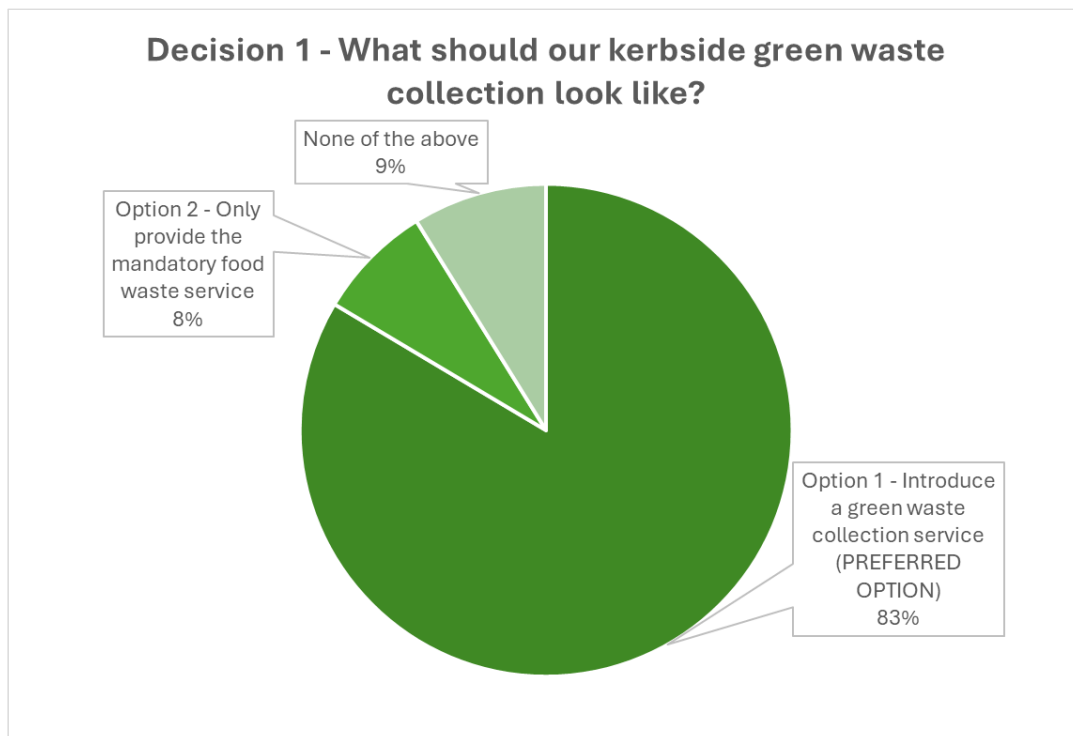
Background

The current situation

1. Council consulted on this issue as part of the Five for our Future – LTP 2024-34 consultation, which ran from March 27 to April 28.
2. The issue concerns the proposed delivery of a food or green waste service to residents of the Ashburton District. Two options were proposed to the community, being:
 - Option 1: Introduce a green waste collection service.
 - Option 2: Only provide the mandatory food waste collection.
3. Detail on the options is included in Appendix 1.

Community Feedback

4. 1,313 submissions were received on this issue.
5. Community feedback from the LTP consultation strongly favoured the introduction of a green waste collection service. The graph below shows the result of feedback received during the consultation.



6. Comments are summarised in Appendix 2 for both options.

Options analysis

Option One – Introduce a green waste collection service

7. This option would introduce a green waste collection service for Ashburton District as outlined in the LTP 2024-34 consultation document.

<p>Advantages:</p> <ul style="list-style-type: none">• Provides the level of service the community has been requesting for many years and has been confirmed through the LTP 2024-34 consultation.• Simpler collection service than food only waste.• Higher diversion rate of organic waste going to landfill.• Environmental benefits of diverting green waste from landfill where it produces methane.• Meets our legal obligations.	<p>Disadvantages:</p> <ul style="list-style-type: none">• More expensive annual cost than food waste only collection.
<p>Risks:</p> <ul style="list-style-type: none">• If poorly managed, food waste handling and disposal can lead to the community being exposed to offensive odour, land contamination and related health and safety hazards.• Some ratepayers will not agree with paying for this service.	

Option Two – Only provide the mandatory food waste service

8. This option would introduce only the mandatory food waste service for Ashburton District as outlined in the LTP 2024-34 consultation document.

<p>Advantages:</p> <ul style="list-style-type: none">• Meets our legal obligations.• Smaller rate increase for this service.	<p>Disadvantages:</p> <ul style="list-style-type: none">• No additional diversion of organic waste from landfill.• Does not meet the requests of the community.• Bins when full might be heavy to carry, prone to tipping in strong winds, and appealing to cats and dogs.• More expensive option per tonne of green waste collected.• Less environmental benefits when green organic waste continues to be added to landfill.
<p>Risks:</p>	

- If poorly managed, food waste handling and disposal can lead to the community being exposed to offensive odour, land contamination and related health and safety hazards.
- Some rate payers will not agree with paying for this service.

Option Three – Do nothing

9. This option captures those submitters who believe neither option should be adopted within the Ashburton District, this option was not outlined in the LTP-2024-34 consultation document.

<p>Advantages:</p> <ul style="list-style-type: none"> • No additional cost to residents or ratepayers 	<p>Disadvantages:</p> <ul style="list-style-type: none"> • Will not meet requested service levels from the community
<p>Risks:</p> <ul style="list-style-type: none"> • Inability to meet objectives in the Waste Management and Minimisation Plan and non-compliance with the requirement to collect food waste, as well as meet the objectives of the Waste Management Act and the Waste Strategy 	

Legal/policy implications

Waste Management and Minimisation Plan

10. The Waste Management and Minimisation Plan (WMMP) sets out Council’s plans to minimise and manage the waste in our district. Council has a key role in collecting, sorting and transferring waste, but we will need to work in partnership with our community, businesses and industry to achieve our goals.
11. This plan identified the significant portion of waste going to landfill that was organic waste as an issue. One of its key action was to “Introduce a household kerbside food waste collection, and extend the service to businesses on a user-pays basis”.

Canterbury Regional Policy Statement

12. The Canterbury Regional Policy Statement provides an overview of the resource management issues in the Canterbury region, and the objectives, policies and methods to achieve integrated management of natural and physical resources. Regional and District Plans must be consistent with the Policy Statement.
13. Chapter 19 of the Canterbury Regional Policy Statement contains objectives and policies for waste management in the region and methods to achieve them.
14. Objective 19.2.1 – Minimise the generation of waste. Adverse effects on the environment are avoided by minimising the generation of waste.

15. Objective 19.2.2 – Minimise adverse effects of waste. Adverse effects on the environment caused by residual waste and its management are avoided, remedied, or mitigated.

Waste Management Act (WMA) and Future role of the Waste Minimization Strategy

16. The principal solid waste legislation in New Zealand is the Waste Management Act 2008. Its stated purpose is to encourage waste minimisation and a decrease in waste disposal to:
 - protect the environment from harm; and
 - provide environmental, social, economic, and cultural benefits.
17. To further its aims, the Waste Management Act requires territorial authorities to promote effective and efficient waste management and minimisation within their district.
18. Although the Waste Management Act (WMA) does not currently require there to be a strategy, if there is one, it has some statutory force.
19. Section 44c of the WMA states that when a territorial authority is preparing, amending, or revoking a waste management and minimization plan (WMMP), it must “have regard to the New Zealand Waste Strategy” or any equivalent government policy.
20. Section 48 of the Act states that the government, through the Governor General, can direct a territorial authority to change its WMMP to help achieve the waste strategy to or assist in achieving the New Zealand Waste Strategy, or any government policy on waste management and minimisation that replaces the strategy.

Other legislation that has been considered in the preparation of this Plan includes:

- Local Government Act 2002
 - Litter Act 1979
 - Hazardous Substances and New Organisms Act 1996
 - Resource Management Act 1991
 - Health and Safety Reform Bill
 - Climate Change (Emissions Trading) Amendment Act 2008
21. The legislation above provides the imperative and tools for managing and minimising waste in New Zealand. (Council’s latest Waste Assessment contains more details about key legislation relating to this Plan).

Climate change

22. Introduction of a green waste service will have positive impacts for climate change.
23. Emissions of methane from landfill will be significantly reduced through diversion of organic waste from the waste stream. Methane is a greenhouse gas even more potent than carbon dioxide.

24. The waste assessment conducted in 2020 shows that kitchen waste is the largest volume of materials sent to landfill at 43%.

Strategic alignment

25. Introduction of green organic waste collection contributes to mainly to economic and environmental well-being.

- Economic well-being - creating a more liveable district.
- Environmental well-being – reducing the amount of waste sent to landfill.

Links to our community outcomes are outlined below:

Community outcome		Explanation as to link
Residents are included and have a voice		
A district of great places and spaces	✓	This service contributes to a more liveable district.
A balanced and sustainable environment	✓	Will result in a reduction in the amount of waste sent to landfill or other waste disposal.
A prosperous economy based on innovation and opportunity	✓	In creating a more liveable district, people will be attracted to living here, contributing to economic prosperity.

Financial implications

Requirement	Explanation
What is the cost?	The indicated cost for each option has been outlined in the table below. The costing for this project has been developed together with EnviroNZ, based on today's prices. The prices are indicative.

	Impact on rates	Capital cost	Operating cost	Debt
Option 1 Introduce a green waste collection service	\$72 This is the extra charge included in the targeted rates for refuse collection, that is paid each year by those who get the service.	\$1.66 million We expect to get a subsidy from the waste minimisation fund of around \$918,000 to cover the capital costs of the scheme. The remainder would be funded through loans.	\$1.24 million Operating costs would be covered through increased targeted rates for waste collection and savings from less refuse collected.	\$742,000
Option 2 Only provide the mandatory food waste service	\$35 This is the extra charge included in the targeted rates for refuse collection, that is paid each year by those who get the service.	\$764,000 We expect to get a subsidy from the waste minimisation fund of around \$458,000 to cover the capital costs of the scheme. The	\$524,000 Operating costs would be covered through increased targeted rates for waste collection and savings from less refuse collected.	\$306,000

		remainder would be funded through loans.		
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Is there budget available in LTP / AP?	Yes – to be included in the Long Term Plan 2024-34 (LTP) which will be adopted at the end of June.
Where is the funding coming from?	Option 1 proposed to be funded through a Targeted rate for waste collection. Capital costs for setting up the scheme are through Waste Minimisation Fund subsidies and loan funding.
Are there any future budget implications?	Future costs of delivery will be determined through the contract prices achieved.
Reviewed by Finance	<i>Name; Position <See above guidance box for when Finance review must be sought></i> <i>Or</i> <i>Not required <provide brief explanation></i>

Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	Yes
Level of significance	High
Rationale for selecting level of significance	N/A
Level of engagement selected	3.Consult – formal two-way communication.
Rationale for selecting level of engagement	This was identified as a ‘key decision’ for the LTP 2024-34 and consultation has already been undertaken from 27 March – 28 April. Council has engaged the community using the Special Consultative Process required under statute. Council has run a comprehensive and active campaign across multiple channels to maximise community response, resulting in over 1,000 submissions on this topic.
Reviewed by Strategy & Policy	Mark Low, Strategy and Policy Manager

Next steps

Date	Action / milestone	Comments
26 June 2024	Adoption of Long Term Plan 2024-34	Today’s decision will be reflected in the final Long Term Plan

Key decision 1:

What should our kerbside green waste collection look like?

Kia pēhea kā riteka o te kohika taparori o te para tipu?

OPTION 1

Introduce a green waste collection service

OPTION 2

Only provide the mandatory food waste service

Have your
Say!



The key decision for this issue is whether we should only introduce the mandatory kerbside food waste collection service or a full kerbside green waste service.

Background

We currently lack a Council-provided kerbside collection service for green waste. The Government has mandated the introduction of a food waste collection by 2027, with our plan to begin this service in September 2026, aligned with the start of a new waste management contract.

While we must start collecting food waste, feedback from previous consultations and our Annual Residents' Survey shows that the community desires a more comprehensive green kerbside service which would also collect organic waste, like garden and lawn clippings.

Did you know?

Around 43% of what we currently collect in rubbish bins consists of organic and green waste.

How would the services work?

Option 1: With the full kerbside green waste service, each property would get a 240-litre wheelie bin – the size of your yellow bin – for both your kitchen scraps and other green waste. This bin would be emptied weekly.

Option 2: With the mandatory food waste only collection, each household will get a small 23-litre bin just for food scraps. This small bin would be emptied weekly.

For both options the collected waste would be taken to the Ashburton Resource Recovery Park, and then sent to a plant in Canterbury for composting.

You cannot opt out of whichever service is finally agreed. If your property already gets kerbside collection, you'll get the food waste collection service and be charged. If the full kerbside green waste collection was approved, you would receive this service. Under both scenarios, your regular red bin for general rubbish would still be collected every week.



Funding a new service

We can secure a grant from the government's Waste Minimisation Fund to help implement kerbside collection for both options. This funding would help cover the capital costs of establishing the service – such as the purchase of the new kerbside bins and construction of a storage bunker at the Ashburton Resource Recovery Park.

It's important to note that the ongoing costs of collecting and transporting both food and green waste are higher than collecting just food waste alone. However, encouraging everyone to use green bins for organic waste instead of their red bins, will mean some cost savings from less organic waste going to landfill.

“

We need to meet national environmental standards for collecting food waste, and this is a great opportunity to think about whether we should go one step further and collect green waste as well.



Lynette Lovett
Councillor - Eastern Ward

What are the options?

OPTION 1

Introduce a green waste collection service



This service would provide a 240-litre wheelie bin for green organic waste and food waste, collected weekly.

Collection of the organic waste would begin in September 2026.



- ✓ Green organic waste and food waste
- ✓ 240-litre
- ✓ Collected weekly
- ✓ September 2026

What's the impact?



RATES:

\$72

This is the extra charge included in the targeted rates for refuse collection, that is paid each year by those who get the service.



CAPITAL COST:

\$1.66 million

We expect to get a subsidy from the Waste Minimisation Fund of around \$918,000 to cover the capital costs of the scheme. The remainder would be funded through loans.



OPERATING COST:

\$1.24 million annually

Operating costs would be covered through increased targeted rates for waste collection and savings from less refuse collected.



DEBT:

\$742,000

- ✓ Provides the level of service the community has been asking for.
- ✓ Simpler collection service than food only waste.
- ✓ A higher diversion rate of green organic waste going to landfill.
- ✓ Environmental benefit of diverting green waste from landfill where it produces methane.
- ✓ Meets our legal obligations.
- ✗ More expensive annual cost than the food waste only collection.

OPTION 2

Only provide the mandatory food waste service

We are required by Government to provide a food waste collection service. This service would provide a small 23-litre bin for food waste only, collected weekly.

- ✓ Food waste
- ✓ **23-litre**
- ✓ Collected weekly
- ✓ September 2026



What's the impact?



RATES:

\$35

This is the extra charge included in the targeted rates for refuse collection, that is paid each year by those who get the service.



CAPITAL COST:

\$764,000

We expect to get a subsidy from the Waste Minimisation Fund of around \$458,000 to cover the capital costs of the scheme. The remainder would be funded through loans.



OPERATING COST:

\$524,000
annually

Operating costs would be covered through increased targeted rates for waste collection and savings from less refuse collected.



DEBT:

\$306,000

- ✓ Meets our legal obligations.
- ✓ Smaller rates increase for this service.
- ✗ No additional diversion of organic waste from landfill.
- ✗ Does not meet the requests of the community.
- ✗ Bins when full might be heavy to carry, prone to tipping in strong winds, and appealing to cats and dogs.
- ✗ More expensive option per tonne of green organic waste collected.
- ✗ Less environmental benefits when green organic waste continues to be added to the landfill.



You can read more and share your thoughts at

ItsOurPlace.nz

Appendix Two – Key Decision 1: Green waste – Summary of Feedback

[Key Decision 1: Green waste – Summary of Feedback \(available online\)](#)

5. Key Decision 2: If we invest in water-based leisure, where should it be?

Authors	<i>Louise Dunstan & Femke van der Valk, Policy Advisors</i>
Activity Manager	<i>Richard Wood; Sport and Recreation Manager Ian Soper; Open Spaces Manger</i>
Executive Team Member:	<i>Sarah Mosley; Group Manager People and Facilities Neil McCann; Group Manager Infrastructure and Open Spaces</i>

Summary

- The purpose of this report is to decide on the option associated with an investment in water-based leisure in Ashburton District.
- Five options were presented as part of the LTP 2024-34 consultation, being:
 - Option 1: Refurbish Tinwald Pool
 - Option 2: Creating a new waterplay area at Ashburton Domain
 - Option 3: Building an outdoor pool at EA Networks Centre (preferred)
 - Option 4: Building a hydroslide at EA Networks Centre
 - Option 5: Do nothing
- Council received 1,316 submissions relating to this decision. Of the submissions received, option 1 received the most support (31%), followed by option 3 (29%), option 2 received the least support (6%).

Council LTP workshop indication:

- 1. That** Council do not invest in water-based leisure at this time and this is revisited in a future Annual Plan or LTP.
- 2. That** the proposed funding is removed from the LTP 2024-34 budget.
- 3. That**, as a result of this decision, the Tinwald Pool is permanently closed and in conjunction with the Tinwald Reserve Board, an alternative option is investigated for the site.

Attachment

- Appendix 1** LTP Consultation Document – Water-based leisure section
- Appendix 2** [Key Decision 2: Water-based leisure – Summary of Feedback](#) (available online)

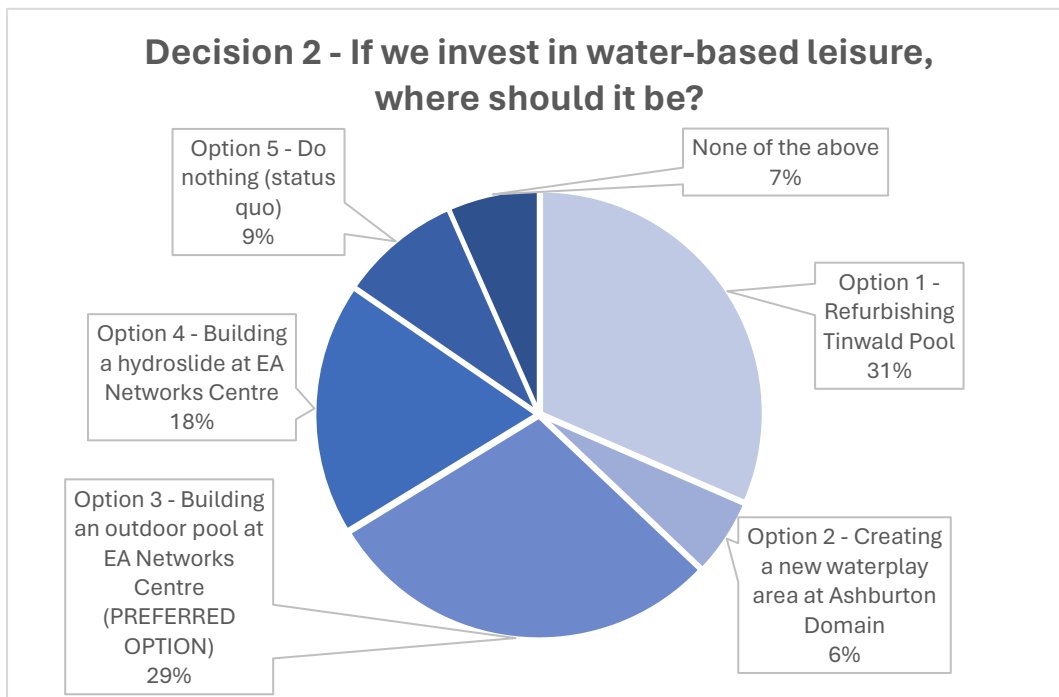
Background

The current situation

1. Council consulted on this issue as part of the Five for our Future – LTP 2024-34 consultation, which ran from March 27 to April 28.
2. The issue concerns the proposed investment in water-based leisure for residents of the Ashburton District. Five options were proposed to the community, being:
 - Option 1: Refurbish Tinwald Pool
 - Option 2: Creating a new waterplay area at Ashburton Domain
 - Option 3: Building an outdoor pool at EA Networks Centre (preferred)
 - Option 4: Building a hydroslide at EA Networks Centre
 - Option 5: Do nothing
3. Detail on the options are included in Appendix 1.
4. As a result of the LTP Workshop deliberations, a potential further option has been added.

Community Feedback

5. 1,316 submissions were received on this issue.
6. Community feedback from the LTP consultation indicated a split view on this issue. 31% favoured the refurbishment of the Tinwald Pool, while 29% favoured building and indoor pool at the EA Networks Centre. The graph below shows the result of feedback received during the consultation.



7. Comments are summarised in Appendix 2 for all options.

Options analysis

Option one – Refurbishing Tinwald Pool

8. This option would see council invest in the refurbishment of Tinwald Pool as outlined in the LTP 2024-34 consultation document.

<p>Advantages:</p> <ul style="list-style-type: none">• Highest feedback option.• Tinwald Pool is retained for use by locals.• Responds to the requests of some in the community.• Provides an alternative urban pool option when EA Networks Centre is closed for maintenance.• Public swimming options (in summer) are offered in different locations in Ashburton district.• Some income generated by pool entrance fees.• Provides a safe and playful environment for children and adults to practice their water skills (drowning prevention).	<p>Disadvantages:</p> <ul style="list-style-type: none">• High investment to repair with similar to what is there now.• High investment for a small number of users.• Likely to be used predominantly by Ashburton residents but paid for by ratepayers across the district (like the EA Networks Centre).• Highest operating costs per opening hours of all the options.• If operated under the current model, this option requires the greatest number of lifeguards.• Swimming trends have changed with local schools now opting to have swimming lessons at EA Networks Centre.
<p>Risks:</p> <ul style="list-style-type: none">• If this option isn't chosen, the pool would be <u>permanently</u> closed until future decisions are made regarding the site.	

Option two – Creating a new waterplay area at Ashburton Domain

9. This option would see council invest in creating a new waterplay area at Ashburton Domain as outlined in the LTP 2024-34 consultation document.

<p>Advantages:</p> <ul style="list-style-type: none"> • Remains a free activity and therefore has fewer barriers to use than the other options. • Does not require lifeguards and is not restricted by opening hours. • Enhances current paddling pool offering to also include splash deck and other water activities. • Able to be modernised and future-proofed due to relocating rather than upgrading. • Aligns with the Ashburton Domain Development Plan and current Long-Term Plan 2021-31. • Responds to the requests of the community for an upgraded paddling pool at the Ashburton Domain. 	<p>Disadvantages:</p> <ul style="list-style-type: none"> • No public outdoor swimming pool in Ashburton. • Tinwald Pool would be closed until further decisions are made regarding this site. • Does not appeal to a broader age range. • May be deemed unnecessary given the current paddling pool could continue to operate in the short-medium term with a new building that houses the filtration equipment, which is already budgeted for.
<p>Risks: Lowest community support from the submissions (6%)</p>	

Option three – Building an outdoor pool at EA Networks Centre

10. This option would see council invest in building an outdoor pool at EA Networks Centre as outlined in the LTP 2024-34 consultation document.

<p>Advantages:</p> <ul style="list-style-type: none"> • Second highest feedback option. • Lower operating costs than Tinwald Pool in relation to opening hours due to fewer lifeguards required or alternatively EANC outdoor pool could have extended operating hours for the same cost. • Would be built to modern pool standards and the design could be customised. • Customers would be able to utilise other EA Networks Centre facilities, ie warm pool option after an outdoor swim. • Provides an alternative pool option when the indoor pool is closed for maintenance. • Some income generated by pool entrance fees. • Provides a safe and playful environment for children and adults to practice their water skills (drowning prevention). 	<p>Disadvantages:</p> <ul style="list-style-type: none"> • Tinwald Pool would be closed until further decisions are made regarding this site. • Upgrading of the Ashburton Domain paddling pool area not currently included in this Long Term Plan but could be reviewed in three years. • May be seen as an extravagant option given there are several outdoor pools across the district. • No waterbased leisure option in the Tinwald area within the Ashburton District.
<p>Risks: There is potential that this option would only be utilized 3-4 months of the year.</p>	

Option four – Building a hydroslide at EA Networks Centre

11. This option would see council invest in building a hydroslide at the EA Networks Centre as outlined in the LTP 2024-34 consultation document.

<p>Advantages:</p> <ul style="list-style-type: none">• Available for use all year round.• This has been a desired community project for many years.• Meets the requests for more activities for teenagers within the district.• Will generate additional income as the users would pay an additional cost.• Council could enter into a joint venture to provide a hydroslide(s).	<p>Disadvantages:</p> <ul style="list-style-type: none">• Tinwald Pool would be closed until future decision regarding this site was made.• Upgrading of the Ashburton Domain paddling pool area not currently included in this Long-Term Plan, but could be reviewed in three years.• Depending on the design, this option may not be able to be used by young children (e.g. under 5s).• Depending on design features, this option may be the most expensive option (\$3.5 million) but could be subject to a cost lowering joint venture agreement with a specialist hydroslide company if desired.• Highest user costs.
<p>Risks:</p> <p>Patronage decreases over time.</p>	

Option five – Do nothing (status quo)

12. This option would see council not investing in any new water-based leisure activity as outlined in the LTP 2024-34 consultation document.

<p>Advantages:</p> <ul style="list-style-type: none">• Minimal costs to run the existing paddling pool in the Ashburton Domain.• Increased usage of district outdoor pools.• This topic is likely to be raised in the 2027-2037 LTP.	<p>Disadvantages:</p> <ul style="list-style-type: none">• Tinwald Pool would be closed until future decision were made about this site.• Upgrading of the Ashburton Domain paddling pool area not currently included in this Long Term Plan, by could be reviewed in three years.• Does not meet the requests of the community for more options for teenage entertainment, an upgraded paddling pool, nor the request to save the Tinwald Pool.
<p>Risks:</p> <p>A number of members of the community will be disappointed with this outcome.</p>	

Option six –Do nothing (status quo) and investigate alternative options, with possible project inclusion in a future annual plan.

13. This option provides time for the Tinwald Reserve Board (TRB) to consider if there are any other alternative uses they would consider appropriate for the Tinwald Pool site.

<p>Advantages:</p> <ul style="list-style-type: none"> • If a project has support from the Tinwald Reserve Board, they can submit a project to any future Annual Plan or LTP. • As above for option 5. 	<p>Disadvantages:</p> <ul style="list-style-type: none"> • As above for option 5. • No placeholder budget included in the LTP.
<p>Risks:</p> <p>Depending on the cost of the alternative project, this would be outside of projected LTP rate increases.</p>	

Legal/policy implications

14. Council process for the consideration of this matter, including community engagement, complies with the requirements of relevant legislation.

Climate change

15. All projects will require electricity, water, and chemical consumption. All new projects will be more resource efficient, when compared with the 2022-23 Tinwald Pool operation due to the significant volumes of water loss.

Strategic alignment

Links to the four well-beings

16. All four projects link to the social and economic well-being of our district.

Links to our community outcomes

Community outcome		Explanation as to link
Residents are included and have a voice	<input type="checkbox"/>	
A district of great places and spaces	<input checked="" type="checkbox"/>	All four projects provide a place for people to connect and enjoy aquatic activities. Planning to provide high quality and future-proofed recreational facilities adds to our district’s attractiveness to visitors, residents, employees and events.
A balanced and sustainable environment	<input type="checkbox"/>	
A prosperous economy based on innovation and opportunity	<input type="checkbox"/>	

17. Below is the list of strategic documents that related to the options in the report:

- Play, Active Recreation & Sports Strategy.
- Ashburton District Recreation Facilities Utilisation Study
- Ashburton Domain Development Plan
- EANC Masterplan (Currently in draft)
- Council Rural Pool Report
- Tinwald Pool Preliminary Design – 2024.

Financial implications

Requirement		Explanation		
What is the cost?		The indicated cost for each option has been outlined in the table below. Should no option be selected, there will be no current impact on the budget.		
	Impact on rates	Capital cost	Operating cost	Debt
Option 1	Approximately extra \$26*	\$3.025 million	\$480,000	\$3.025 million
Refurbishing Tinwald Pool	*per UAGC from year 3 slowly decreasing over a 20-year period.	Loan funded	Approximately net costs of \$480,000 from year 3 slowly decreasing over a 20-year period.	Year 1 – 155K/year 2 a further \$2.87 million)
Option 2	Approximately extra \$25*	\$3.025 million	\$451,000	\$3.025 million
Creating a new waterplay area at Ashburton Domain	*per UAGC from year 3 slowly decreasing over a 20-year period.	Loan funded	Approximately net costs of \$451,000 from year 3 slowly decreasing over a 20-year period.	Year 1 – 155K/year 2 a further \$2.87 million)
Option 3	Approximately extra \$25*	\$3.025 million	\$451,000	\$3.025 million
Building an outdoor pool at EA Networks Centre	*per UAGC from year 3 slowly decreasing over a 20-year period.	Loan funded	Approximately net costs of \$451,000 from year 3 slowly decreasing over a 20-year period.	Year 1 – 155K/year 2 a further \$2.87 million)
Option 4	Approximately extra \$22*	\$3.5 million	\$403,000	\$3.5 million
Building a hydroslide at EA Networks Centre	*per UAGC from year 3 slowly decreasing over a 20-year period	Loan funded	Approximately net costs of \$403,000 from year 3 slowly decreasing over a 20-year period.	Year 1 –2

Option 5 Do nothing	\$0	\$0	Minimal costs to keep current paddling pool in the domain operating.	\$0
Is there budget available in LTP / AP?	Currently Approx \$3m included in the budget, which will be removed should no option be selected.			
Where is the funding coming from?	Funded from the UAGC and user charges (e.g. pool entry) depending on the option selected			
Are there any future budget implications?	Future budget implications for the Tinwald Pool site, should closure be agreed will be included in a future Annual Plan or LTP.			
Reviewed by Finance	<i>Name; Position <See above guidance box for when Finance review must be sought></i> Or Not required <provide brief explanation>			

Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	Yes
Level of significance	High
Rationale for selecting level of significance	N/A
Level of engagement selected	3.Consult – formal two-way communication.
Rationale for selecting level of engagement	This was identified as a ‘key decision’ for the LTP 2024-34 and consultation has already been undertaken from 27 March – 28 April. Council has engaged the community using the Special Consultative Process required under statute. Council has run a comprehensive and active campaign across multiple channels to maximise community response, resulting in over 1,000 submissions on this topic.
Reviewed by Strategy & Policy	Mark Low, Strategy and Policy Manager

Next steps

Date	Action / milestone	Comments
26 June 2024	Adoption of Long Term Plan 2024-34	Today's decision will be reflected in the final Long Term Plan

Key decision 2:

If we invest in **water-based leisure**, where should it be?

Ki te haumi mātau ki kā mahi rēhia i te wai, me tū ki kea?

- OPTION 1** Refurbishing Tinwald Pool
- OPTION 2** Creating a new waterplay area at Ashburton Domain
- OPTION 3** **Building an outdoor pool at EA Networks Centre**
- OPTION 4** Building a hydroslide at EA Networks Centre
- OPTION 5** Do nothing



Have your
Say!



The key decision for this issue is about determining our spending priority for approximately \$3 million on water-based leisure.

Background

In response to ongoing requests from the community, there are four water-based leisure projects that have been proposed. Except for the hydroslide (\$3-4 million), each is priced at about \$3 million. Although we'd like to do all of them, we can't afford it.

All options are loan funded, meaning it would be considered an investment and the money would not go to another (*non-waterplay related*) project if we decide to not do any of the proposed projects. We'd like to know which project you prefer for us to proceed with or, if you don't want us to do any of the options at all.



You can read more and share your thoughts at

ItsOurPlace.nz



What is happening with the Tinwald Pool?

We decided not to open the Tinwald Pool for the 2023/24 summer due to significant water leaks, low visitation, staff shortages, and increased operational costs. We recently received a petition from community members with 872 signatures from people based locally and overseas, requesting the pool to be saved.

There are two significant challenges associated with retaining the pool. Firstly, the pool has reached the end of its useful life and a significant upgrade is required to get it back in use. It has been leaking around 17,000 litres per day from unknown locations when full, and the water treatment and circulation equipment is not expected to last another season, nor does it meet New Zealand swimming pool standards. A fix would require a full replacement of pipework and plant, at a cost of around \$3M, excluding improvements to changing rooms, entrances or other lifeguard facilities.

Secondly, operating and staffing the pool is more expensive compared to other facilities. As a satellite pool, Tinwald Pool requires more staff to safely operate, and recruiting lifeguard staff is increasingly challenging. During its busiest season in recent times (2020/21, around 3,050 users), the pool ran at a \$66,000 loss, equating to a cost to the ratepayer of around \$18 per swimmer for that season. Since that time patronage has reduced. While for all pools, including the EA Networks Centre, it is challenging to meet costs, the difficult combination of issues at Tinwald Pool mean Council is considering what represents the best long-term solution for the wider Ashburton community. Aquatic facilities are important community facilities, and we want to ensure the money is spent wisely.

Because of these issues and the urgent need for upgrades, if this option isn't chosen, the pool will be permanently closed and alternative uses for the site will be investigated.

Why is a new paddling pool one of the options?

The Ashburton Domain paddling pool is an older asset and we've had lots of requests for an upgrade recently.

This is a project in the Ashburton Domain Development Plan, adopted in 2020, to relocate the paddling pool next to the children's playground and add a water splash deck.

We also need a spot to house new water treatment equipment in the Ashburton Domain. The building by the paddling pool, which currently houses the filtration equipment and public toilets, is one potential site. If we use this site, new toilets and an equipment shed would need to be built and it makes sense to time the move of the paddling pool with the construction of this needed item.

If this option isn't chosen, the current paddling pool can be used in the short to medium term and a new toilet block and equipment shed will be built near the existing pool.

We might revisit this project in future, but there would be no plans included in the next 10 years.



Concept image for illustrative purposes only

Going outdoors at EA Networks Centre

Building an outdoor pool at EA Networks Centre was investigated due to the community's desire to retain an outdoor pool with a relaxed picnic space within Ashburton.

Being a new construction, the pool's features, depth and surrounding landscaping are only limited by available funding. This project emerged as Council's preferred option due to lower annual operating costs when compared to the Tinwald outdoor pool.

This pool project has several operational staffing efficiencies (*approximately one less staff member*), increased projected revenue and provides customers with higher quality amenities like changing rooms, accessibility, a café, along with several other heated pools. Our Recreation Facility Utilisation Study last year has shown that the swim school at EA Networks Centre is at capacity, and another pool could help ease this issue.

As this project has been included within the draft EA Networks Centre Masterplan, it does not stop future aquatic development at EA Networks Centre. Therefore, a hydroslide or additional indoor pool complex could still be added in the future.

The case for a hydroslide

In 2015, we consulted on a hydroslide at EA Networks Centre and received considerable community feedback.

At the time we decided not to continue with this project, however, since then we have continued to receive requests from the community for a hydroslide.

During pre-engagement on our draft Long Term Plan we received comments requesting a hydroslide, as well as frequent comments requesting more entertainment for youth and teenagers.

Compared with the other projects, a hydroslide operates year-round and will generate extra income through user fees. Council could also consider entering into a joint venture to offer the service with lower financial investment.

What are the options?

OPTION 1

Refurbishing Tinwald Pool

The Tinwald Pool would be repaired and relined with a full replacement of piping and plant. The rebuild only improves the pool itself, no work is included in the budget to improve the changing rooms, entrance and lifeguard facilities.

Like with all renovation projects, there are likely to be unknown costs associated with this project.

If this option isn't chosen, the pool will be permanently closed and an alternative use for the site investigated.



What's the impact?



RATES:

Approximately extra \$26 per UAGC¹ from Year 3 slowly decreasing over a 20-year period.



CAPITAL COST:

\$3.025 million

(loan funded)



OPERATING COST:

\$480,000

Approximately net costs of \$480,000 from Year 3 slowly decreasing over a 20-year period.



DEBT:

Would increase by \$3.025 million (Year 1-\$155k/ Year 2 a further \$2.87 million)

1. What's the UAGC?

Uniform Annual General Charge (UAGC) – is a fixed rate set on every property, meaning it is a charge that is the same for all ratepayers (regardless of capital value or location).

- ✓ Tinwald Pool is retained for use by locals.
- ✓ Responds to the requests of some in the community.
- ✓ Provides an alternative urban pool option when EA Networks Centre is closed for maintenance.
- ✓ Public swimming options (*in summer*) are offered in different locations in Ashburton District.
- ✓ Some income generated by pool entrance fees.
- ✗ High investment to repair with similar to what is there now.
- ✗ High investment for a small number of users.
- ✗ Likely to be used predominantly by Ashburton residents but paid for by ratepayers across the district (*like the EA Networks Centre*).
- ✗ Highest operating costs per opening hours of all the options.
- ✗ Would not solve the Swim School capacity issue at EA Networks Centre.
- ✗ Would not solve the lifeguard shortage issue.

OPTION 2

Creating a new waterplay area at Ashburton Domain

The children's paddling pool in the Ashburton Domain would be replaced with a new waterplay and paddling pool facility. This would sit in a new location alongside the children's playground area.

The project would include a new paddling pool, a splash deck, and other waterplay features.

If this option isn't chosen, the current paddling pool will be able to be used in the short to medium term.



What's the impact?



RATES:

Approximately extra \$25 per UAGC from Year 3 slowly decreasing over a 20-year period.



CAPITAL COST:

\$3.025 million

(loan funded)



OPERATING COST:

Approximately net costs of \$451,000 from Year 3 slowly decreasing over a 20-year period.



DEBT:

Would increase by \$3.025 million (Year 1-\$155k/ Year 2 a further \$2.87 million).



Got questions?
Check out the FAQ at

ItsOurPlace.nz

- ✓ Remains a free activity and therefore has fewer barriers to use than the other options.
- ✓ Does not require lifeguards and is not restricted by opening hours.
- ✓ Enhances current paddling pool offering to also include a splash deck and other water activities.
- ✓ Able to be modernised and future-proofed due to relocating rather than upgrading.
- ✓ Aligns with the Ashburton Domain Development Plan and current Long Term Plan 2021-31.
- ✓ Responds to the requests of the community for an upgraded paddling pool at the Ashburton Domain.
- ✗ Tinwald Pool would be closed permanently.
- ✗ Does not appeal to a broader age range.
- ✗ May be deemed unnecessary given the current paddling pool could continue to operate in the short-medium term with a new building that houses the filtration equipment, which is already budgeted for.



OUR
PREFERRED
OPTION

OPTION 3

Building an outdoor pool at EA Networks Centre

An enclosed and landscaped area with an outdoor pool would be built at EA Networks Centre. The pool would likely include an integrated child splash area/beach entry, as well as outdoor spaces to relax.

Co-locating the outdoor pool at EA Networks Centre will make lifeguarding the pool easier than at Tinwald. It is envisioned that the lifeguards would rotate through the area.



Concept image for illustrative purposes only

What's the impact?



RATES:

Approximately an extra \$25 per UAGC from Year 3 slowly decreasing over a 20-year period.



CAPITAL COST:

\$3.025 million
(loan funded)



OPERATING COST:

Approximately net costs of \$451,000 from Year 3 slowly decreasing over a 20-year period



DEBT:

Would increase by \$3.025 million (Year 1-\$155k/Year 2 a further \$2.87M)

- ✓ Greater opening hours than the Tinwald Pool due to greater flexibility with utilising lifeguards at EA Networks Centre.
- ✓ Lower operating costs than Tinwald Pool in relation to opening hours due to fewer lifeguards required.
- ✓ Would be built to modern pool design and standards.
- ✓ Customers would be able to utilise other EA Networks Centre facilities.
- ✓ Provides an alternative pool option when the indoor pool is closed for maintenance.
- ✓ Some income generated by pool entrance fees.
- ✗ Tinwald Pool would be closed permanently.
- ✗ Upgrading of the Ashburton Domain paddling pool area not currently included in this Long Term Plan, but could be reviewed in three years.
- ✗ May be seen as an extravagant option given there are several outdoor community pools across the district already.

OPTION 4

Building a hydroslide at EA Networks Centre

A hydroslide would be added to the current indoor pool at the EA Networks Centre. Initially one slide would be built with a further slide able to be added later.



What's the impact?



RATES:

Approximately extra \$22 per UAGC from year 3 slowly decreasing over a 20-year period (lowest rate due to highest expected income)



CAPITAL COST:

\$3.5 million
(loan funded)



OPERATING COST:

Approximately net costs of \$403,000 from year 3 slowly decreasing over a 20-year period



DEBT:

Would increase by \$3.5 Million (Year 1-2)

- ✓ Available for use all year round.
- ✓ Meets the requests for more activities for teenagers within the district.
- ✓ Will generate additional income as the users would pay an additional cost.
- ✓ Council could enter into a joint venture and save costs and have a renewed slide after 20 years.
- ✗ Tinwald Pool would be closed permanently.
- ✗ Upgrading of the Ashburton Domain paddling pool area not currently included in this Long Term Plan, but could be reviewed in three years.
- ✗ Depending on the design, this option may not be able to be used by young children (e.g. under 5s).
- ✗ Depending on design features, this option may be the most expensive option (\$3.5 million) but could be subject to a cost lowering joint venture agreement with a specialist hydroslide company if desired.

OPTION 5

Do nothing (status quo)

This is the status quo option.

No investment in these projects would happen in the next 10 years.

“

Each option has pros and cons to weigh up, and it's worth taking the time to get this decision right as it will affect all ratepayers over the next 20 years.

*Leen Braam
Councillor - Ashburton Ward*



What's the impact?



RATES:

\$0



CAPITAL COST:

\$0



OPERATING COST:

Minimal costs to keep current paddling pool in the domain operating.



DEBT:

\$0

- ✓ Costs would be minimal.
- ✗ Tinwald Pool would be closed permanently.
- ✗ Upgrading of the Ashburton Domain paddling pool area not currently included in this Long Term Plan, but could be reviewed in three years.
- ✗ Does not meet the requests of the community for more options for teenage entertainment, an upgraded paddling pool, nor the request to save the Tinwald Pool.
- ✗ Does not help to solve the swim school capacity issues at EA Networks Centre.
- ✗ Outdoor water leisure options would be limited to township outdoor pools across the district during summer.



You can read more and share your thoughts at

ItsOurPlace.nz

23 May 2024

6. Key Decision 3: What should Council do with Balmoral Hall and the old Polytech Site

Authors *Tayyaba Latif, Policy Advisor*
Activity Manager: *Renee Julius, Property Manager*
Executive Team Member *Leanne Macdonald, GM Business Support*

Summary

- The purpose of this report is to decide on the options associated with what should we do with Balmoral Hall and the old Polytech Land.
- Options presented as part of the LTP 2024-34 consultation, being:
 - Option 1: Retain & repair Balmoral Hall and the Polytech site.
 - Option 2: Sell both sites.
 - Option 3: Demolish or relocate buildings and redevelop the site.
- Council received 1,266 submissions relating to this decision. Of the submissions received, option 2 received the most support (57%), followed by option 1 (24%), option 3 (11%), 8% chose none of the above.

Council LTP workshop indication:

- 1. That** Council decide a final option as a result of investigations stemming from the workshop discussion.

Attachment

Appendix 1 LTP Consultation Document – Balmoral Hall & the Polytech site
Appendix 2 [Key Decision 3: Balmoral Hall & the Polytech site – Summary of Feedback \(available online\)](#)

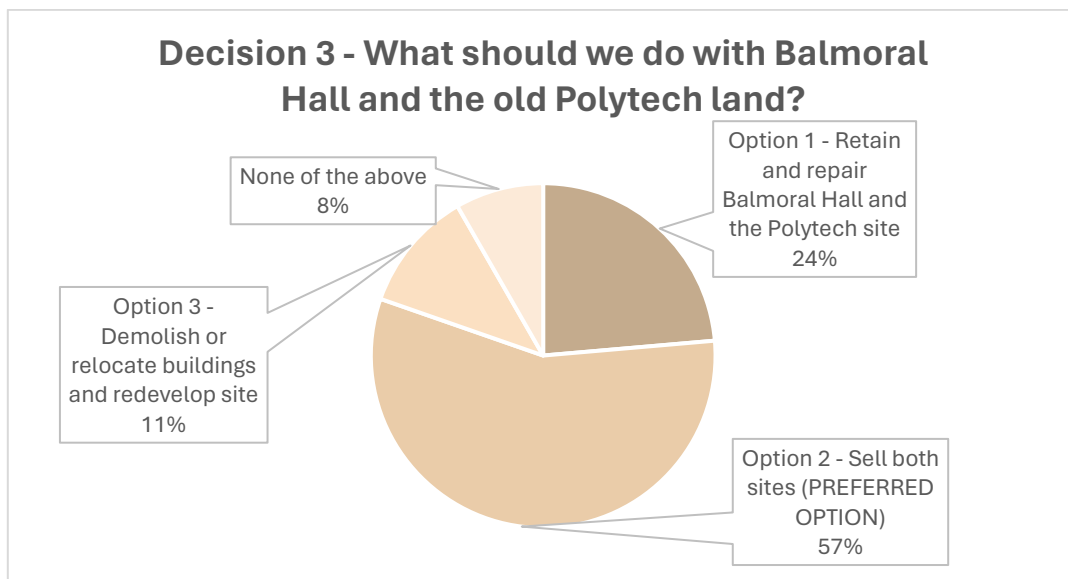
Background

The current situation

1. Council consulted on this issue as part of the Five for our Future – LTP 2024-34 consultation, which ran from March 27 to April 28.
1. The issue concerns the future of Balmoral Hall and the old Polytech Land. Three options were proposed to the community, being:
 - Option 1: Retain & repair Balmoral Hall and the Polytech site.
 - Option 2: Sell both sites.
 - Option 3: Demolish or relocate buildings and redevelop the site.
2. Detail on the options is included in Appendix 1.

Community Feedback

3. 1,266 submissions were received on this issue.
4. The graph below shows the result of feedback received during the consultation. 57% of the submitters favoured Council's preferred option of selling both sites.



5. Comments are summarised in Appendix 2 for both options.
6. On 20th May 2024, during deliberations on the issue, council discussed the feedback received on the issue and have directed staff to gather more information on an additional option i.e. Retain Balmoral Hall and redevelop the Polytech site into a sealed fee-paying carpark.

Options analysis

Option one – Retain & repair Balmoral Hall and the Polytech land.

7. This option would retain and repair Balmoral Hall and the Polytech site for Ashburton District.
8. 24% of submitters have supported this option with majority emphasising retaining and refurbishing Balmoral Hall only.

Advantages: <ul style="list-style-type: none">• Community assets will be retained for community use.• Assets at central town location will be retained.	Disadvantages: <ul style="list-style-type: none">• Increased investment will be needed with potentially no real improvement to the level of service the hall.• Cost outweighs any benefits of retaining old buildings.
Risks: <p>Reputational risk for council for retaining assets that will cause increased spending.</p>	

Option two – Sell both sites

9. Under this option Balmoral Hall and the old Polytech land will be sold as is where is. 57% submitters supported this option.

Advantages: <ul style="list-style-type: none">• Funds from sale will be used to offset council debt incurred by construction of Te Whare Whakatere.• Repair and maintenance budget saved because of no longer needing to maintain Balmoral Hall and Polytech land.• Alternate venue for dance is likely to be available at EANC sometime in future.	Disadvantages: <ul style="list-style-type: none">• Loss of assets that have cultural and heritage value for the community.• Selling centrally located assets may not prove to be beneficial in the long run.• Dance studio at EANC would be smaller and more expensive to hire than the current space.
Risks: <p>Reputational risk for council for not executing the option supported by most of the submitters.</p>	

Option three – Demolish or relocate buildings and redevelop site.

10. Under this option council will demolish or relocate the buildings and redevelop the site.

<p>Advantages:</p> <ul style="list-style-type: none"> • Redevelopment is likely to create income. • Will save ongoing cost of maintaining old buildings. 	<p>Disadvantages:</p> <ul style="list-style-type: none"> • Heritage groups are unlikely to agree with demolishing Balmoral Hall. • Loss of community assets used by community groups. • Dance studio at EANC would be smaller and more expensive to hire than the current space.
<p>Risks:</p> <p>Reputational risk for not retaining sites of cultural and heritage value for the community.</p>	

Option four – Retain Balmoral Hall, demolish the old Polytech buildings and develop a carpark on the old Polytech site.

11. During the course of deliberations, Council considered a further option based on the responses received during the LTP engagement. This option would involve retaining and refurbishing the Balmoral Hall, demolishing the Polytech buildings, and developing this site into a carpark. Further information is provided below on this option and will be provided at the meeting.

12. Investigations since the workshop have determined the following information relating to this option.
 - The total budget estimate for refurbishing Balmoral Hall, demolition of the Polytech buildings and building a fee-paying carpark is estimated at approximately \$3.2M, depending on the options included (e.g. If Council chose to include another \$73k this would mean the carpark could provide for EV parking).
 - This includes the high-level budget to refurbish Balmoral Hall of \$1.3M as advised during the LTP consultation. Due to the age and condition of the building, a level of uncertainty to this cost will remain until further investigative works are undertaken as part of the full design and then tender.
 - Costs are proposed to be funded through debt over 20 years. Both would impact on the General rate.
 - Councillors will be aware of the proposal to construct a new West Street carpark for \$1.5 million. Combined, these two projects will cost \$4.7M. Council could choose not to construct the West Street carpark and only focus on the Balmoral Hall project.

<p>Advantages:</p> <ul style="list-style-type: none"> • Balmoral Hall would be retained and upgraded as a community facility. • Retains a building that has historical significance to the community. • The existing users may not have to move. • Additional resources will be required, however, this resource can manage more than one project, so once appointed will see some economies of scale. 	<p>Disadvantages:</p> <ul style="list-style-type: none"> • Higher cost overall, including costs of demolition and carpark construction compared to other options • The projected sales will not be realised for both sites and this means the cashflow will reduce, reducing the ability to reduce debt. • There will be higher operating costs, ongoing reactive and planned maintenance costs, depreciation (for asset renewal). • There is a risk of under-utilisation. • 57% of respondents may be disappointed in Councils decision. • Current users may not use the carpark if they have to pay for parking. Eastfield's generates a minor income.
<p>Risks:</p> <ul style="list-style-type: none"> • Reputational risk for council for not executing the option supported by most of the submitters. • Until detailed design and further investigative works are undertaken we do not know the final costs. • Degradation is likely to be higher than anticipated, particularly the structure of the roof. • It is not yet known if there will be more regular tenants or higher patronage. • While the project will endeavour to work around the existing tenant, there is a risk once the work commences the hall is unavailable for use during construction. • If cost to hire is increased, community groups may not be able to afford to rent it. • If the cost to hire remains low, the operating costs are likely to be higher and require more financial support from Council. 	

Legal/policy implications

13. Council process for the consideration of this matter, including community engagement, complies with the requirements of relevant legislation.

Climate change

14. The topic of this report does not have any direct or indirect implications climate change.

Strategic alignment

15. *Residents are well-represented, included and have a voice* – the LTP process and its community engagement has resulted in over 1,200 submissions on this topic. Ongoing engagement in the implementation of the recommendation is proposed.

16. *A district of great spaces and places* – Should Council choose this option, retaining Balmoral Hall and redeveloping the Polytech land into a carpark will see availability of facilities for the community in this district.

Wellbeing		Reasons why the recommended outcome has an effect on this wellbeing
Economic	X	
Environmental	X	
Cultural	✓	Assets of cultural and heritage value for the community will be retained.
Social	✓	Retaining the hall and developing carpark will facilitate community to build social connection (if Council chooses this option)

Financial implications

Requirement	Explanation
What is the cost?	Costs are outlined above, including the potential cost of the new Option 4
Is there budget available in LTP / AP?	No budget is currently included in the LTP for this work
Where is the funding coming from?	If option 4 was selected, this would be loan funded and repaid over time through general rates
Are there any future budget implications?	Yes. Option 4 does have future impacts due to the need to continue to maintain the hall and new carpark facility. These will need to be factored into the budget, should Council agree to this option.
Reviewed by Finance	<i>Name; Position to be entered by the reviewer</i>

Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	Yes
Level of significance	High
Rationale for selecting level of significance	N/A
Level of engagement selected	3.Consult – formal two-way communication.
Rationale for selecting level of engagement	This was identified as a ‘key decision’ for the LTP 2024-34 and consultation has already been undertaken from 27 March – 28 April. Council has engaged the community using the Special Consultative Process required under statute. Council has run a comprehensive

	and active campaign across multiple channels to maximise community response, resulting in over 1,000 submissions on this topic.
Reviewed by Strategy & Policy	Mark Low, Strategy and Policy Manager

Next steps

Date	Action / milestone	Comments
26 June 2024	Adoption of Long-Term Plan 2024-34	Today's decision will be reflected in the final Long-Term Plan

Key decision 3:

What should we do with **Balmoral Hall** and the old **Polytech land**?

Me aha te Hōro Balmoral me te whenua Kuratini o mua?

OPTION 1

Retain and repair Balmoral Hall and the Polytech site

OPTION 2

Sell both sites

OPTION 3

Demolish or relocate buildings and redevelop the site

Have your **Say!**



The key decision for this issue is what Council should do with the existing Balmoral Hall and old Polytech land located in central Ashburton.

Background

Currently, the Council owns the Balmoral Hall and the old Polytech site on Cameron Street, Ashburton.

Balmoral Hall is not classified as a heritage building but was built in 1936 and has been used by many generations and people since.

Balmoral Hall needs significant repairs – it has watertightness issues, unsuitable heating, and inadequate kitchen and bathroom facilities. Originally, we allocated around \$480,000 in the current Annual Plan (2023/24) for these upgrades, but a recent estimate put the costs at around \$1.3 million. This excludes any ongoing operational costs.

Further investigation of the work Balmoral Hall needs triggered the requirements of a building consent. As this is a public building, it is subject to additional requirements including fire protection systems, having the right ratio of sanitary fixtures, and accessibility. This is where the additional work, and costs, have arisen from.

The hall is underutilised, and due to its layout, can only be booked by one group at a time.

On the Polytech site, the main classroom is outdated and is possibly past the end of its useful life.

For more information see [ItsOurPlace.nz](https://www.itsourplace.nz)



Maintaining and operating both sites is expensive, and the income received doesn't currently cover the costs. We expect that in time the income will reduce further, partly because some users are unwilling to pay higher fees. Currently, we charge \$25/ hour for hall hire, up to a maximum of \$150/day.

	2022/23 Income	2022/23 Expenditure
Balmoral Hall	\$11,445	\$44,733
Polytech Site	\$30,597	\$48,172



It's a tough decision, but it comes down to balancing the community value of these buildings against their need for significant investment.

Russell Ellis
Councillor - Ashburton Ward



What are the options?

OPTION 1

Retain and repair Balmoral Hall and the Polytech site

Balmoral Hall would be repaired and retained for its current use. This would include making the building watertight and fit for purpose.

The Polytech land would also be retained and continue to be leased until a clear future for the site is determined. Some deferred maintenance would need to be funded in the short term, but the exact cost is yet to be determined.

It's important to note we do not see any benefit in retaining the hall if the repairs and maintenance are not carried out.



What's the impact?



RATES:

Approximately an extra \$1.89 per \$100,000 capital value from Year 1 slowly decreasing over a 10-year period. Funding for repairs and maintenance and ongoing operational costs (*currently \$45,000 per annum*) would mostly come from the general rate, with the balance coming from the fees and charges paid by users.



CAPITAL COST:

Estimated at \$1.3 million (*this excludes any ongoing operational costs*).



OPERATING COST:

Approximately net costs of \$388,000 from Year 1 slowly decreasing over a 10-year period to repay the loan.



DEBT:

Would increase by at least \$1.3 million

- ✓ Community assets retained for use by community groups.

Balmoral Hall

- ✗ Increase in budget required, with no real improvement to the level of service the hall provides.
- ✗ Unlikely to see an increase in use or income following refurbishments.
- ✗ Current groups using the hall are unwilling or unable to pay more if fees were increased proportionally to repair costs.
- ✗ General ratepayers would be subsidising the operating costs of Balmoral Hall for the facility users.

Polytech site

- ✗ Funds will need to be committed to undertake deferred maintenance.
- ✗ Long-term use will need to be found and the site redeveloped to suit.

OPTION 2

Sell both sites



**OUR
PREFERRED
OPTION**

The Balmoral Hall and Polytech site would both be sold 'as is where is'. The capital value for Balmoral Hall is \$1.007 million and Polytech is \$1.45 million.

There is a plan to construct a multi-use studio at the EA Networks Centre to meet dance community needs.

See page 29 for more information.



What's the impact?



RATES:

\$0



**CAPITAL
COST:**

There would be a commission on the sale of the sites, which would come from the revenue received. No cost to the ratepayer.



**OPERATING
COST:**

Nil



DEBT:

Overall debt would reduce as Council have previously indicated the sale proceeds would be used to offset debt incurred by construction of Te Whare Whakaterere.

- ✓ Sale proceeds used to offset debt incurred by construction of Te Whare Whakaterere (*library and civic centre*).
- ✓ Repairs and maintenance budget no longer required for Balmoral Hall or the Polytech land.
- ✓ A modern dance studio at EA Networks Centre would likely be available to replace the sprung floor being lost at Balmoral Hall.
- ✗ It is likely that the hall and main Polytech classroom would be demolished by the purchaser, so community groups are likely to lose their current facilities.
- ✗ The dance studio proposed at EA Networks Centre would be smaller and more expensive to hire than the current space at Balmoral Hall.
- ✗ Heritage groups are unlikely to agree with selling Balmoral Hall.



Got questions?
Check out the FAQ at

ItsOurPlace.nz

OPTION 3

Demolish or relocate buildings and redevelop the site

Both Balmoral Hall and the Polytech site would be cleared. Some buildings on the Polytech site would be relocated. The main two-storey classroom building on the Polytech Land and Balmoral Hall would be demolished, and the sites redeveloped.

At this stage, there are no specific plans for what the redevelopment would include, and the associated budget would need approval later.

There is a plan to construct a multi-use studio at the EA Networks Centre to meet dance community needs.

See the facing page for more information.



What's the impact?



RATES:

Approximately an extra \$3.07 per 100,000 capital value for Year 1.



CAPITAL COST:

Costs for redevelopment would likely be funded through debt. These are unknown and would need to be approved through a future Annual Plan or Long Term Plan.



OPERATING COST:

Demolition costs: \$180,000 for Balmoral Hall; \$450,000 for Polytech buildings.



DEBT:

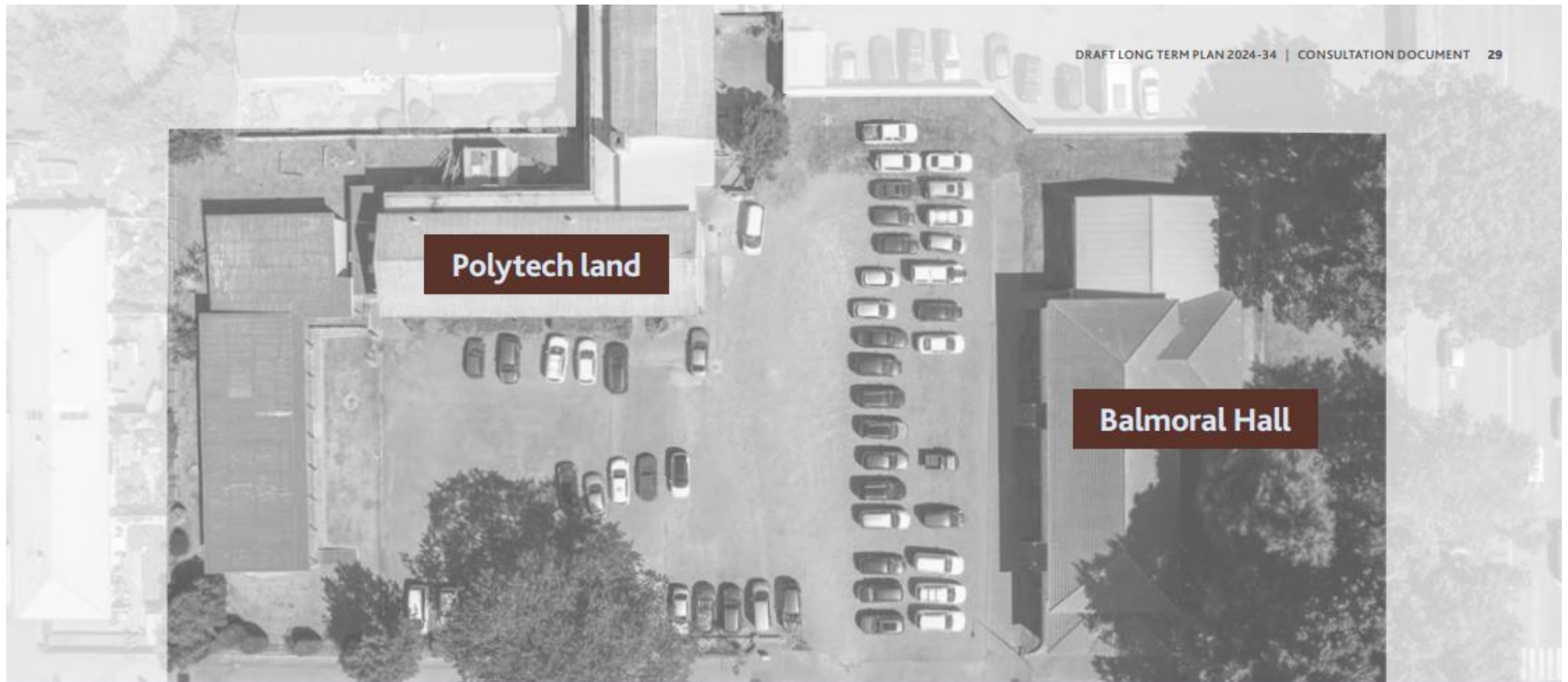
Redevelopment would be funded through debt, repaid from the general rate. The amount of debt is unknown at this time.

- ✓ Likely to create income from the redevelopment.
- ✓ A modern dance studio at EA Networks Centre would likely be available to replace the sprung floor being lost at Balmoral Hall.
- ✗ Heritage groups are unlikely to agree with demolishing Balmoral Hall.
- ✗ Loss of community assets used by community groups.
- ✗ The dance studio proposed at EA Networks Centre would be smaller and more expensive to hire than the current space at Balmoral Hall.



You can read more and share your thoughts at

ItsOurPlace.nz



EA Networks Centre Internal Building Changes and Multi-Use studio

The sprung floor at Balmoral Hall is a unique aspect to the hall and is sought after by dance groups. If the hall is sold or demolished, to address the needs of the dance community, construction of a multi-use dance studio is proposed as part of internal building changes planned for the EA Networks Centre in Year 1 of the Long Term Plan.

This studio would have a 100m² floor space, which is smaller than the current floor space at Balmoral Hall. It is likely that the cost to hire this would increase. The total cost of this project (including the dance studio) is \$325,000 which would be funded through debt. The effect of the total project would add around \$8 annually to the UAGC from Year 2.

If the hall was retained, it would be likely that the multi-use studio was not included as part of the project.



23 May 2024

7. Key Decision 4: Should we get out of providing stockwater?

Authors: *Richard Mabon, Senior Policy Advisor*
Activity Manager *Andrew Guthrie, Assets Manager*
Executive Team Member *Neil McCann, Group Manager, Infrastructure & Open Spaces*

Summary

- The purpose of this report is to inform decisions on whether Council should remain involved in the delivery of stockwater in the Ashburton District in the future.
- Three options were presented as part of the LTP 2024-34 consultation, being:
 - Option 1: Stay and invest
 - Option 2: Maintain with a closure programme over time
 - Option 3: Exit the stockwater service by 30 June 2027.
- Council received 1,193 submissions. 643 submissions (54%) supported Option 3.

Council LTP workshop indication:

1. **That** Council exits the stockwater service by 30 June 2027.
2. **That** Council increase the long-term plan budgets for District Water Management by \$45,940 in 2025/26 & \$152,970 in 2026/27 to fund a managed and inclusive exit from Council delivery of the stockwater service.

Attachment

- Appendix 1** LTP Consultation Document – Stockwater section
Appendix 2 Additional Budget information
Appendix 3 Key Decision 4: Stockwater – Summary of Feedback (available separately)

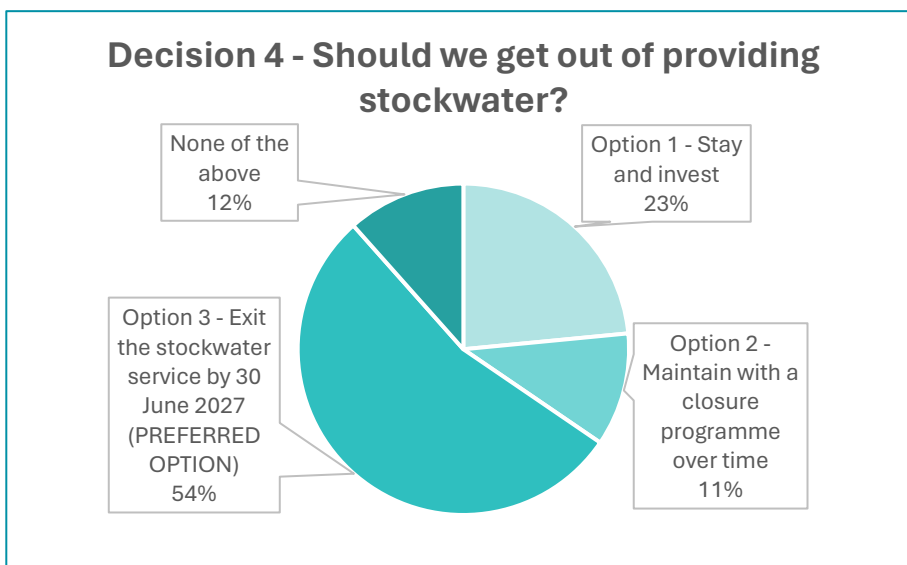
Background

The current situation

1. Council consulted on this issue as part of the Five for our Future – LTP 2024-34 consultation, which ran from March 27 to April 28.
2. The issue concerns whether council should remain involved in the delivery of stockwater in the future. Three options were proposed to the community, being:
 - Option 1: Stay and invest.
 - Option 2: Maintain with a closure programme over time.
 - Option 3: Exit the stockwater service by 30 June 2027.
3. Detail on the options is included in Appendix 1.

Community Feedback

4. 1,193 submissions were received on this issue.
5. Community feedback from the LTP consultation favoured option 3. The graph below shows the result of feedback received during the consultation.



6. Comments are summarised in Appendix 3 for all options.

Options analysis

Option one – Stay and invest.

7. Under this option, Council would continue to provide the service and invest in upgrading assets, as outlined in the LTP 2024-34 consultation document.

<p>Advantages:</p> <ul style="list-style-type: none"> • Current users would continue to receive the service, including those with no viable alternatives. • Biodiversity and community benefits from the stockwater system would be maintained. • Supported by 23% of submitters. • Other values including drainage, firefighting and mahinga kai, can also be improved. • Affordable for small landowners under current funding arrangements. • Protects households requiring water for domestic use. 	<p>Disadvantages:</p> <ul style="list-style-type: none"> • High investment required to maintain levels of service for a relatively small number of users. • An inefficient approach to delivering water for agricultural purposes. • Opposed or not supported by 77% of submitters. • Decisions on race retention for community benefits need to be based on good information. • Costs for small landowners are subsidised by higher rates paid by non-users. • Stockwater never intended for domestic use. Not potable water.
<p>Risks:</p> <p>Risks to people without viable alternatives, risks to community buy-in, and risk of uninformed retention of races with nil or low benefits exist. These can be managed successfully by working in partnership with other organisations and agencies, communicating actively with landowners, and ensuring decisions are well informed.</p>	

Option two – Maintain with a closure programme over time.

8. Under this option, Council would continue to provide the service with minimal investment in assets, as outlined in the LTP 2024-34 consultation document.

<p>Advantages:</p> <ul style="list-style-type: none"> • Current users would continue to receive the service, including those with no viable alternatives. • Biodiversity and community benefits from the stockwater system would be maintained. • Supported by 11% of submitters. • Other values – advantages per Option 1 • Household use – advantages per Option 1. 	<p>Disadvantages:</p> <ul style="list-style-type: none"> • An inefficient approach to delivering water for agricultural purposes. • No active investment may compromise the future of the system. • Decisions on race retention for community benefits need to be based on good information. • Opposed or not supported by 89% of submitters. • No planned approach to decommission the system would lead to poorer outcomes. • Current users would bear the burden of the scheme.
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	<ul style="list-style-type: none"> Disadvantages of protecting other values and household use – see Option 1.
<p>Risks: Risks to people without viable alternatives, risks to community buy-in, and risk of uninformed retention of races with nil or low benefits exist. These can be managed successfully by working in partnership with other organisations and agencies, communicating actively with landowners, and ensuring decisions are well informed.</p>	

Option three – Exit the stormwater service by 30 June 2027.

9. Under this option Council would stop providing stockwater by 30 June 2027. Council would still look after specific races that cannot be closed, like natural watercourses, those that are spring-fed, or those that have community or ecological benefits. Council would work with existing and potential new water providers to enable alternatives to Council supply of stockwater.

<p>Advantages:</p> <ul style="list-style-type: none"> Supports a more efficient approach to delivering water for agricultural purposes. Current users would continue to receive the service from Council, until closure or alternative established. Biodiversity and community benefits from the stockwater system would be maintained before and after exit. Supported by majority of submitters (56%). Less costs imposed on ratepayers who currently pay for a service they don't use, have maintenance costs for races they don't use, and face extra farm management costs from the existence of races. Other values – see Options 1 & 2 Household use – see Option 1 & 2. Planned approach to decommission the system would lead to better outcomes. Race network outdated and inefficient. Not Council business. 	<p>Disadvantages:</p> <ul style="list-style-type: none"> No active investment may compromise the future of the system. Opposed or not supported by 44% of submitters. Disadvantages of protecting other values and household use – see Option 1. Decisions on race retention for community benefits need to be based on good information. Alternatives may not be viable for some landowners. Council may have a role in supporting/ retaining “public good” elements such as drainage and biodiversity.
<p>Risks: Risks to people without viable alternatives, risks to community buy-in, and risk of uninformed retention of races with nil or low benefits exist. These can be managed successfully by working in partnership with other organisations and agencies, communicating actively with landowners, and ensuring decisions are well informed.</p>	

Legal/policy implications

10. Council process for the consideration of this matter, including community engagement, complies with the requirements of relevant legislation.

Climate change

11. The long-term effects of climate change will intensify known risks such as drought, flooding and impacts on biodiversity. These risks are not new but are expected to worsen under time given current levels of GHG emissions and lack of substantive progress towards international targets.
12. These are reasons to ensure that measures in the exit strategy for the protection of values at higher risk due to climate change are fit for a changing climate.

Strategic alignment

13. The recommendation relates to the Vision and objectives of the Surface Water Strategy 2018 and gives effect to the intention of the Strategy.
14. The recommendation is not inconsistent with the Biodiversity Strategy 2024
15. The recommendation relates to all of Council’s community outcomes as follows:
 - *Residents are well-represented, included and have a voice* – the LTP process and its community engagement has resulted in over 1,000 submissions on this topic. Ongoing engagement in the implementation of the recommendation is proposed.
 - *A district of great spaces and places* – The water race network contributes positively to community open spaces
 - *A balanced and sustainable environment* – The ecological values of the environment are protected
 - *A prosperous economy built on innovation, opportunity and high quality infrastructure* – agricultural activity is supported by high-quality infrastructure

Wellbeing		Reasons why the recommended outcome has an effect on this wellbeing
Economic	✓	Efficient use of water and the effective delivery of stockwater are both important to the Ashburton economy.
Environmental	✓	The protection of ecological and environmental benefits is part of the proposal.
Cultural	✓	Cultural interests in the water bodies, including mahinga kai are recognised values in the Surface Water Strategy 2018.
Social	✓	Protection of life and property includes firefighting and emergency resilience which are both discussed in submissions.

Financial implications

Requirement	Explanation
What is the cost?	See Appendix 2 for breakdown of proposed budget.
Is there budget available in LTP / AP?	Yes, in part. There is sufficient funding in Yr. 1 within existing budgets. An additional \$46,000 is required in Yr. 2 and an extra \$153,000 in Yr. 3.
Where is the funding coming from?	Targeted rates & General rates fund the existing budgets for Stock water management and Community governance & Decision making – Democracy (Ashburton Water Zone Committee) where district water management is funded.
Are there any future budget implications?	Yes. Additional funding is across years 2 & 3 of the LTP.
Reviewed by Finance	<i>Erin Register, Finance Manager</i>

Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	Yes
Level of significance	High
Rationale for selecting level of significance	N/A
Level of engagement selected	<p>This was identified as a ‘key decision’ for the LTP 2024-34 and consultation has already been undertaken from 27 March – 28 April.</p> <p>Council has engaged the community using the Special Consultative Process required under statute. Council has run a comprehensive and active campaign across multiple channels to maximise community response, resulting in over 1,000 submissions on this topic.</p> <p>Engagement on the implementation of this matter is likely to be a mix of 4 & 5.</p>
Rationale for selecting level of engagement	High significance. Impacts affect a lot of people, and a breadth of community outcomes.
Reviewed by Strategy & Policy	Mark Low, Strategy & Policy Manager

Next steps

Date	Action / milestone	Comments
26 June 2024	Adoption of Long Term Plan 2024-34	Today's decision will be reflected in the final Long Term Plan

Key decision 4:

Should we get out of providing **stockwater**?

Me mutu rānei tā mātau whakarato wai kararehe?

OPTION 1

Stay and invest

OPTION 2

Maintain with a closure programme over time

OPTION 3

Exit the stockwater service by 30 June 2027

Have your
Say!



The key decision for this issue is whether Council should remain involved in the delivery of stockwater in the future.

Background

We currently operate a stockwater network made up of around 1,600km of channels and related infrastructure to provide water for livestock. About 1,000 properties pay specific rates for the service, and all ratepayers contribute a small amount. These channels are mostly manmade, but some are natural waterways or fed by springs under the Canterbury Plains.

The service is mostly used to provide water for animals, but there are also other benefits such as supporting biodiversity, providing food sources (*mahika kai*), land drainage, and contributing to community amenities (e.g. *supplying water to the Ashburton Domain ponds*).

Over the past two decades, some races have been closed, reducing the network from around 4,000km to its current size. Closure requests are regularly received, and we believe that it's because landowners either don't use the service or have switched to different, more efficient services, like piped irrigation.



Challenges facing the stockwater service

Inefficient water delivery

The stockwater network is an inefficient method of delivering water for livestock to farms. The service relies on having sufficient water in the system to keep the water flowing. This means farms closer to the coast can face water shortages, especially during summer. Channels need regular maintenance such as removing weeds and obstructions and significant water is also lost to ground seepage. During summer, water sources often dry up, meaning we can't always guarantee the service. There are other, more modern ways for properties to get water.

Ageing infrastructure and increased maintenance

Maintaining the system is getting costlier because the infrastructure is ageing and needs replacement. Many components, related to the channels (e.g. *gates, pipes, pumps*) will need replacing over the next few decades. Severe weather events also damage the channels and

stockwater infrastructure. Running the stockwater service costs a lot, around \$1.3 million annually to maintain and keep it working. Looking ahead, we'll need significant funding to upgrade the network, address other issues and maintain the current level of service.

Increased environmental requirements

Meeting new environmental requirements will add extra cost to ensure the system is viable in the future. This includes the installation of fish screens on some intakes to meet these new standards.

Funding the service

If you have a stockwater channel on or alongside your property, you have to pay for it, whether you actually use it or not. A lot of people who pay for this service don't use it because they've found more efficient ways to get water, like through other irrigation schemes. As stockwater races are closed, there will be fewer people left to contribute and pay for the service.

What are the options?

OPTION 1

Stay and invest

We would continue to provide the service, based on the current operation. However, investment would be required to upgrade our ageing assets so that the system remains viable in the future.

We would need to install fish screens on key locations as required under the Canterbury Regional Land and Water Plan. This would be a significant expense for Council.

We would introduce a fairer way to pay for this service, including the community contributing more through the general rate than what is currently charged.

Under this option, closures would only be user-driven.

What's the impact?



RATES:

It varies for individual properties that pay for the service. There is a proposal to increase the minimum charge to \$700 in this Long Term Plan. All ratepayers contribute a small portion through the general rate.



CAPITAL COST:

Unknown.



OPERATING COST:

\$1.28-\$1.32 million
annually + inflation



DEBT:

Unknown, depending on capital expenditure needed.

- ✓ Current users would continue to receive this service.
- ✓ Biodiversity and community benefits from the stockwater system would be maintained.
- ✗ High investment required to maintain levels of service for a relatively small number of users.
- ✗ Still an inefficient approach to delivering water for agricultural purposes.



Stockwater transformed the Mid Canterbury Plains, but with the ageing network in its twilight, we have to consider its function in our future.

*Richard Wilson
Councillor - Eastern Ward*

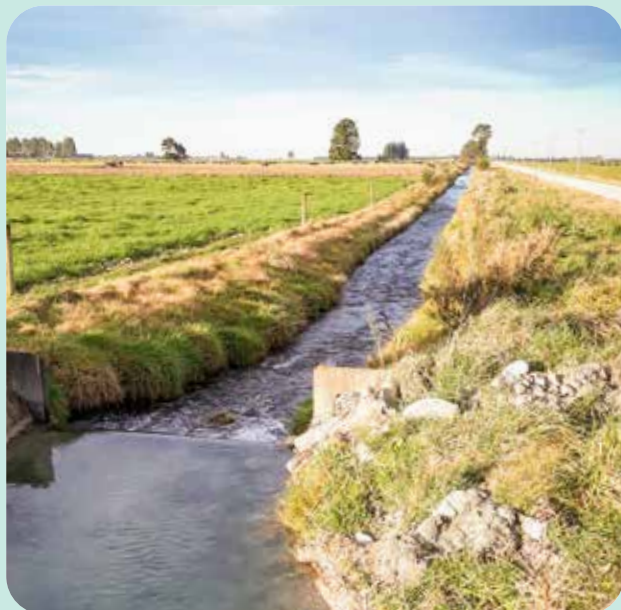


OPTION 2

Maintain with a closure programme over time

We would continue to provide the service, based on the current operation. However, investment would be minimal, and assets that fail would not be replaced. Fish screens would be considered, where they were necessary.

We would introduce a fairer way of funding this service, including a small community contribution through the general rate.



What's the impact?



RATES:

It varies for individual properties that pay for the service. There is a proposal to increase the minimum charge to \$700 in this Long Term Plan. All ratepayers contribute a small portion through the general rate.



CAPITAL COST:

Unknown.



OPERATING COST:

\$1.28-\$1.32 million
annually + inflation



DEBT:

Unknown, depending on capital expenditure needed.

- ✓ Current users would continue to receive this service.
- ✓ Biodiversity and community benefits from the stockwater system would be maintained.
- ✗ Still an inefficient approach to delivering water for agricultural purposes.
- ✗ No active investment may compromise the future of the system.
- ✗ No planned approach to decommission the system would lead to poorer outcomes.
- ✗ Current users would bear the burden of the scheme.
- ✗ Less certainty for current users.



Got questions?
Check out the FAQ at

ItsOurPlace.nz



OUR
PREFERRED
OPTION

OPTION 3

Exit the stockwater service by 30 June 2027

We would stop providing stockwater by 1 July 2027. However, we'll still look after specific races that cannot be closed, like natural watercourses, those that are spring-fed, or those that have community or ecological benefits.

Investment would be minimal and assets that fail would not be replaced. We would not actively build fish screens.

We would develop an active closure programme with targets. The timeframe allows current users of the stockwater to arrange alternative plans.

We would introduce a fairer way of funding until we have exited this service. From 1 July 2027, the general rate would likely cover the remaining system.

What's the impact?



RATES:

It varies for individual properties that pay for the service. There is a proposal to increase the minimum charge to \$700 in this Long Term Plan. Under this option, all ratepayers would contribute a bit more through the general rate to fund work needed to exit the service.



CAPITAL COST:

Unknown.



OPERATING COST:

\$1.45-\$1.48 million until Year 3 + inflation. Additional cost of \$175,000 annually is to pay for the work needed to exit the service.



DEBT:

\$0

- ✓ Current users would continue to receive this service until closure.
- ✓ Biodiversity and community benefits from the stockwater system would be maintained before and after exit.
- ✓ Water would be better managed.
- ✗ Some customers may not want their race closed or may not have an alternative source of stockwater.
- ✗ May be a need to collect more money from the general ratepayer.

Some community and biodiversity benefits from stockwater will continue to be maintained under all the options proposed.



You can read more and share your thoughts at

ItsOurPlace.nz

Proposed Resource Requirement to Support Exiting Stockwater Activity

Prepared 17 May 2024

Function	Mode	Description	Annual Cost		
			Low	High	
Project Manager	In-house	New Fixed Term ADC Resource with sole focus on project and project lead. Envisage a resource with irrigation expertise, strong rural background, and high regard in sector.	\$ 120,000	\$ 150,000	
Ecological Investigations	Out-source	This range has been extrapolated up from a fee estimate to complete ecological studies on the 220km closure associated with the Pudding Hill Intake Closure Investigation. Includes reporting.	\$ 60,000	\$ 91,000	
Arowhenua Participation (AECL Support)	Out-source	The ideal model would be to have AECL within the project team TBC. This is to cover the costs associated with their participation and the provision of cultural assessments where necessary.	\$ 15,000	\$ 30,000	
Legal Services	Out-source ?	This is to cover specialist legal advice arising during course of project. Matters that might require legal consideration includes: Obligation to provide ongoing service; access rights for races if no longer stockwater; fish-screening necessity for ecological waterways etc, etc. [Note:- This item could be sourced through in-house legal counsel subject to BAU commitments.]	\$ 20,000	\$ 40,000	
Engineering Professional Services	Out-source	This is to cover any engineering design services and includes RMA planning assessments, advice and changes to existing resource consents or new consent applications.	\$ 25,000	\$ 50,000	
GIS Mapping	Out-source	The preferred way to communicate spatial information is through GIS. This will be essential to the project team and when providing information to stakeholders. [Note:- Due to current demands on in-house GIS services this will have to be out-sourced.]	\$ 10,000	\$ 20,000	
		Subtotal	\$ 250,000	\$ 381,000	
Administration (5%)	In-house	This budget just an acknowledgement that the project will impact on BAU and have additional costs not identified above.	5% \$ 13,000	\$ 19,000	
		TOTAL PROJECT	\$ 263,000	\$ 400,000	
		Draft 2024-34 LTP Budget Provision	Year 1	Year 2	Year 3
		248-30501 Maintenance (Stockwater Rate)	\$ 175,000	\$ 175,000	\$ 175,000
		248-30534 Investigations (Stockwater Rate)	\$ 17,030	\$ 17,030	\$ 17,030
		275-30534 Investigations (General Rate)	\$ 55,000	\$ 55,000	\$ 55,000
			\$ 247,030	\$ 247,030	\$ 247,030
		Potential Carryovers			
		275-30534 Investigations - Forecast Favorable Variance - Y1	\$ 260,000		
		275-30534 Investigations - Forecast Favorable Variance - Y2		\$ 107,030	
		Total Available	\$ 507,030	\$ 354,060	\$ 247,030
		Surplus (+) / Shortfall (-)	\$ 107,030	-\$ 45,940	-\$ 152,970

NOTES:-

1. No provision has been made for any potential capital "contribution" to alternate providers.

23 May 2024

8. *Key Decision 5: Should we extend the EA Networks Stadium?*

Author: *Mel Neumann; Policy Advisor*
Activity Manager: *Richard Wood; Sport & Recreation Manager*
Executive Team Member: *Sarah Mosley; Group Manager People & Facilities*

Summary

- The purpose of this report is to decide on the options associated with a proposed stadium extension at the EA Networks Centre.
- Three options were presented as part of the LTP 2024-34 consultation, being:
 - Option 1: Two court extension
 - Option 2: Three court extension
 - Option 3: Do nothing
- A total of 1,243 submissions were received on this topic. The most favoured option was the *three court option* (52%). The next most supported option was the *do nothing option* (30%).

Council LTP workshop indication:

1. **That** Council approves up to \$23.7 million for a three-court EA Networks Centre stadium extension providing a minimum of the features identified in option 2, with project preparation and construction in Year 5-7 of the LTP (2029/30-2031/32) of the Long Term Plan 2024-34.

Attachment

Appendix 1 LTP Consultation Document – EA Networks Centre stadium extension section
Appendix 2 Key Decision 1: Stadium – Summary of Feedback (available separately)

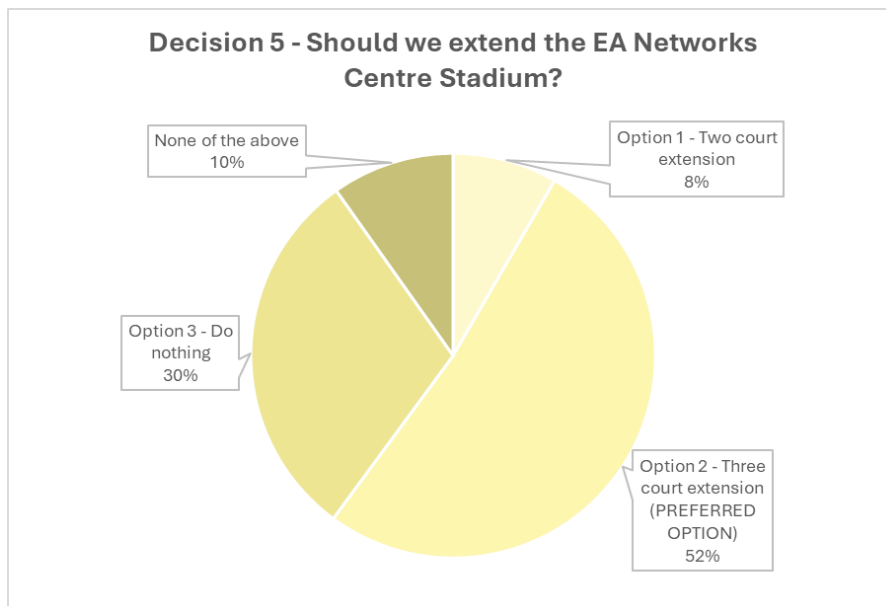
Background

The current situation

1. Council consulted on this issue as part of the Five for our Future – LTP 2024-34 consultation, which ran from March 27 to April 28.
2. The issue concerns the proposed extension of the EA Networks Centre stadium. Three options were proposed to the community, being:
 - Option 1: Two court extension
 - Option 2: Three court extension
 - Option 3: Do nothing
3. Detail on the options is included in Appendix 1.

Community Feedback

4. 1,243 submissions were received on this issue.
5. Community feedback from the LTP consultation favoured the proposed three court extension. The graph below shows the result of feedback received during the consultation.



6. Comments are summarised in Appendix 2 for both options.

Options analysis

Option one – Two court extension

7. This option would include a two court extension at the EA Networks Centre stadium as outlined in the LTP 2024-34 consultation document.

<p>Advantages:</p> <ul style="list-style-type: none"> • Goes some way to meeting the community requirements • Consistent response to the findings of the Recreation Facilities Utilisation Study 	<p>Disadvantages:</p> <ul style="list-style-type: none"> • Unlikely to address all capacity issues for sporting groups seeking court space • Will not address short-term capacity issues over the next seven years
<p>Risks:</p> <ul style="list-style-type: none"> • The EA Networks Centre activity is funded by UAGC and Fees & Charges, however some ratepayers do not agree with paying for this extension. 	

Option two – Three court extension

8. This option would include a three court extension at the EA Networks Centre stadium as outlined in the LTP 2024-34 consultation document.

<p>Advantages:</p> <ul style="list-style-type: none"> • Meets the demand for stadium space and futureproofs for additional growth • Potential economic benefit • Consistent response to the findings of the Recreation Facilities Utilisation Study • Maximises the EA Networks Centre 	<p>Disadvantages:</p> <ul style="list-style-type: none"> • This is the most expensive option • Will not address short-term capacity issues over the next seven years
<p>Risks:</p> <ul style="list-style-type: none"> • The EA Networks Centre activity is funded by UAGC and Fees & Charges, however some ratepayers do not agree with paying for this extension. 	

Option three – Do nothing

9. Under this option, no stadium extension at EA Networks Centre would be included in the Long Term Plan 2024-34.

<p>Advantages:</p> <ul style="list-style-type: none"> • Requires no additional funding 	<p>Disadvantages:</p> <ul style="list-style-type: none"> • Participation in sport would be restricted to current levels • No wider opportunities to expand use of the stadium could be taken up • This would be inconsistent with the findings of the Recreation Facilities Utilisation Study which was an action in the <i>Play, Active Recreation and Sport Strategy 2022</i>
<p>Risks:</p> <ul style="list-style-type: none"> • Council may suffer some reputational risk given its support for a preferred option of a three-court extension through the 2024-34 LTP consultation. 	

Legal/policy implications

Legislation

10. Council process for the consideration of this matter, including community engagement, complies with the requirements of relevant legislation.

Play, Active Recreation and Sport Strategy 2022

11. The Play, Active Recreation and Sport Strategy was adopted by Council in July 2022. An extension to the EA Networks Centre is in line with:

- goal 3 - *“community facilities, spaces and places are accessible and well utilised”* and
- objective 3.3 - *“the district’s built environment continues to provide new and unique play, active recreation and sport opportunities”*

because an extension would allow for the stadium to be even more utilised, and would provide opportunities for more or different sports and play activities to be held within the stadium.

Recreation Facilities Utilisation Study

12. A utilisation study was completed last year to assess the use of the recreational facilities across the district. This study showed that the EA Networks Centre stadium is experiencing high levels of usage and is having capacity issues at peak times.

EA Networks Centre & Surrounding Land 30 Year Masterplan

13. The proposed expansion of the stadium is one of the proposed projects included in the Draft EA Networks Centre & Surrounding Land 30 Year Masterplan. The option that Council decides to include in the Long Term Plan will be reflected in the 30 Year Masterplan, which is proposed to be adopted later this year.

Climate change

14. Although likely to be minimal, an extension of the EA Networks Centre stadium may have an impact in terms of climate change through:
 - Greenhouse gas emissions
 - emitted by machinery used in landscaping and building
 - emitted by the processing and moving of materials used
 - Building on top of natural ground
 - reduces permeability and therefore increase possibility of flooding in the area
 - reduces carbon sequestration ability

- More energy required to run a larger stadium (e.g. lighting and air conditioning etc).

Strategic alignment

15. The recommendation relates to Council’s community outcome of “*residents are included and have a voice*” because the stadium extension proposal links to the feedback received from stakeholders through engagement on the Play, Active Recreation & Sport Strategy, the utilisation study, and the Draft Long Term Plan 2024-34.
16. The recommendation relates to Council’s community outcome of “*a district of great places and spaces*” because the proposed extension will ensure we continue to provide great places and spaces for the community to utilise.
17. The recommendation relates to Council’s community outcome of “*a balanced and sustainable environment*” because the proposed extension will help to ensure our built environment remains fit for purpose.
18. The recommendation relates to Council’s community outcome of “*a prosperous economy based on innovation and opportunity*” because an extension would provide opportunities for people to come to the district and therefore contribute to the local economy.

Wellbeing		Reasons why the recommended outcome has an effect on this wellbeing
Economic	✓	The extension would likely bring people to the district therefore contributing to the local economy.
Environmental	✓	The proposed extension would help to ensure our built environment is fit for purpose now and in the future.
Cultural		
Social	✓	The stadium provides opportunities for activities that promote physical and mental health, as well as allowing for people to connect.

Financial implications

Requirement	Explanation
What is the cost?	Capital cost is \$23.7 million including inflation in Years 5-7 of the Long Term Plan 2024-34.
Is there budget available in LTP / AP?	Yes – to be included in the Long Term Plan 2024-34 (LTP) which will be adopted at the end of June.
Where is the funding coming from?	Loan funded with repayment through rates – 50-70% UAGC and 30-50% Fees & Charges.
Are there any future budget implications?	Yes, operating costs will increase. This will be \$552,000 in Year 6 of the LTP and peak at \$2.248 million in Year 8 of the LTP. (This excludes operational staffing costs)
Reviewed by Finance	Erin Register; Finance Manager.

Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	Yes
Level of significance	High
Rationale for selecting level of significance	N/A
Level of engagement selected	3.Consult – formal two-way communication.
Rationale for selecting level of engagement	This was identified as a ‘key decision’ for the LTP 2024-34 and consultation has already been undertaken from 27 March – 28 April. Council has engaged the community using the Special Consultative Process required under statute. Council has run a comprehensive and active campaign across multiple channels to maximise community response, resulting in over 1,000 submissions on this topic.
Reviewed by Strategy & Policy	Mark Low, Strategy and Policy Manager

Next steps

Date	Action / milestone	Comments
26 June 2024	Adoption of Long Term Plan 2024-34	Today's decision will be reflected in the final Long Term Plan

Key decision 5:

Should we extend the
EA Networks Centre
stadium?

*Me whakawhānui rānei te
taiwhaka EA Networks Centre?*

OPTION 1 Two court extension

OPTION 2 Three court extension

OPTION 3 Do nothing



Have your
Say!



The key decision for this issue is whether Council should extend the EA Networks Centre stadium.

Background

The EA Networks Centre (EANC) stadium currently has four indoor courts and two outdoor courts. At peak times, our stadium is at capacity, and we don't have enough courts to meet current demand. We're proposing to extend the stadium to provide more indoor courts, starting in 2028/29 with an estimated cost of \$23.7 million.

Once a final decision on the stadium size is known, initial scoping and build methodology would be finalised. This could result in a lower project cost. However, at this stage a traditional design and build method has been costed.



Why should we extend the stadium?

Last year we completed a study to assess the use of recreational facilities across the district. This study showed that the EA Networks Centre stadium is experiencing a high level of usage. While it's pleasing to see a community asset so well supported, it's also leading to capacity challenges.

During peak times (5pm-9pm) in winter, occupancy reaches 96% on weekdays and 70% on Saturdays. Bookings surged from 3,116 hours in 2021/22 to 4,209 hours in 2022/23 and projections indicate that demand for the facility will only keep growing.

Compounding the issue is the increasing number of sporting groups who struggle to get sufficient court time. Expanding the stadium will help address these issues, give more sporting groups a chance to meet their needs and allow for district growth. Increased capacity will also help attract regional and national sporting events and tournaments to the centre that provide an economic benefit to the district.

What's proposed?

Council's preferred option is for a three-court extension, starting 2028/29 and taking two years to complete, with the expanded stadium opening in 2031. It's expected this would cost around \$23.7M (including inflation) which would be loan funded and paid back over time through rates and increased user fees.

Proposed EA Networks Centre Masterplan

The expansion of the stadium is one of the projects included in the Draft EA Networks Centre Masterplan, which outlines our long-term vision for the development of EA Networks Centre and its surrounding land.



We want to hear what you think about this plan, so please take a moment to check it out and share your views at the link below (note that this is a separate consultation from the Long Term Plan)



View the consultation document for the Draft EA Networks Masterplan at

[ItsOurPlace.nz](https://www.itsourplace.nz)

What are the options?

OPTION 1

Two court extension

Two new courts would be added to the stadium. Planning and design is proposed for 2028/29, and construction would happen between 2029 and 2031.

This option includes additional spectator seating, storage and alternative entrances to enable two separate smaller events to occur at once. Alternative flooring options will be explored for use to make it more versatile and suitable for other non-sporting purposes.



What's the impact?



RATES:

Approximately extra \$21 per UAGC from Year 6, peaking at \$81 in Year 8 and then reducing over time for 40 years.



CAPITAL COST:

\$16.4 million
(Years 5-7)



OPERATING COST:

\$382,000
in Year 6, peaking at \$1.56million in Year 8.



DEBT:

Would increase by \$16.4 million (Years 5-7)

- ✓ Goes some way to meeting the community requirements.
- ✓ Consistent response to the findings of the Recreation Facilities Utilisation Study.
- ✗ Unlikely to address all capacity issues for sporting groups seeking court space.
- ✗ Will not address short-term capacity issues over the next five years.



You can read more and share your thoughts at

ItsOurPlace.nz

OPTION 2



Three court extension

Three new courts would be added to the stadium. Planning and design is proposed for 2028/29, and construction would happen between 2029 and 2031.

This option includes incorporating three multipurpose courts, repurposing the existing concertina seating for a more suitable area, and building an area for play (e.g. inbuilt trampoline, foam pit, climbing area).

We are exploring alternative flooring options to enable other events such as expos, prizegivings and others. The extension would be a separated area, allowing other activities to continue in the existing stadium without disruption.

The new area would be identified as the event/show court area with seating for up to 1500 people, including a mezzanine viewing area and provision for TV cameras. Conversations with major sporting organisations have confirmed that three courts would offer EA Networks Centre the ability to host a numerous national and regional sporting events, delivering significant economic benefits to the community.

What's the impact?



RATES:

Approximately extra \$31 per UAGC from Year 6, peaking at \$117 in Year 8 and then reducing over time for 40 years.



CAPITAL COST:

\$23.7 million

(Years 5-7) (includes inflation)



OPERATING COST:

\$552,000

in Year 6, peaking at \$2.248 million in Year 8.



DEBT:

Would increase by \$23.7 million (Years 5-7)

- ✓ Meets the demand we are seeing for stadium space and future-proofs for additional growth.
- ✓ Potential economic benefit.
- ✓ Consistent response to the findings of the Recreation Facilities Utilisation Study.
- ✓ Maximises the EA Networks Centre site.
- ✗ This is the most expensive option.
- ✗ Will not address short-term capacity issues over the next five years.



Concept image for illustrative purposes only

OPTION 3

Do nothing

This is the status quo option.

No extension of the stadium would happen in the next 10 years. We would continue to manage the use of the stadium within the current capacity. However, we could revisit this project in future.



You can read more and share your thoughts at

ItsOurPlace.nz

What's the impact?



RATES:

\$0



CAPITAL COST:

\$0



OPERATING COST:

\$0



DEBT:

\$0

- ✓ Requires no additional funding.
- ✗ Participation in sport would be restricted to current levels.
- ✗ No wider opportunities to expand use of the stadium could be taken up.
- ✗ This would be inconsistent with the findings of the Recreation Facilities Utilisation Study which was an action in the *Play, Active Recreation and Sport Strategy 2022*.

“

It's exciting that sport based at the stadium is flourishing in our district, but it also presents us a challenge - how do we keep up with the growth?



*Phill Hooper
Councillor - Ashburton Ward*

9. Lake Hood – Water Quality Investment

Author *Toni Durham: GM Democracy & Engagement*
Executive Team Member *Neil McCann: GM Infrastructure and Open Spaces*

Summary

- The purpose of this report is to decide on the options associated with including additional funding into the Long-Term Plan for investment into water quality initiatives at Lake Hood.
- Council received 27 submissions from submitters seeking Council to take action on the poor water quality at Lake Hood.

Council LTP workshop indications:

- 1. That** Council approves \$200,000 operational funding in year one for water quality projects as a one-off.
- 2. That** Council approves \$50,000 of operational funding for ongoing consent compliance and monitoring work from years 1-3 of the LTP 2024-34.

Attachment

- Appendix 1** 15 November 2023 Resolutions of Council
Appendix 2 General Summary of Feedback (pages 104-108)
Appendix 3 Report to Council Lake Hood Water Quality (15 May 2024)

Background

The current situation

1. Council owns the land in and around Lake Hood. Up until now, the , Lake Hood Extension Project (LHEP), Ashburton Aquatic Park Charitable Trust (AAPCT) and the Huntington Park Property Owners Association have managed and operated the lake and surrounding land. Council has provided grant funding to enable this to occur.
2. From year 1 of the LTP, Council has agreed to take over the management and operations of the lake and surrounding land, as it has become too onerous for the partner agencies.
3. Council currently has \$715,464 in the draft LTP budget for Lake Hood. This includes the operational costs of maintaining the land area, public conveniences, security gate opening/closing, resource consent compliance, weed harvester operation and general repairs and maintenance.
4. The decision to enter into this work stream was made by Council in November 2023, when it entered into a five year contract with ACL to deliver the management of Lake Hood and manage the weed harvester.
5. This is funded through the Urban Beautification (Operating expenditure – targeted CV rate 50%, general rate 50%).
6. Through the LTP 2024-34 consultation, which ran from March 27 to April 28, Council received 27 submissions on Lake Hood (shown in appendix 1). Most were with regard to the poor water quality (appendix 2 is links to a recent Council report on the matter).
7. Council could decide to include additional funding for water quality projects. Officers propose for year 1 \$50k for operational expenditure and \$200,000 of capital funding to begin water quality projects.

Community Feedback

8. 27 submissions were received on this issue.
9. Most of the submissions on Lake Hood received were expressing concern and dissatisfaction with the poor water quality at Lake Hood.

Options analysis

Option one – Do not include additional funding to address water quality issues at Lake Hood above the existing budget in the draft LTP.

10. This option would see Council maintain the budget in the draft LTP for Lake Hood at \$715,464.

<p>Advantages:</p> <ul style="list-style-type: none"> No additional rate increase required 	<p>Disadvantages:</p> <ul style="list-style-type: none"> Water quality improvements would be being left to chance to improve
<p>Risks:</p> <p>Reputational risk to Council with the community for not providing budget in the LTP to address water quality issues.</p>	

Option two – Include additional funding into the final LTP.

11. This option would see Council include additional funding into the final LTP for projects to improve water quality at Lake Hood. Officers proposed through the deliberation workshops \$50,000 of operational funding and \$200,000 of capital expenditure in year 1 of the LTP.

12. Council amended this thinking at the workshop to have the \$200,000 of capital expenditure treated as operational expenditure to avoid ongoing interest costs for the work.

<p>Advantages:</p> <p>Council would be investing in projects to address the water quality issues</p>	<p>Disadvantages:</p> <p>Minimal rate increase to the urban amenity rate.</p>
<p>Risks:</p> <p>Reputational risk to Council for increasing funding after LTP consultation.</p>	

Legal/policy implications

Local Government Act 2002

13. Sections 77, 78, 79 and 80 contain the legislative requirements for Councils to consider when making decisions.

14. In essence, these are that the Council has enough quality information to be as informed, balanced and reflective of the community's views as possible to be able to make sound decisions for the community.
15. Through the course of the Long -Term Plan development over the past 18 months, Council has held numerous workshops, budget discussions, sought and received officer advice and consulted with the community to ensure these thresholds are met.

Financial implications

16. The financial implications of the recommendations have been considered by Council through the Long Term Plan Deliberation workshops.

Significance and engagement assessment

17. The consultation on the Long Term Plan met the LGA requirements to use the Special Consultative Procedure. Council ran a comprehensive and active campaign across multiple channels to maximise the community response, resulting in over 1,500 submissions being received.

Appendix one – 15 November Council Decisions

Public excluded resolution of Council 4/10/2023 - clauses now in open meeting:

1. **That** Council agrees, subject to final contract negotiations, to enter into a five year 'open-book' contract with Ashburton Contracting Limited ("ACL") for the management of Lake Hood commencing on 1 July 2024.
2. **That** Council agrees, subject to final contract negotiations, to enter into a five year 'open-book' contract, for ACL to purchase and operate a weed harvester at Lake Hood.
3. **That** Council agrees to grant an exception from Council's Procurement Policy to enable direct procurement with ACL for the Lake Hood management and weed harvester contracts.
4. **That** Council delegates to the Chief Executive the power to approve and sign the lake management and weed harvester contracts (subject to remaining within the overall approved budget).

Cameron/Hooper

Appendix two – Summary of Submissions

12.5 Lake Hood

Submitter name	Summary	Staff comments
Leandra Fitzgibbon (Ashburton Aquatic Park Charitable Trust)	<p>Please see submission from the Ashburton Aquatic Park Charitable Trust attached.</p> <p>The Lake Hood Extension Project Joint Venture (LHEP) developed and constructed the Lake Hood recreational facility and associated residential development. The lake and associated assets were transferred to the Council in 2010, and LHEP has been managing the lake on behalf of the Council since then. LHEP will cease to manage the lake on 31 June 2024. Lake Hood is a community and recreational facility of regional importance. LHEP requests:</p> <ol style="list-style-type: none"> 1. That the Long-Term Plan include sufficient funding over the next 10 years to ensure that Lake Hood continues to be managed and maintained to a superior level of quality. 2. That the Long-Term Plan includes sufficient funding over the next 10 years to ensure that all the capital and operational costs necessary to maintain water quality in the lake to a contact recreation standard throughout the year are provided for. 3. That the proposal to construct new public conveniences at Lake Hood be included in the Plan (page 90 of the draft Activity Statements document), but that they be provided for in Year 2, rather than in Years 4-10. 	<p>Council currently has \$715,464 in the draft LTP budget for Lake Hood. This includes the operational costs of maintaining the land area, public conveniences, security gate opening/closing, Resource Consent compliance, weed harvester operation and general repairs and maintenance.</p> <p>This is funded through the Urban Beautification (Operating expenditure – targeted CV rate 50%, general rate 50%).</p> <p>Council could decide to include additional funding for water quality projects. Officers propose for year 1 \$50k for operational expenditure and \$200,000 of capital funding to begin water quality projects.</p>
Mark Christensen (Lake Hood Extension Project)		
Pauline Garrick	<p>Priority is Lake Hood utilisation and improvement. Brings in people from out of town, income into the community.</p>	
Tony Foster	<p>ADC needs to invest in one of it's biggest & existing outdoor water assets - Lake Hood. The water quality of the lake needs to be addressed for the district to continue to thrive & attract out-of-towners (approx 200,000 go into the recreation area p/a) for the water based activities the lake was built for. Investment is needed in inlet & outlet structures, along with the with a non-consumptive take of water, so that flow can be generated</p>	

Submitter name	Summary	Staff comments
	<p>throughout the lake & to assist with it's overall health (and hopeful removal of the current algae bloom). ADC needs to continue to work closely & support the Water Quality Task Force in all aspects. The spin off for Ashburton from Rowing, Dragon Boats, Water Skiing, Power Boats & family swimming & boating is huge. OUR Water needs commitment & investment.</p>	
Christopher Henderson	<p>Lake Hood brings significant economic benefit to the District. It is a recreational reserve that is used by the entire Mid Canterbury community and visitors to Ashburton, not just the residents. Requesting that Council allocate sufficient funding in year one and onwards of this LTP to ensure sufficient budget to adequately address and then maintain the water quality at Lake Hood.</p>	
Hanham	<p>The water quality issue at Lake Hood needs further and more urgent support by the Council to address issues and water supply through Ecan. This development is a huge asset to the region and millions upon millions of dollars have been invested in it by residents. To have it sitting as a green swamp for as long as it has, when seasons have changed and river flows as, not just resident taskforces.</p>	
Carmen Foster	<p>Consideration needs to be given to the status of Lake Hood, and investment into inlet & outlet structures for the movement of water. Council also needs to consider both water available (surplus stockwater) & making water available for a non-consumptive take. The health of the Lake should be a major priority - this is a huge swimming water asset, used by most mid-Cantabrians & brings in thousands of out-of-towners annually for events such as Rowing, Dragon-boating, Water-Skiing, Jet boating & sailing events. Significant investment has been made by home-owners, many building their dream-homes, with a water view. Locals simply do not want to see the health of the Lake deteriorate further. A proactive & immediate response is required along with a long-term investment view, to keep this major ADC asset available for years to come.</p>	

Submitter name	Summary	Staff comments
Sean Hunter my	<p>Lake hood is an massive part of Ashburton and brings a whole lot of people into Town</p> <p>Think the lake needs to be made bigger and invest to make sure the lake says safe and clean for water activities</p>	
Clare Ayers	<p>I believe a key priority has to be the restoration of Lake Hood. It is a national facility and if the water quality is not well managed it is a blight to our district and community. Families need somewhere they can go to have friend fun and leisure.</p>	
Michelle Parkin	<p>Lake Hood is a fabulous facility and attracts people and events from all over the country. Investment needs to be made to ensure water quality is sustainable.</p>	
Steve Wood	<p>Lake Hood issues.</p> <p>The water in the lake is becoming a disaster and there is not an easy solution. Given the degradation of all the waters in the Ashburton District there will not be easy answers. The initial design of the lake allowed for a steady flow of water from the intake to the outlet but with the new additions this is no longer the case. You have created ponds with very little chance of a flow being created. Providing the lake with more polluted water will not solve the problem. The solutions will be very expensive (if possible) and long term planning and costing must be carried out before we commit to any further development of the area.</p> <p>From my research it seems that this issue is not unique to Ashburton but similar man made lakes throughout New Zealand have the same problems.</p>	
Deirdre O'Connor	<p>Would like to see more emphasis on cleaning up Lake Hood water and SH1 river .</p>	
Hannah Templeton	<p>Clean up the lake for ongoing future use, not a quick fix</p>	
Willy Leferink	<p>Lake Hood management plan especially when it comes to sustainable water quality.</p>	

Submitter name	Summary	Staff comments
Steven John Stronach	councils priorities are all wrong. you want user pays but lake hood is beyond this ie Dive toewr at huge cost noe a wed muncher at 180k were is user pays here or is it not required for the wealthy (For more: <i>see Airport Fees & Charges</i>)	<p>Council used \$35,000 in Better Off Funding to fund its contribution to the jumping platform.</p> <p>Ashburton Contracting Limited purchased the weed harvester. Council has agreed to enter into a 5 year agreement with ACL for ACL to operate the weed harvester on Lake Hood.</p>
ANGELA	Getting our water supply sorted with the algal bloom prioritised and Lake Hood available for the community to enjoy.	
Julia Robins	Finish walkway around lake hood	
John Skevington and Joanne Ruane.	Making sure Lake Hood is sufficiently funded is imperative to Ashburton District. This is a jewel in Ashburton Districts crown and the first impressions gained by the many out of town visitors has a lasting effect on their overall impression of our area. getting the quality of water during summer months for the future is critical. We live in an amazing district so lets keep it that way.	
Donna-Marie Field	<p>I would not like to see large amounts of money spent on Lake Hood. It is unfortunate that it has so many water quality issues however that is a reflection of the water quality in the Ashburton District with its high nitrates and a human made lake based on small springs and augmentation from an already depleted flow in the Ashburton River.</p> <p>If there is a large amount of financial input needed for Lake Hood it could come under its own special rating district.</p>	
Anne Farrelly	Please invest in Lake Hood. This brings many people into the Community and the building will bring more ratepayers in as well. It is becoming an Icon (if not already) of Ashburton and something we should be proud of, and show we are investing in.	

Submitter name	Summary	Staff comments
Nigel Farrelly	Invest in Lake Hood as so many benefits. And is making Ashburton well known now, and also a destination. And healthy fun for all.	
Cameron and Julie Hay	Carters creek needs work on flooding issues. New subdivisions signed off by council are putting more pressure on Carters creek, which already has capacity issues in heavy rain. Residential and farm land adjoining the creek flood several times a year in heavy rain, which ruins landscaping and leaves weed seeds and debris.	As part of design of new subdivisions, the developments are required to manage all stormwater for storm events up to 2% Annual Exceedance Probability (1:50 yr event). Part of our role is to review these calculations and ensure the design LOS is met.
Deirdre O'Connor	Investigation into Carters Creek Assp	
Willy Leferink	We like support for ADC's part of the flood investigation concerning Carters Creek and further development of a comprehensive	Environment Canterbury has set aside funding in their <u>draft</u> LTP to investigate and upgrade Carters Creek through the urban area.
JILLIAN B TAIT	<p>I have been a resident in Millibrook Place Tinwald for aprox 7 years now and one of the attractions to purchasing this property was the Creek running through. However it is now a nightmare for me whenever there is significant rain as the creek just floods all over the lower section of my property. This includes my small pond that used to have goldfish but they get washed away every time ! My large concrete area under shade house requires waterblasting after each event as it stinks once all water subsides and leaves sludge. I have to shovel sludge out of my small pond. I have an enormous mess to clean up off my lawn which has included tree trunk blocks, disposable nappies and other peoples rubbish from further up stream. I have no street access so have to bag all debris up and cart up to street level. This is a massive job for a widowed pensioner to say the very least. The lower lawn is impacted permanently as grows so many weeds from the floods.</p> <p>I am an avid gardener and take pride in this property but it is so gutting and depressing each time this excessive flooding occurs and I believe it is unacceptable to be occur in a</p>	Environment Canterbury has set aside funding in their <u>draft</u> LTP to investigate and upgrade Carters Creek through the urban area.

Submitter name	Summary	Staff comments
	<p>residential area. I often have my toddler grandchildren staying which is a safety concern when the creek is in flood.</p> <p>I flooding issue will no doubt decrease the value of my property also.</p> <p>It would be reassuring to know that there is a plan to address this.</p>	
ECan	<p>Hearing note: Regarding the existing consent for Lake Hood from the Ashburton River, submitter suggested that Council should lobby ECan to consider this being a non-consumptive take.</p>	

Appendix 3 Report to Council Lake Hood Water Quality

Council

15 May 2024



8. Update on Lake Hood Water Quality

Author *Tania Paddock; Legal Counsel*
Executive Team Member *Neil McCann; Group Manager – Infrastructure & Open Spaces*
Leanne Macdonald; Group Manager – Business Support

Summary

- The purpose of this report is to give Council an update on Lake Hood water quality issues, as well as a summary of the NIWA report that has been received.

Recommendation

3. That Council receives this report.

Attachments

Appendix 1 NIWA report
Appendix 2 Water Quality Taskforce submission on ECan LTP

Background

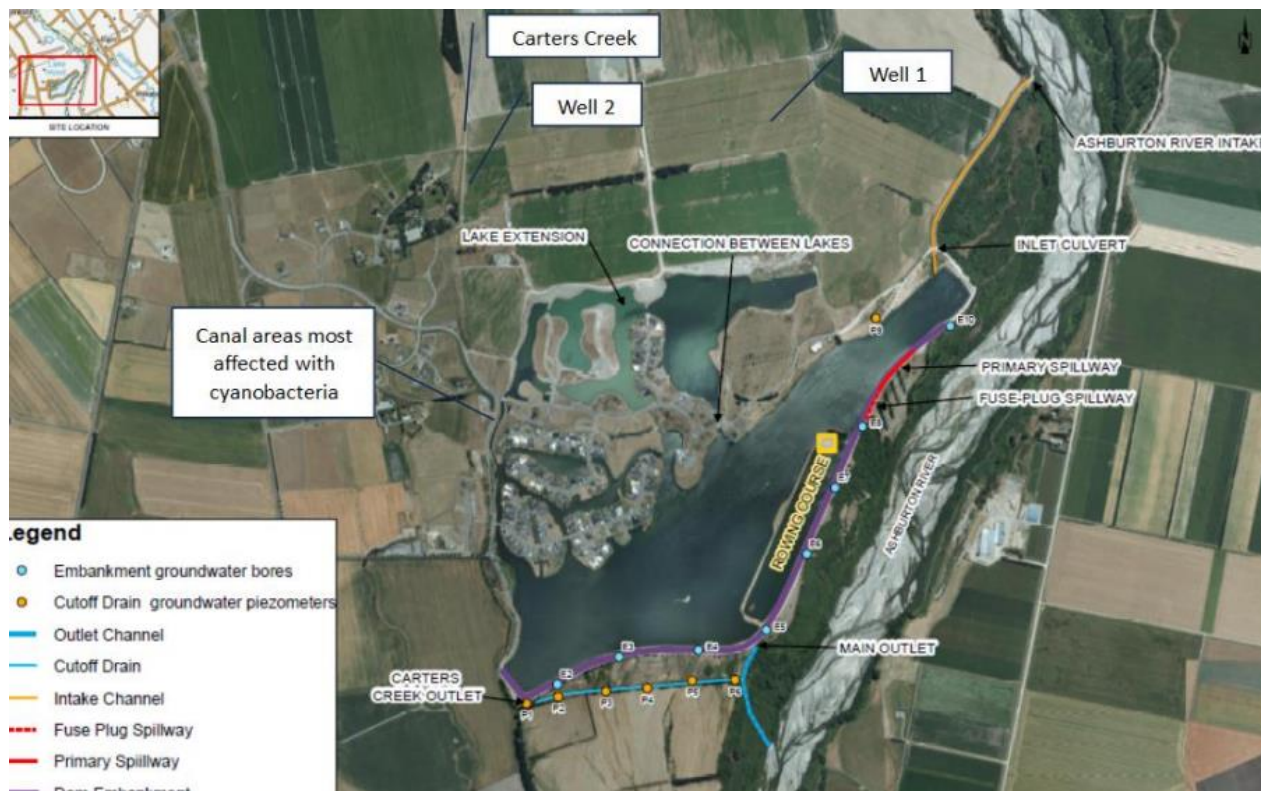
Lake Hood Water Quality

18. In early 2023, Lake Hood experienced a cyanobacteria algal bloom. This resulted in Te Mana Ora (Community and Public Health) issuing a public health notice for Lake Hood, which was in place from 16 March 2023 to 15 May 2023.
19. A second bloom occurred in early 2024, with Te Mana Ora issuing a public health warning on 5 January 2024. This warning is yet to be lifted.
20. Following the first algal bloom, representatives of Council, Lake Hood Extension Project (LHEP), Ashburton Aquatic Park Charitable Trust (AAPCT) and the Huntington Park Property Owners Association established the Lake Hood Water Quality Taskforce in early 2023. The Taskforce's Terms of Reference require the Taskforce to investigate and report on operational and technical options to prevent and manage seasonal algal blooms in Lake Hood, ensure lake water quality otherwise continually meets resource consent conditions and the lake is of a standard suitable for water contact recreation.
21. As landowner, Council is ultimately responsible for lake operation and management. Therefore, the Taskforce terms of reference state Council will make the final decision regarding the mitigation measures to be implemented for the lake.

Taskforce Actions

22. The Taskforce has been extensively investigating options to improve lake water quality. Options for lake restoration will, to some degree, be a matter of trial and error, as no one single solution will solve Lake Hood's water quality issues.
23. The formation of cyanobacteria blooms is generally linked with changes in environmental conditions. Favourable bloom conditions include the right combination of warm temperatures, sunlight, low or stable water flows and high nutrients levels (particularly nitrogen and phosphorus). Human activities, such as nutrient and sediment additions to waterways can also contribute.
24. An initial focus of the Taskforce's was on controlling the relatively high nutrient levels (particularly, nitrogen and phosphorous), as high nutrient levels were considered to be one of the contributors to the algal bloom. Therefore, reducing nutrient loads, both external (from nutrients that are entering the lake from surface and groundwater) and internal loads (nutrients that are recycled within the lake or legacy phosphorus loads contained in the sediment on the lake floor) would help to improve water quality.

25. A further priority has been to find a way to increase water flows into, and around the lake. Due to the original lake design, water does not circulate around the lake in an optimal manner (including over to the western canal where blooms have started in recent years as shown on the plan below).



26. Further, another contributor to the blooms has been the inability to take enough water from the Ashburton River under the lake's water take and use resource consent. This has been exacerbated in the 2023/24 summer with the new Ashburton River minimum flow restrictions taking effect from 1 July 2023, which puts the lake's resource consent on restriction as river levels drop. No water can be taken when the river level drops below $6 \text{ m}^3/\text{s}$ as measured at the SH1 bridge. In the four-month period from when the public health warning was issued for the lake in early January 2024 until mid-April, water was only able to be taken from the river on eight days, resulting in a substantial drop in lake levels. Further, for the majority of these eight days the river was still on partial restriction, so this severely limited the amount of water that could be taken on those days.
27. The significant rainfall on the 11th/12th April 2024 increased minimum flows for a short duration to enable water to be taken to fill the lake again. However, as shown on the graph below, the river was only flowing above the river minimum flow of $6 \text{ m}^3/\text{s}$ for approximately a week before dropping down below the minimum flow level again, which meant water could no longer be diverted into Lake Hood.



NIWA Report

Overview

28. While controlling nutrient loading and increasing the quantity of water coming into and circulating around the lake have been the Taskforce’s priorities, the Taskforce recognised the need for a more thorough, scientific review before progressing any further with these mitigation measures.
29. Therefore, in early 2024 the Taskforce engaged NIWA to provide a report. The primary purpose of the report was, based on the data available, to aim to identify the driver/s contributing to cyanobacteria blooms in the lake and based on those conclusions, outline possible control options to reduce the risk of future cyanobacteria blooms.
30. In order to achieve this, NIWA:
 301. Analysed water quality data for the lake;
 302. Summarised the important characteristics of the cyanobacteria species identified in the lake;
 303. Assessed the relationship between water column phosphorus concentrations and cyanobacteria growth; and
 304. Reviewed options for the control of cyanobacteria.
31. The final NIWA report is contained in **Appendix 1** to this report.

32. Based on the data available, NIWA concluded:
- 321. Total phosphorous levels were highest at the lake intake and Carters Creek inflows.
 - 322. Sediment phosphorus levels at two test points within the lake ranged between 440–820 mg/kg and are therefore considered ‘moderate’ and could contribute to algal blooms.
 - 323. Groundwater total nitrogen had increased in Well 2 above the lake from 2015 to 2023. Well 2 is shown on the plan earlier in this report. Groundwater inflows are a significant contributor of water into the lake.
 - 324. While there has not been any significant increase in lake water temperatures since 2010, there have been high water temperatures in recent years which indicates conditions favouring cyanobacteria growth.
 - 325. Low turbidity measurements and the shallow nature of the lake suggest that light usually reaches the lake bottom which can contribute to algal growth.
 - 326. pH has increased since 2015, and it was > 10 on several occasions, including at the lake outlet in 2023. Dissolved oxygen concentrations have also decreased in the same period. pH >10 or low oxygen concentrations can result in increased phosphorus release from the sediments, which again can contribute to algal growth.
33. NIWA were not able to identify the main contributing nutrient load to the lake, but concluded that it appears that the lake intake, Carters Creek, groundwater, and sediments are all relevant nutrient sources.
34. NIWA did however consider that from the information available, the available phosphorus concentration (being dissolved reactive phosphorous, or DRP¹) must be less than ~0.020 mg/L to reduce cyanobacteria growth, but this may not eliminate *Dolichospermum* blooms in Lake Hood. DRP has historically been low at the lake outlet (< 0.005 mg/L) but much higher in the intake and Carters Creek (which has been as high as ~0.040 mg/L but more recently usually < 0.030 mg/L).
35. Further, NIWA confirmed toxic *Dolichospermum* is the dominant cyanobacteria species in lake in both the 2023 and 2024 blooms. The key characteristics of *Dolichospermum* make it a difficult species to manage and eradicate for several reasons. Firstly, *Dolichospermum* regulates its buoyancy and can move vertically through the water column to optimise its access to light and nutrients, leading to growth. It can also fix nitrogen from the atmosphere, giving it an advantage over other phytoplankton. Further, *Dolichospermum* has specialist cells (akinetes) which can

¹ Over time phosphate that is bound to lake sediment dissolves, and becomes available for uptake for aquatic plant and algae growth. In this dissolved form, it is called DRP. DRP concentrations are therefore an indication of a waterbody’s ability to support algae and plant growth. By comparison, total phosphorous is the measure of all types of phosphorus present and included phosphate that is stuck to soil or sediment, as well is DRP which is more readily available for uptake by plants and algae.

propagate quickly. Seed banks made up of akinetes drop to the lake floor in suboptimal growth conditions, which allows *Dolichospermum* to survive through harsh conditions and re-emerge in favourable conditions (for example, optimal light, nutrients, temperature over summer months) leading to further blooms. Therefore, reoccurring blooms are very likely.

Key Recommendations

36. Based on the data available, NIWA's key recommendations to limit blooms in the lake are to flush the lake, implement nutrient controls in the Carters Creek and river intake inflows and undertake sediment capping within the lake. NIWA advised that reducing nutrient concentrations in the main water source of the lake (being the river intake) will likely have the greatest positive effect in reducing algal blooms throughout the lake over time, provided that legacy phosphorus stores in the sediments are capped.
37. Having access to more reliable, better quality water and putting water into the areas of the lake that would benefit most from flushing has always been a key priority of the Taskforce. NIWA has backed up this view by recommending increasing flows into and through the lake to decrease the hydraulic residence time in the lake, which would flush blooms out of the lake faster.
38. Getting more reliable water into the lake, for example by investigating options to either better utilise the current 2.5 cubic metres per second consented take, seek alternative consenting arrangements, or to review the regional plan's river restrictions are all options that are currently being considered and discussed with the relevant parties.
39. The Taskforce is also currently investigating options for getting water directly from the river intake into the western side of the lake to flush the canals, including through piping or open channels. There are various ways this can be achieved, so the Taskforce are scoping up options to find the most cost effective and hydraulically effective option.
40. A secondary outlet (likely near the rowing start area) would also be useful to rapidly release water from the main lake and enhance circulation.
41. Officers' preference is for permanent changes to the lake infrastructure (e.g. intake, outlets and infrastructure within the lake) and holding appropriate water consents in order to find a robust, long term solution to water quality issues.
42. As noted above, NIWA also concluded that more water is not the complete answer, as more water will bring more phosphorous into the lake. Therefore, they also recommend implementing nutrient controls in the Carters Creek and river intake inflows and undertake sediment capping within the lake.
43. Sediment capping within the lake itself can be achieved through the application of metal salt products such as alum or Phoslock. These products are applied directly to water and minimise the release of phosphorous into the water column, therefore breaking the cyanobacteria growth cycle.

Alum has an additional benefit over Phoslock as it also acts as a flocculant and can remove a cyanobacteria bloom within hours by flocking and settling the bloom to the sediment, and clearing the water column. Flocculation is however only temporary and the bloom will re-emerge in the right conditions.

44. Alum and Phoslock have been shown to be successful in many lakes around the world. However, these phosphorous control options do not remove phosphorus, but instead just lock it in place. Therefore, these treatments will need multiple applications to be continuously effective and will therefore be expensive.
45. The introduction of the weed harvester is also part of the solution to reduce internal phosphorous loading within the lake. Lake weed takes up phosphorus from the silts and harvesting and removing the weed from the lake removes the phosphorus in the lake weed.
46. Nutrient controls in Carters Creek and the lake intake can be achieved through the use of products such as Phosflow or BioChar which remove phosphorous in flowing water. Phosflow comes in a pellet form and is placed inside a pouch that is laid in the flowing water. As water passes through the pouch, the pellets absorb phosphorus. These pouches need to be replaced approximately every two months.
47. BioChar, which is a nutrient harvesting carbon product, is a cheaper alternative and works in a similar manner to Phosflow. Biochar is placed into mesh tubes and the mesh tubes are pinned to the stream bed to allow water to run through the mesh bags. Biochar acts as a type of filter due to its porous nature, absorbing phosphorus and therefore enabling it to be removed from the water when the mesh tubes are removed.
48. AAPCT (on behalf of the Taskforce, who is not a legal entity) recently applied to the Ashburton Water Zone Committee for \$10,483 in funding to run a BioChar trial in Carters Creek. The Zone Committee were in support of the trial and recommended that ECan grant this full funding. ECan has also formally approved the funding. The Creek is currently dry, but the trial will likely start in June 2024 once the creek is flowing over the winter months.
49. Nutrient controls in the creek and river intake will also need to be a long-term commitment in order to be effective.
50. NIWA also recommended the use of sonication. This technology uses ultrasound waves to rupture the gas vacuoles in the cyanobacterial cells, causing them to sink into light limiting conditions. However, while ultrasound treatment has gained popularity because of its ease of operation, lack of chemical usage and minimal ecological impact, evidence has shown that it is expensive and ineffective at a whole lake scale, particularly in canals. For this reason, the Taskforce are not currently investigating this option.
51. Other options considered, but either discounted as not appropriate for the lake, or assessed as requiring further investigation are listed in Table 0-1 on pages 7 – 9 of the NIWA report.

Lake Management Mitigation Options

52. As a result of the NIWA report, the Taskforce is preparing a lake management plan to prioritise and scope up costs for the recommended mitigation options, as well as other potential options contained in the NIWA report.
53. The final lake management plan will be released to the public and also presented to Council in due course, along with funding options.
54. Officers have engaged Viv Eyberg to assist with analysing the mitigation options and scoping up Council's preferred option/s.

Other Updates

ECan Long-Term Plan Submission

55. The Taskforce recently submitted to Environment Canterbury's Long-Term Plan. The Taskforce's key points in its submission were:
 551. The work required to improve Lake Hood's water quality will be significant, expensive and complicated. The Taskforce needs ECan's support in order to achieve better water quality outcomes for the lake.
 552. The Taskforce now has received a report from NIWA which identifies as flushing the lake and controlling nutrient loading on the lake as the top priorities for improving water quality. As the ability to take more river water into the lake is restricted by the regional plan restrictions, the Taskforce requested ECan allocate funding in Year 1 to review the appropriateness of the recent Ashburton River consent review and undertake a plan change/further consent review to enable more practical and appropriate restrictions to be put in place.
 553. The Taskforce supported the funding allocated to undertake work on Carters Creek, but requested that this funding allocation be brought forward to start in Year 1.
56. A copy of the Taskforce's submission is contained in **Appendix 2**. Two members of the Taskforce also presented to ECan at its LTP hearings.

Weed Harvester

57. At the 4 October 2023 Council meeting, Council agreed to enter into a five year, open book contract with ACL for the operation of a weed harvester on Lake Hood. ACL subsequently purchased the weed harvester, which has recently arrived in New Zealand. ACL are working through obtaining the necessary approvals to operate the weed harvester on the lake.
58. The weed harvester will be in operation from the start of the growth season in spring 2024.

Legal/policy implications

Open Spaces Strategy

59. Lake Hood is recognised in the Open Spaces Strategy as a significant recreational asset in our District which has potential for enhancement.
60. One of the Action Plan Priorities in the Open Spaces Strategies to achieve objectives 4.4² and 4.9³ is to encourage opportunities to assist in the enhancement of Lake Hood, in particular, to enhance the recreational potential of the area. Lake Hood is one of the 'Special Projects' referred to in Appendix 5 of the Strategy.

Climate change

61. One of the goals of Council's Climate Resilience Plan⁴ is to ensure the sustainability of Council's assets for the present and future wellbeing of the Ashburton District.
62. The changing climate is predicted to result in increases to both extreme dry and wet conditions in the future⁵. These changing conditions may affect both water quantity and water quality in Lake Hood. As Lake Hood is a significant Council asset, Council must ensure it effectively manages this asset to take into account the effects of climate change.

Strategic alignment

63. This report relates to Council's community outcome of 'a district of great places and spaces' because Lake Hood is an important recreational asset for the District which must be managed effectively for the benefit of both residents, as well as the wider community.

² Objective 4.4: Open spaces with scenic, heritage natural and cultural values are made as accessible as possible without comprising their biodiversity values - especially those areas along District waterways, the coast, and lakes.

³ Objective 4.9: Open space experiences across the district are enhanced through the investigation and implementation of special projects identified in Appendix 5.

⁴ [Climate Resilience Plan](#)

⁵ See page 4 of the Climate Resilience Plan

Wellbeing		Reasons why the recommended outcome has an effect on this wellbeing
Economic	✓	Lake Hood is an important asset for the community, as the wider community benefits from recreational events held at the Lake, as well as residential development that occurs. Therefore, the district will benefit from a well-managed lake.
Environmental		
Cultural		
Social	✓	If nothing is done about lake water quality, public health warnings on the lake are likely to be a frequent occurrence, meaning the lake will not be as freely available for recreational and social use.

Financial implications

Requirement	Explanation
What is the cost?	No cost, as this is an information report only.
Is there budget available in LTP / AP?	N/A
Where is the funding coming from?	N/A
Are there any future budget implications?	Once the Taskforce has scoped up mitigation options, officers will bring a further report to Council to seek funding.
Reviewed by Finance	Leanne Macdonald, Group Manager – Business Support

Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	No
Level of significance	Medium
Rationale for selecting level of significance	This is a matter of high community interest and impact particularly to the Lake Hood community. The report outlines progress and steps being taken to address the issue.
Level of engagement selected	1. Inform – one-way communication
Rationale for selecting level of engagement	No wider community engagement is required. Council has already issued a media release on the NIWA report and will continue to provide regular updates to the public on Lake Hood. A public Taskforce meeting is also

	planned for June to give the public the opportunity to provide an update and allow the public to ask the Taskforce questions.
Reviewed by Strategy & Policy	Mark Low; Strategy and Policy Manager

Next steps

Date	Action / milestone	Comments
To be confirmed.	Officers will bring a further report to Council for funding options once mitigation options are fully scoped and costed.	

10. Airport Fees & Charges – Decisions for the LTP

Author *Renee Julius: Property Manager*
Executive Team Member *Toni Durham: GM Democracy & Engagement*

Summary

- The purpose of this report is to decide on the options associated with the fees and charges for the Ashburton Airport from year 1 of the LTP.
- A change to the current airport fees and charges were proposed for the LTP 2024-34 consultation, being:
 - To change the current ‘touch and go movements’ charge (\$3 per movement) to a ‘fixed wing training circuit’ charge (\$10 per 20 minutes)
- Council received 54 submissions on the proposal, with 1 in support of the proposed change, and 53 opposed.

Council LTP workshop indications:

- 1. That** Council introduces a bulk landing fee of \$200 for annual fee holders for 2024/25.
- 2. That** Council introduces a flat \$12.00 fee per landing (to include all landings for up to 1 hour) for casual airport users for 2024/25.
- 3. That** Council amends the Revenue and Financing Policy for the Ashburton Airport from 40-50% fees and charges and 50-60% general rate to 30-40% fees and charges and 60-70% general rate taking effect 1 July 2024.
- 4. That** Council directs officers to investigate alternative management and operation models for the Ashburton Airport over 2024/25.

Attachment

Appendix 1 LTP Consultation Document – Airport fees section
Appendix 2 General Summary of Feedback (pages 53-58)

Background

The current situation

1. Council consulted on this issue as part of the LTP 2024-34 consultation, which ran from March 27 to April 28.
2. The issue concerns the proposed the fees and charges for the Ashburton Airport from year 1 of the LTP.
3. The proposal was to change the fees and charges for the Ashburton Airport for year 1 of the LTP.
4. Specifically, to change the current 'touch and go movements' charge (\$3 per movement) to a 'fixed wing training circuit' charge (\$10 per 20 minutes)

Community Feedback

5. Council received 54 submissions on the proposal, with 1 in support of the proposed change, and 53 opposed.
6. Submitter feedback from the consultation and hearings process is shown in the following themes:

Key Reasons For	Key Reasons Against
Proposed changes are fair and in line with other similar grassed runway facilities	Approach to setting fees flawed
	Support for existing bulk landing approach
	Different fees for different types of aircraft (e.g. helicopters)
	Digital system needs an alternative
	Unfair burden on recreational users
	Will lead to disincentive to use airport. Drive users away
	Changes will compromise safety

7. Comments are summarised in Appendix 2 for both options.

Why was the proposal to lift the Airport fees and charges

8. Council directed officers, through draft Revenue and Financing Policy, to lift the return from the users of the airport to sit between 40-50% of the operating costs, with the 50-60% balance to be funded from the general rate.

9. Only option 2 and 3 in the four options listed below will meet this requirement, therefore it is likely that amendments to the Revenue and Financing Policy will be required prior to its adoption on the 26 June 2024.

Hearings and Deliberations

10. Through the course of the consultation and hearings, officers proposed a middle ground option, as shown in the table below:

	1 July 2023 - 30 June 2024	1 July 2024 – 30 June 2025	Another option
Aeronautical Charges			
Fixed wing training circuit* (per 20 minutes) Final touch and go charge	New charge (previous \$3.00 per touch and go movement)	\$10.00	\$12.00
Fixed wing landing fee (per landing, based off Maximum Capacity Take Off Weight - MCTOW)	\$9.00	\$10.00 per Tonne (minimum charge \$10)	\$10.00 per Tonne (minimum charge \$10)
Helicopter landing fee (per landing)	\$12.00	\$13.00	\$13.00
Failure to pay aeronautical charge**			
1 st offence	\$40.00	\$40.00	\$40.00
2 nd offence	\$100.00	\$100.00	\$100.00

11. Council debated this but considered that introducing a Bulk Landing fee of \$200 and an individual landing fee of \$12.00 (all landings up to an hour) would be a better solution to address the concerns of the users.

12. Officers have undertaken the requested calculations:

Bulk annual landing fee and flat \$12 per landing (to include all landings for up to 1 hour)

Casual landings – note that we are unable to accurately project the proposed fee methodology as the data provided doesn't go to an hourly level of detail. However, using this information against the last couple of years information:

Numbers based on 2023-24 data

If there were 33 annual fee holders x at the proposed rate of \$200 = \$6,600

Casual landings = 930 landings (10 months) x \$12 = \$13,392 (1,116 when pro rata over 12 months- noting events form part of this which are not accounted for separately)

Total - \$19,992

Numbers based on 2022-23 data

If there were 46 annual fee holders x at the proposed rate of \$200 = \$9,200

Casual landings = 833 landings x \$12 = \$9,996

Total - \$19,196 (current YTD (10 months) \$13,739 & projected to end 2023/24 \$16,487)

Please note: This assumes every person currently paying \$130 annual landing subscription will still pay the annual landing fee even though it has increased 54%.

Commercial operators

13. A commercial operator will use set fees to its best commercial advantage.
14. There are different types of commercial operations that have the potential to create impacts on the airport. For example, Council would probably want to treat a commercial flight school differently to a commercial fertiliser spreading operation.
15. Different risk profiles may result in additional one off and ongoing compliance expenditure (such as certification) that would need to be considered in the commercial rate.
16. Officers recommend that any requests are taken to the Airport Sub-Committee or Council for consideration and setting of commercial rates on a case by case basis. Noting there are 3 historical commercial arrangements currently in place.
17. There is a risk that this will slow the process down.

Risks:

18. The microlights paying \$8 would have a substantial increase of 50% or \$4. May see themselves as disadvantaged.
19. Annual landing fee holders have decreased from 46 in 2022-23 to 33 in 2023-24.
20. There is a risk that we may not be able to get timed charges in place for the 2024-25 financial year due to current technical difficulties with the monitoring system at the airport.
21. Council has also directed officers to investigate over the 2024/25 alternative management and operating options of the airport site. As a strategic asset of Council, legal implications of this have been included in the report for Council's awareness.

Options analysis

Option one – Leave the fees at the 2023/24 levels

22. This option would see Council not alter the fee structure from the current 2023/24 arrangements.

<p>Advantages:</p> <ul style="list-style-type: none"> • No change for users 	<p>Disadvantages:</p> <ul style="list-style-type: none"> • Council would be operating an airport outside of the Revenue and Financing Policy requirements, the general rate would be significantly subsidising the small group of users. • Users would still be frustrated with the touch and go arrangements. •
<p>Risks:</p> <ul style="list-style-type: none"> • Possible health and safety risks with pressurised touch and go decisions to avoid incurring additional costs. • Reputational risk to Council for not listening to the user group concerns with the touch and go charges 	

Option two – Alter the fees and charges as per the LTP consultation

23. This option would see Council confirm the airport fees and charges as per the draft fees in the LTP that was consulted on with the community.

<p>Advantages:</p> <ul style="list-style-type: none"> • Council would be operating an airport closer to the Revenue and Financing Policy requirements, reducing the general rate needed to subsidise the small group of users 	<p>Disadvantages:</p> <ul style="list-style-type: none"> • Users would still be frustrated with the loss of the annual landing fee
<p>Risks:</p> <ul style="list-style-type: none"> • Reputational risk to Council for not listening to the user group preferences for annual landing fee charges. • Possible loss of movements at the airport, if users follow through on the threats made • Potential health and safety risks for Council based on claims made by submitters at hearings of users using each other's (or making up) tail numbers (plane identification) for billing as we had not offered new annual fees to users this year. 	

Option three – Introduce a final touch and go charge in place of the proposed training circuit charge

24. This option would see Council recognise the legitimate safety concerns raised by submitters. A charge would only be applied to the final ‘touch and go’ movement for users not landing.

<p>Advantages:</p> <ul style="list-style-type: none"> • Recognises the safety concerns raised by users. • Council would be operating an airport closer to the Revenue and Financing Policy requirements, reducing the general rate needed to subsidise the small group of users 	<p>Disadvantages:</p> <ul style="list-style-type: none"> • Users would still be frustrated with the loss of the annual landing fee
<p>Risks:</p> <ul style="list-style-type: none"> • Reputational risk to Council for not listening to the user group preferences for annual landing fee charges. • Possible loss of movements at the airport, if users follow through on the threats made • Potential health and safety risks for Council based on claims made by submitters at hearings of users using each other’s (or making up) tail numbers (plane identification) for billing as we had not offered new annual fees to users this year. 	

Option four – Return to a bulk landing fee and flat \$12.00 per landing

25. This option would see Council recognise the legitimate safety concerns raised by submitters and meet their requests to return to a bulk landing fee.

26. A flat \$12 landing fee (to include all landings for up to 1 hour) would be introduced for casual users.

27. Commercial operators requests will be discussed with Council as they are received.

<p>Advantages:</p> <ul style="list-style-type: none"> • Recognises the safety concerns raised by users. • Council would be operating an airport closer to the Revenue and Financing Policy requirements, reducing the general rate needed to subsidise the small group of users 	<p>Disadvantages:</p> <ul style="list-style-type: none"> • Users would still be frustrated with the loss of the annual landing fee • Amendments to the Revenue and Financing Policy will be required
<p>Risks:</p> <ul style="list-style-type: none"> • Reputational risk to Council for using the general rate to subsidise a small user group outside of the Revenue and Financing Policy. • Risk that the timed charges are not able to be implemented for the 2024-25 financial year due to current technical difficulties with the monitoring system at the airport. 	

Legal/policy implications

Local Government Act 2002

28. Sections 77, 78, 79 and 80 contain the legislative requirements for Councils to consider when making decisions.
29. In essence, these are that the Council has enough quality information to be as informed, balanced and reflective of the community's views as possible to be able to make sound decisions for the community.
30. Through the course of the Long -Term Plan development over the past 18 months, Council has held numerous workshops, budget discussions, sought and received officer advice and consulted with the community to ensure these thresholds are met.
31. With regard to the possibility of Council considering other opportunities of the management and operation of the airport, the following legislation and case law is likely to apply:

Local Government Act 2002

32. Section 97 of the Local Government Act provides the legislative requirement for strategic assets. Section 97(2) provides Council cannot decide to transfer the ownership or control of a strategic asset unless the decision is explicitly provided for in the Long-Term Plan and was consulted on in accordance with section 93E. The Act defines a strategic asset as the following:

Strategic asset, in relation to the assets held by a local authority, means an asset or group of assets that the local authority needs to retain if the local authority is to maintain the local authority's capacity to achieve or promote any outcome that the local authority determines to be important to the current or future well-being of the community; and includes—

(a) any asset or group of assets listed in accordance with section 76AA(3) by the local authority; and

(b) any land or building owned by the local authority and required to maintain the local authority's capacity to provide affordable housing as part of its social policy; and

(c) any equity securities held by the local authority in—

(i) a port company within the meaning of the Port Companies Act 1988:

(ii) an airport company within the meaning of the Airport Authorities Act 1966

Caselaw

33. A 2021 High Court decision¹ is (according to the Court's decision) the first time the Courts have directly considered the meaning of the phrase "*transfer the ownership or control of a strategic asset*" from section 97 (1)(b). In this case, the Court had to decide whether Queenstown Lakes District Council's decision to grant a 100 year, unorthodox lease to its CCO, Queenstown Airport Company Ltd, was a transfer of ownership or control of a strategic asset (being Wanaka Airport). Of note, the Court held:
- a) 'Ownership' and 'control' are two distinctly different concepts and their respective meanings must be considered separately.
 - b) The Court found that the lease did not transfer 'ownership' of the airport to QAC. While the lease transferred substantial and effective ownership for a significant period of time, including selling the airport's above ground assets to QAC in exchange for a one-off lump sum lease rental payment of \$11.3M, the lease did not transfer ownership of the freehold land title. As land is an essential element of an airport and QLDC retained land ownership, the Court determined that airport ownership did not change.
 - c) By contrast, the Court found the lease transferred 'control' in the airport from QLDC to QAC. This was because 'control', in the context of alienating strategic assets, should be interpreted as "*the act or power of directing or regulating; command, regulating influence*". Section 97(1)(b) can therefore be triggered where a Council retains ownership of the strategic asset, but transfers the power to operate and to decide the future use and direction of that asset. As such, the transfer of control does not have to be absolute in the sense of transferring "ultimate" control. The Court concluded that Parliament must have intended section 97 to apply in situations where a local authority intends to transfer substantial and effective control over a strategic asset even if it intends to retain ownership of that asset, which is what QLDC did with the Airport under the lease.
34. If challenged, the consequences of failing to comply with section 97 is the transfer of control or ownership of the strategic asset can be set aside by the Courts. In the Wanaka Airport example above, the High Court deemed the granting of the lease to be illegal (that is, of no legal effect), and set aside the lease.

Financial implications

35. The financial implications of the recommendations have been considered by Council through the Long Term Plan Deliberation workshops.

Significance and engagement assessment

36. The consultation on the Long Term Plan met the LGA requirements to use the Special Consultative Procedure. Council ran a comprehensive and active campaign across multiple channels to maximise the community response, resulting in over 1,500 submissions being received.

¹ *Wanaka Stakeholders Group Inc v Queenstown Lake District Council* [2021] NZHC 852

What's happening to fees 2024/25? | *Kai te ahatia kā utu?*



Proposed fee increases

Certain Council services are funded through fees and charges, such as using the EA Networks Centre, getting building consents, or applying for a liquor licence. To cover the costs of providing these services, most charges are proposed to increase by around 6% (compared to 2023/24 charges).

Some fees, specifically animal control and food licensing are proposed to increase by a higher amount - 7% and 12% annually over the next five years. This is proposed to ensure the users of these services are those paying for the costs of providing them. At present, the general ratepayer is contributing more than they should towards these services.



New membership structure for EA Networks Centre

We are proposing the introduction of a new fee structure for EA Networks Centre memberships to simplify the existing complicated system, increase use of the facilities and remove barriers to participating.

The new structure will offer a facility-wide membership only, with an adult membership at \$20.30 per week and \$17.30 for discounted memberships (seniors, students, corporates and community services cardholders). In addition, all members could receive a discount if they commit to a membership of six months or more.



Ashburton Airport charges

There have been discussions on the increase and composition of the aeronautical charges, including the proposal to change the previous "touch and go movements" charge into a 'fixed wing training circuit' charge, which will increase from \$3.00 per movement to \$10.00 per 20 minutes.



More information

You can read more about changes to fees and charges at

[ItsOurPlace.nz](https://www.itsourplace.nz)

Appendix 2 - General Summary of Feedback (pages 53-58)

6.2 Ashburton Airport

Where no specific comment has been made, your submission is noted.

Submitter name	Summary	Staff comments
Neville Bailey	Ashburton Airfield Hangar Land Rental: Opposes the approach taken by Council to set land rental.	<p>Rent reviews are not part of the long-term planning process. The current rent review process at the airport has not yet concluded.</p>
Leslie Vincent (Ashburton Aviation Pioneers)		<p>Individual leases are confidential between the two parties and key terms are agreed at the start. In general terms, the lease document sets out key terms such as the rent, the outgoings (including who pays rates), the rent review methodology (current market rent assessed by a registered valuer), the frequency for each rent review and the dispute resolution process.</p> <p>Valuations are prepared in accordance with the requirements of the International Valuation Standards. All valuers must also comply with the Valuation Code of Ethics.</p> <p>Noting that if there is a significant increase between what lessees are currently paying and the new rental, officers can take this to Airport Sub-Committee for further consideration.</p>

Submitter name	Summary	Staff comments
Andrew Vincent	Opposes the proposed Ashburton Airport user charges instead supports the Proposal submitted by The Ashburton Airfield Users.	Refer to comment - AOPA
Catherine Kilgour	I disagree that the airfield should be 100% self funding. It is a community asset and I find it hard to understand how the council justifies how much they claim it costs them to manage it.	The Revenue and Financing Policy is proposing that the Ashburton Airport is funded 50-60% General Rate 40-50% Fees & Charges.
Owen Moore	<p>Opposes the proposed Ashburton Airport user charges instead supports the Proposal submitted by The Ashburton Airfield Users. I asked CAA for a ruling on that and they informed me it would be fraught with legal challenges. apparently if the wheels don't touch the ground you can't charge.</p> <p>Hearing note: Requests that Council absorbs the museums land rental and rates (or at least some of the costs).</p>	Fees are set by the Airport Operator. There is no mandate for CAA to be involved in setting, enforcing or determining methodology for landing fees.
Carol Stronach	Landing fees should remain as a bulk yearly	Refer to comment - AOPA
Steven John Stronach	Opposes the proposed Ashburton Airport user charges. Bulk fee should remain for locals and all pilots. Why should some organizations get cheaper fees.	
Alec Forsyth	<p>Opposes the proposed Ashburton Airport user charges.</p> <p>A helicopter with a MAUW of 760kg will pay \$13.00 per landing. A fixed wing at the same weight would pay \$10.00 with the additional privilege of 20 minutes of touch and go landings.</p> <p>Requests that Helicopters have a lower charge than fixed wing.</p>	

Submitter name	Summary	Staff comments
Claire Rushton	<p>Ashburton Airport - Proposed Changes to Fees and Charges:</p> <p>I support the proposed changes to fees and charges for the Ashburton Airport. The proposed charges are in line with similar sized grassed runway airports around NZ.</p> <p>Users need to contribute to the costs as most wear and tear on a grassed runway are at the high speed impact and take off times so that our airport is able to be maintained to a good standard. All individuals should contribute fairly to their choice of recreation.</p>	
Stu MacPherson	<p>Following our recent landings at the Ashburton aerodrome we were unsuccessful in our attempt to pay the landing fees. This was due to the whole process being relegated to a digital format. Our many attempts to access the website or communicate via email to an agency were futile, and frustrating. My advice would be, as in the past, to also provide a physical lock box and envelopes, whereby persons who are digitally challenged can render payment with currency on site.</p>	<p>An honesty box at the airport would cost more to administer, to reduce administrative cost, any unpaid landing fees are invoiced each month.</p> <p>Users can also pay at the Customer Service desk at Te Whare Whakare.</p>
Grant Coldicott	<p>Opposes the proposed Ashburton Airport user charges.</p> <p>Believes the proposed fees place an unfairly high burden on recreational airfield users, will act as a disincentive for pilots.</p> <p>Suggests a 'one-off' annual payment saves time and administration costs for Council.</p>	Refer to comment – AOPA.
Steve Bain	Opposes the proposed Ashburton Airport user charges, suggests a landing fee would be better.	

Submitter name	Summary	Staff comments
Graeme Marshall	Opposes the proposed Ashburton Airport user charges, suggests a system that allows for multiple landings in a day (5?) including touch and goes would seem appropriate. Putting a time limit on a landing slot encourages pilots to rush and this is unsafe.	Multiple landings for a circuit was considered however Australian airport managers reported more disputes relating to per movement in a circuit charges versus a time period.
Ross Sparks	Opposes the proposed Ashburton Airport user charges due to safety concerns.	Refer to comment – AOPA.
Shane Glassey	Opposes the proposed Ashburton Airport user charges. Suggests that bulk landing fees for locals and day landing fees to attract people is only option that works.	Refer to comment – AOPA.
Nick Warren (South Canterbury Aero Club)	Opposes the proposed Ashburton Airport user charges, suggests 1 landing fee only!	Refer to comment – AOPA.
R P Yates	Opposes the proposed Ashburton Airport user charges and expresses concern with rental review.	Refer to comment – Neville Bailey.
Graham Bethell	Opposes the proposed Ashburton Airport user charges.	Refer to comment – AOPA.
Denise Wallens	Opposes the proposed Ashburton Airport user charges, suggests 1 landing fee only!	
Peter Chadwick	Opposes the proposed Ashburton Airport user charges, due to affordability concerns..	
Tom Webster	Opposes the proposed Ashburton Airport user charges, due to complexity and affordability concerns.	The feedback from users was that they wanted to keep current by having a cost effective way to practice take off, touch and go's and landings. This approach enabled a

Submitter name	Summary	Staff comments
		<p>number of movements within a time period. It is a common methodology in Australia but not yet in NZ.</p> <p>Refer to comment re: Graham Marshall</p>
Allan Bowman	Opposes the proposed Ashburton Airport user charges, due to affordability concerns and for being out of alignment with other similar airports.	Refer to comment - AOPA
Michael Oakley	Opposes the proposed Ashburton Airport user charges, due to concerns with being too expensive and driving people away.	The majority of the bulk landing fee users are local to Ashburton/have hangars at the airport.
Helen Watson	<p>Opposes the proposed Ashburton Airport user charges, due to concerns with loss of safety with bulk charging, being too expensive and driving people away.</p> <p>Questions if Council is aware of a pilots requirements to maintain competence for everyone's benefit.</p>	<p>An Ashburton Airport Safety Group has been established to provide a forum to discuss and address safety concerns.</p> <p>Refer to comment – AOPA</p>
Andrew Lobb	Questions Council's strategic vision into prosperity for the region and looking at ways to grow the fortune of the area. The council treatment of the Ashburton airport users displays this, with the opportunity to create a sophisticated commercial hub driving more diversity into regional economic development.	

Submitter name	Summary	Staff comments
Ian Begbie	Landing Fees should be exempt for all Hangar Owners. In my case I am a local ratepayer, plus paying rates of around \$1300.00 a year at the airfield as well, I also am now paying an annual fee of over \$8000.00 for the lease of the land.	
MID CANTERBURY AERO CLUB SUBMISSION & SUPPORT		
Graham Closey (Mid Canterbury Aero Club)	<p>Opposes the proposed Ashburton Airport user charges, due to concerns with safety, being too expensive and driving people away. Suggests that the airport should operate with a significant rates contribution to keep charges low.</p> <p>Urges Council to reconsider hangar homes.</p> <p>Hearing note: Proposes \$200 p.a.per aircraft for bulk landing fee, and \$12/landing for individuals</p>	<p>Hangar homes are identified in the Ashburton Airport Development Plan. This development plan is intended to be actioned across 30 years. Further development work such as changes to the District Plan would be required to enable residential hangar homes at the airport.</p> <p>Also, refer to comment – AOPA</p>
Peter King (Flying New Zealand)	Opposes the proposed Ashburton Airport user charges, in support of MC Aero Club submission.	
Annie Jacobs		
Deanna Walsh		
AOPA (NZ) SUBMISSION & SUPPORT		

Submitter name	Summary	Staff comments
Neville Bailey (Aircraft Owners and Pilots Association)	<p>Opposes the proposed Ashburton Airport user charges.</p> <p>Believes that other airports are more affordable.</p> <p>Suggests that the increased landing fees has reduced use at the airport.</p> <p>Suggests the following alternative:</p> <ul style="list-style-type: none"> - Bulk Annual Landing Fee - \$200 per annum per aircraft, paid in advance. Applicable to recreational aircraft owners anywhere in NZ. - Individual Landing Fee - \$12 per landing (to include all landings for up to one hour). Applicable to anyone who doesn't sign up for the above Bulk Annual Landing Fee. 	<p>User charges are outlined in Councils Fees and Charges.</p> <p>The proposal of \$200 for a bulk annual landing fee would mean that these users would pay \$3.84 per week for unlimited movements. This is significantly less than what a casual user would pay.</p> <p>Many of the airfields listed in the submission that charge less than \$10 per landing are private airfields or small airports run by the local Aero Club. Most airports charge a per landing charge as opposed to a daily rate.</p>
David Sale (AOPA)	Opposes the proposed Ashburton Airport user charges.	Some of these airports are also proposing changes to their landing fees for the 2024/25 year.
Andrew Hanrahan	Supports the AOPA submission	For aircraft up to 1500kg:
Andrew Lobb		Oamaru - \$12
C Roberts		Timaru - \$12
Gerald Innes		Wanaka - \$13
Jack Palmer		Grey - \$15
John Watherston		Motueka - \$20 (bond) or \$30 (no bond)

Submitter name	Summary	Staff comments
Simon Chapman		<p>Councils have different levels of appetite or ability to subsidise the airport activity. There are also varying airport offerings – some have many runways, some have one. This contributes to how much it costs to run an airport. It may help to explain the differing fee structures at airports across the country.</p> <p>Since the new fees were implemented on 1 July 2023 through to February 2024, our records show there was a total of 763 less movements, compared to the same period last year. Officers are not sure how the number of 1700 has been calculated.</p> <p>The Ashburton Airport Development Plan is a 30-year plan and will continue to be implemented over this time period. There are goals identified in the plan that Council is currently working towards.</p> <p>Infrastructure at the airport (water, power etc) is paid for by the hangar owner. The ground lease rental reflects that it is ground only and not a serviced site which means a lower market rental is applied.</p> <p>Clarity can be provided on the fees and charges website for the type of movement eg. Below 500ft to cover touch and go's, go arounds, missed approaches and landings.</p>
Sus Palmer		
Dr Johan Vlok, Darfield		
Paul Finch		
Craig Clapham		
Jason Wakelin		
Leslie Vincent (Ashburton Aviation Pioneers and NZAS Airfield User Group)		
Kevin Langford		
Leslie Vincent (Ashburton Aviation Pioneers)		
Arthur Ruddenklau		
Greg Mouat	<p>Opposes the proposed Ashburton Airport user charges.</p> <p>Supports the AOPA submission</p>	<p>Commercial operators have an individual agreement with Council. This is a confidential commercial arrangement. It will vary from business to business depending on the usage of the airport.</p>

Submitter name	Summary	Staff comments
	Queries definition of commercial operators, feels the proposed fees are not transparent for commercial.	
Pete Armstrong	Opposes the proposed Ashburton Airport user charges.	Refer AOPA response
Charlie Draper	Supports the AOPA submission	
Rosa Armstrong	Opposes the proposed Ashburton Airport user charges. Supports the AOPA submission Queries rental review approach	Refer comment – Neville Bailey and AOPA
Mike Thomas	Opposes the proposed Ashburton Airport user charges. Supports the AOPA submission Believe that safety should be considered at a higher priority than the economics that the council is currently focusing on. Suggests that Council has forgotten the history of the airfield. Concerned with approach to rental review	Most airports have a similar history, however, the history has no impact on the valuation. A valuation is a professional assessment of the market value of a property carried out by a qualified and licenced valuer. They need to comply with Valuation Standards and comply with the Code of Ethics.

11. Community Funding Requests – LTP 2024-34

Executive Team Member

Toni Durham: GM Democracy & Engagement

Summary

- The purpose of this report is for Council to consider the funding request received through the Long Term Plan process.
- Requests were received from 11 groups and organisations, this includes the business case requests received from Ashburton Event Centre, Citizens Advice Bureau, Safe Communities, Safer Mid Canterbury and Sport Canterbury.
- These are separate requests to those received through the contestable Community Grant application process which will be considered by Council at the 5 June Council meeting.

Council LTP workshop indication:

- 1. That** Council enters into a three-year service level agreement with the Ashburton Event Centre and approves operational funding of \$337,800 in year 1 of the LTP, \$346,245 in year 2 of the LTP and \$353,863 in year 3 of the LTP.
- 2. That** Council allocates \$40,000 per annum across years 1-10 of the LTP to the Ashburton Event Centre capital reserve, with the Ashburton Event Centre to apply for this funding as needed.
- 3. That** Council enters into a three-year service level agreement with the Citizens Advice Bureau and approves operational funding of \$15,625 in year 1 of the LTP, \$16,015 in year 2 of the LTP and \$16,368 in year 3 of the LTP.
- 4. That** Council enters into a three-year service level agreement with Safe Communities and approves operational funding of \$54,000 in year 1 of the LTP, \$55,350 in year 2 of the LTP and \$56,568 in year 3 of the LTP.
- 5. That** Council enters into a three-year service level agreement with Safer Mid Canterbury and approves operational funding of \$220,500 in year 1 of the LTP, \$226,012 in year 2 of the LTP and \$230,985 in year 3 of the LTP.

- 6. That** Council approves operational funding of \$67,600 for Sport Canterbury in year 1 of the LTP.
- 7. That** Council does not provide funding for Hakatere Multi-Cultural Council through the Long-Term Plan and instead considers the funding request through the contestable grant process being reported to Council on 5 June 2024.
- 8. That** Council approves funding for the Plains Museum Trust (via the Tinwald Reserve Board) of up to \$35,000 in year 1 of the LTP for signage and entranceway upgrades, and \$20,000 in year 2 of the LTP for a site development plan.
- 9. That** Council allocates the Ashburton Youth Council Reserve of \$45,000 to Base Café to support the Youth Advisory Group (to be paid as \$15,000 per annum over years 1, 2 and 3).
- 10. That** Council does not allocate funding to Base Café for a Youth Worker in year 1 of the LTP.
- 11. That** Council approves funding of \$25,000 per annum across years 1-10 of the LTP for the Methven Swimming Pool (as part of the Methven Community Board rate).
- 12. That** Council advises the Ashburton Army Cadets that decisions are yet to be made on the future of the portable buildings and that they will be advised as soon as the decision has been made by Council in mid-2024.
- 13. That** Council approves funding of \$5,000 in year 1 of the LTP for the Ashburton Aviation Museum insurance costs.
- 14. That** Council does not approve \$10,000 funding in year 1 of the LTP 2024-34 for Methven Community Board to develop a plan for the Birdsong Initiative project adjacent to the Garden of Harmony, instead Council suggests the MCB Discretionary Grant is allocated towards this.
- 15. That** Council approves funding \$5,000 annually for the Upper Rangitata Gorge Landcare Group via the Biodiversity Grant.
- 16. That** Council approves funding for the Methven Lighting Project from the Methven Amenity Rate at \$5,000 per annum of operational expenditure in years 1 – 10 of the LTP, and capital expenditure of \$51,000 in year 1, \$55,000 in year 3 and \$10,000 in year 4.

Attachment

Appendix 1 General Summary of Feedback (funding requests pages 123 - 125)

Background

The current situation

1. Council consulted on the draft Long Term Plan as part of the Five for our Future – LTP 2024-34 consultation, which ran from March 27 to April 28.
2. The full draft LTP includes all work programmes and budgets across all Council activities and services.
3. The LTP Consultation Document is included in Appendix 1.

Community Feedback

4. 14 submissions were received from community groups and organisations seeking Council funding.
5. Comments are summarised in Appendix 2 for both options.
6. Through the Community Agency workshops (Citizens Advice Bureau, Ashburton Arts Performing Theatre Trust, Safer Mid Canterbury, Safe Communities, Sport Canterbury) held in February / March, business cases were proposed for Council to consider as a part of the LTP deliberations process. These have been included in this report for Council to consider.

Organisation	Funding request	One-off / Ongoing	In-budget or not	Recommendation
Ashburton Event Centre*	\$341,037	Ongoing	\$337,800	\$337,800
	TBC ¹	Ongoing	\$0	\$40,000
Citizens Advice Bureau*	\$15,625	Ongoing	\$16,500	\$15,625
Safe Communities*	\$54,714	Ongoing	\$46,800	\$54,714
Safer Mid Canterbury*	\$220,856	Ongoing	\$220,500	\$220,500
Sport Canterbury	\$70,000	Ongoing	\$67,600	\$67,600
Hakatere Multi-Cultural Council	\$25,000	Ongoing	\$0	\$0
Plains Museum Trust	\$170,000 over years 1-5	Ongoing	\$0	\$35,000 year 1 for signage and entranceway \$20,000 year 2 for development plan
Base Youth Centre	\$65,000	Ongoing	\$0 (youth worker grant)	\$0
	\$12,500	Ongoing	\$0 (YC funding)	\$45,000 over three years
Methven Swimming Pool	\$25,000	Ongoing	\$15,000	\$25,000
Ashburton Army Cadets	Council relocatable buildings	One-off	Future of buildings not yet determined	To come at a later date

Ashburton Aviation Museum	Costs of insurance		\$0	\$5,000 towards insurance
Methven Community Board (Birdsong Project)	\$10,000	On-off	\$0	\$0 (redirect to MCB Discretionary Grant)
Upper Rangitata Landcare Group	\$5,000	Ongoing	\$0	\$5,000 p.a. in Biodiversity budget
Methven Light Project	\$5,000 p.a. Yrs 1-10 (opex) \$51k Yr 1 capex \$55k Yr 3 capex \$10k Yr 4 capex	Ongoing	\$0	To be funded through the Methven Amenity Rate

- Event Centre funding request for depreciation on assets – suggestion of an annual fund established by Council for them to apply to.
- Officers propose that Council commits to a three year Service Level Agreement with the organisations with an asterix * by their name.

Options analysis

Option one – Do not include additional funding above the existing budget in the draft LTP to address community funding requests.

- This option would see Council maintain the budget in the draft LTP for funding community groups and organisations.

<p>Advantages:</p> <ul style="list-style-type: none"> Minimal additional rate increase 	<p>Disadvantages:</p> <ul style="list-style-type: none"> Unlikely to address submitters concerns or views
<p>Risks:</p> <p>Reputational risk to Council with the community for not providing budget in the LTP to address requests.</p>	

Option two – Include additional funding or redirect existing funding to address address funding requests.

- This option would see Council include additional, or redirect exiting, funding on a case-by-case basis.

<p>Advantages:</p> <p>Council would be recognising community need in the final LTP</p>	<p>Disadvantages:</p> <p>Likely to make it difficult to maintain a 9.9% increase in rate funding.</p>
<p>Risks:</p> <p>Reputational risk to Council for increasing funding after LTP consultation.</p>	

Legal/policy implications

Local Government Act 2002

10. Sections 77, 78, 79 and 80 contain the legislative requirements for Councils to consider when making decisions.
11. In essence, these are that the Council has enough quality information to be as informed, balanced and reflective of the community's views as possible to be able to make sound decisions for the community.
12. Through the course of the Long -Term Plan development over the past 18 months, Council has held numerous workshops, budget discussions, sought and received officer advice and consulted with the community to ensure these thresholds are met.

Financial implications

13. The financial implications of the recommendations have been considered by Council through the Long Term Plan Deliberation workshops.

Significance and engagement assessment

14. The consultation on the Long Term Plan met the LGA requirements to use the Special Consultative Procedure. Council ran a comprehensive and active campaign across multiple channels to maximise the community response, resulting in over 1,500 submissions being received.

Appendix 1 - General Summary of Feedback (funding requests pages 123 - 125)

FUNDING REQUESTS

Submitter name	Summary	Staff comments
<p>Selwyn Price (Hakaterere Multi Cultural Council)</p>	<p>HMCC has submitted a Business Case & Action Plan for the 2024-2027 financial years for \$25,000 funding per annum, secured for three years.</p>	<p>There is no budget included in the draft LTP for this request currently.</p> <p>Council has funded HMCC since inception, as follows (23/24 \$5,000 22/23 \$5,000 21/22 \$5,000 20/21 \$7,000 19/20 \$7,000).</p> <p>Council is considering funding HMCC through the community agencies fund currently for year 1 of the LTP.</p>
<p>Stefan van Vliet (Plains Museum Trust)</p>	<p>See full submission attached. Requests for items to be budgeted for in the Long Term Plan, including: - Yr 1 - signage & entranceways - \$35,000 - Yr 2 - Detailed Development Plan - \$20-38,000; Water connection replacement \$40,000 - Yr 3 – Infrastructure - \$50,000 - Yr 4 or 5 - Toilet facilities - \$5,000</p>	<p>There is no budget included in the draft LTP for this request.</p> <p>If Council were to include these projects they would be funded through the Ashburton</p>

		Urban Amenity Rate for the Tinwald Reserve Board cost centre.
Donna Favel (Connecting Mid Canterbury Charitable Trust)	See full submission attached. - CMCCT offers assistance with refreshing of Welcoming Plan. Look forward to working with Mercedes Walkham. - Commend Council on Te Whare Whakaterere - Request that grants funds are adjusted annually (no less than CPI) to keep up with inflation, and ask if this has been the case for the last 5 years.	Council has applied inflation to all community grants and funding across the draft LTP.
Tiffany McRae (Citizens Advice Bureau Mid Canterbury)	CAB has submitted a Business Case & Action Plan for the 2024-2027 financial years for \$15,625 funding per annum +inflation, secured for three years.	There is budget included in the draft LTP for this request currently and this has been inflated across the draft LTP.
Roger Farr (Ashburton Performing Arts Theatre Trust)	Submission attached regarding the importance of Council's support and the crucial requirement for ongoing financial assistance for the Ashburton Performing Arts Theatre Trust. Business Case has been submitted in February 2024 for \$341,037 operating funding for 2024/25. Business Case has been submitted in February 2024 for Council to establish a AAPT capital upgrade reserve, as a part of the annual grant, which AAPT could apply to annually /to manage capital upgrades.	There is \$337,800 budget included in the draft LTP for the operating funding request currently and this has been inflated across the draft LTP. There is no budget included in the draft LTP for the Capital Renewals Reserve establishment or ongoing funding.
Rachel & James Thomas	Requests that the Heritage Grant criteria is extended to up to 75% of the cost, up to a total of \$15,000. We also request that the Council continue to keep the Heritage Grant fund open.	Council reviewed its Heritage Grant Criteria in December 2023 and increased the contribution from \$7,000 to \$10,000 (at 50%

	Requests Council seeks opportunities to work with the Longbeach Estate.	of cost of the project). Council could amend the criteria through a Council decision. The draft LTP budget includes Heritage Grant funding of \$10,400 per annum (+inflation) across the 10 years.
Julyan Falloon (Sport Canterbury)	Thank you for maintaining your investment in sport and recreation across many areas during some extremely tough economic times. The benefits are real, human and long lasting for the people of the Ashburton District and we acknowledge that while Council has had to 'tighten its belt' financially, sport, active recreation and play have fared well compared to some other areas within Council. Please see full submission.	Council has \$67,600 in year 1 inflation in the draft LTP budget, with inflation applied from years 2-10.
Liz Depree	The Rakaia Library greatly appreciate being able to apply for the rural library grant each year - the overall amount has not been increased (to my knowledge) for many years - isn't it time this was increased to acknowledge the rising costs in purchasing books? <i>See Playgrounds + Fees & Charges + Grants + Cycling for more details from submission</i>	Council has applied inflation to all community grants and funding across the draft LTP.
Jenny Rae (BASE Youth Centre)	Requests Council to fund, via a grant, a Youth Worker at the BASE Youth Café, to enable the establishment of a Youth Advisory Group (YAG) external to Council (circa \$60-65K per annum) Requests Council to re-invest the former Youth Council funding into the YAG on an annual basis.	There is no budget currently included in the draft LTP for a grant for a Youth Worker as requested. The Youth Council budget has been removed from the draft LTP.

Methven Community Pool	Requests an increase in funding from \$15,000 to \$25,000 from year 1 of the LTP.	The draft budget in the LTP includes \$15,000 for the Methven Community Pool. This is rated for on the Methven community only and is found in the Methven Community Board cost centre.
Methven Community Board (Kelvin Holmes)		
Clare Lutton	Better pool in Methven. Ours is nice but it is cold. A 25 metre indoor pool would be an amazing resource for the expending town and surrounds.	
Ashburton Army Cadets (Cezarne Rodgers)	Depending on Council's decision with the Balmoral Hall and Polytech Site, they are requesting that Council donates spare unused portable buildings to the Army Cadets to relocate onto their land.	Council has not made any decisions on the future of the portable buildings.

23 May 2024

12. General Summary – LTP Decisions

Executive Team Member *Toni Durham: GM Democracy & Engagement*

Summary

- The purpose of this report is to provide a mechanism for Council to make LTP decisions based on the general feedback to the LTP, that haven't been addressed by the previous reports.
- The entire draft Long Term Plan 2024-34 was presented to the community as part of the LTP 2024-34 consultation.
- This included the ten year budget and work programmes across all Council activities.

Council LTP workshop indication:

Roading:

1. **That** Council approves aligning the total costs of the Second Ashburton River Bridge to the Canterbury Regional Land Transport Plan project cost of \$130 million.
2. **That** Council approves \$7.5 million of funding for the Second Ashburton River Bridge.
3. **That** Council approves an additional \$500,000 of unsubsidised funding across years 1-10 for maintaining the unsealed roading network.

Waste Reduction and Recovery

4. **That** Council includes \$75,000 in year 2 for the investigation of alternative sites for the Methven Recovery Park funded through the Solid Waste Management activity.

Public Conveniences

5. **That** Council does not bring forward to year 1 the Lake Hood Public Convenience project in year 10 of the LTP 2024-34 at a cost of \$1.4 million.

Democracy

6. **That** Council includes \$20,000 additional funding in the Strategy & Policy cost centre in year 2 for the development of an Arts, Culture and Heritage Strategy.

7. That Council changes the funding mechanism for the Methven Strategic Plan (\$20,000) development in year 1 of the LTP from the Methven Community Board cost centre, to the Council cost centre, so it becomes funded via the UAGC, instead of a Methven targeted rate.

Reserve Board & Memorial Halls

8. That Council reduces the budget for the Methven Reserve Board mowing costs to \$20,000 from years 1 – 10.

9. That Council reduces the budget for the Mt Hutt Memorial Hall salaries and wages by \$20,000 from years 1 – 10.

District Promotion

10. That Council provides \$25,000 in year 1 for the investigation of the District Biking Trail, funded through the District Promotion activity.

Open Spaces

11. That Council includes additional funding of \$26,000 to cover 0.3FTE for cleaning of public conveniences.

EANC

12. That Council extends the opening hours of EANC, and offers ‘bespoke’ swimming sessions as required, within the existing funding of \$25,000, resulting in a \$9,000 savings in years – 10 of the EANC budget.

13. That Council alters the EANC membership structure to a wet/dry membership effective 1 July 2024.

14. That Council introduces the swim squad fee increase from 1 January 2025.

15. That Council directs officers to report back to Council in 2024/25 a mini-golf concept proposal, funded from the Reserve Contribution account, with a value of up to \$400,000.

Attachment

- Appendix 1** [LTP Consultation Document](#) (link to document on ItsOurPlace.nz)
Appendix 2 General Summary of Feedback (available separately)
Appendix 3 Report to Council R&FP for Roading

Background

The current situation

1. Council consulted on the draft Long Term Plan as part of the Five for our Future – LTP 2024-34 consultation, which ran from March 27 to April 28.
2. The full draft LTP includes all work programmes and budgets across all Council activities and services.
3. The LTP Consultation Document is included in Appendix 1.

Community Feedback

4. 693 submissions were received on the question “What do you think about our other priorities and key projects? Any other general comments?”
5. General comments are summarised in Appendix 2.

Council deliberations

6. Over the three-day Council deliberations held on the 20-22 May 2024, Council indicated that they would like the following changes to the LTP 2024-34. Included into this is a brief officer analysis where Council requested this.

Activity	Issue	In budget / not	Officer comment / Implications
Second Bridge	Align funding with CRLTP project cost \$130million	No	No impact on rates with this inclusion Council contribution remains \$7.5million in draft LTP
Roading	Additional \$500,000 of unsubsidised funding in year 1 for the unsealed roading network	No	Directly impacts on the general rate, which will have the largest effect on the rural ratepayers who were facing the lowest % rate increase. Appendix 3 links to February 2024 RFP – Road report which discussed the rationale for not introducing a targeted rural rate for roads.
Waste	Investigate new site for Methven Recovery Park \$75k (yr 2)	No	Will impact on rates, Funded 40% GR / 60% F&C
Public Conv.	Request to bring forward Lake Hood toilet project from Year 10 – Year 1	Yes	This would bring forward the capex repayments from year 2 of the LTP(\$1.4million from year 10 – year 1). Public conveniences funded 80% GR; 20% targeted rate.
Democracy	Include Arts, Culture & Heritage Strategy into Yr 1 (\$20k)	No	This will impact on the Council Rate, funded through the UAGC

	Request to fund MCB Strategic Plan through the General Rate (instead of Methven Targeted rate).	Yes	This will shift the expenditure from being targeted on Methven to being spread across the District via the UAGC.
Res Board / Mem Hall	MHMH savings of \$20k from salaries and waged MRB savings of \$10k from mowing	Yes	These savings will reduce the Methven Targeted rate.
Dist. Prom.	Funding for District bike trail (\$25k yr 1)	No	This will impact on the District Promotion Rates which are funded 50% GR and 50% targeted rate (business rating unit).
Open Spaces	Missing salaries and wages of 0.3 FTE for cleaning public conveniences (\$26k)	No	This will increase slightly amenity rates.
EANC	Expand hours - \$25k p.a. years 1-10	Yes	Additional funding not required to extend hours, as savings were found within existing budgets (\$25k will still result in \$9k saving).
	Ability of offering women-only swimming sessions -	Yes	Officers propose this could be addressed in the \$25K above for expanding the hours.
	Amend the fees and charges membership charges to wet/dry	Nil budget effect	Council consulted on this option.
	Phase the swim squad fees and charges in, to take effect 1 January 2025	Nil budget effect	This will ease pressure slightly on users.
	Mini-golf proposal – approx. \$350 - \$300k	No	This is likely to be able to be funded by Reserve Contributions. Separate report to Council in 2024.

Options analysis

Option one – Do not include additional funding above the existing budget in the draft LTP to address general submissions.

7. This option would see Council maintain the budget in the draft LTP for the remainder of is activities and services (outside of the decisions already made previously)

<p>Advantages:</p> <ul style="list-style-type: none"> Minimal additional rate increase 	<p>Disadvantages:</p> <ul style="list-style-type: none"> Unlikely to address submitters concerns or views
<p>Risks:</p> <p>Reputational risk to Council with the community for not providing budget in the LTP to address respective issues.</p>	

Option two – Include additional funding or redirect existing funding to address matters raised by submitters through the general submissions.

- 8. This option would see Council include additional, or redirect exiting, funding on an issue by issue basis.
- 9. After the consideration of each activity in the general submission summary document, Council could pass a resolution directing officers to make the required amendments to the draft LTP.

Advantages: Council would be recognising community sentiment in the final LTP	Disadvantages: Likely to make it difficult to maintain a 9.9% increase in rate funding.
Risks: Reputational risk to Council for increasing funding after LTP consultation.	

Legal/policy implications

Local Government Act 2002

- 10. Sections 77, 78, 79 and 80 contain the legislative requirements for Councils to consider when making decisions.
- 11. In essence, these are that the Council has enough quality information to be as informed, balanced and reflective of the community’s views as possible to be able to make sound decisions for the community.
- 12. Through the course of the Long -Term Plan development over the past 18 months, Council has held numerous workshops, budget discussions, sought and received officer advice and consulted with the community to ensure these thresholds are met.

Financial implications

- 13. The financial implications of the recommendations have been considered by Council through the Long Term Plan Deliberation workshops.

Significance and engagement assessment

- 14. The consultation on the Long Term Plan met the LGA requirements to use the Special Consultative Procedure. Council ran a comprehensive and active campaign across multiple channels to maximise the community response, resulting in over 1,500 submissions being received.

Appendix 3 Report to Council RFP for Roads

Council

21 February 2024



7. Revenue & Financing Policy for Roads

Authors	<i>Tayyaba Latif; Policy Advisor</i>
Activity Managers	<i>Mark Low; Strategy & Policy Manager</i> <i>Erin Register, Finance Manager</i> <i>Mark Chamberlain; Roading Manager</i>
Executive Team Members	<i>Neil McCann; GM Infrastructure & Open Spaces</i> <i>Toni Durham; GM Democracy & Engagement</i>

Summary

- The purpose of this report is for Council to consider possible options for a targeted rural rate for expenditure on rural roads.
- The mechanism to introduce a targeted rate is through the draft Revenue and Financing Policy which will be out for consultation alongside the draft Long Term Plan (LTP) 2024-34.

Recommendation

16. That Council approves the status quo funding approach for roads – Targeted Roading Rate (CV), for consultation alongside LTP (2024-2034).

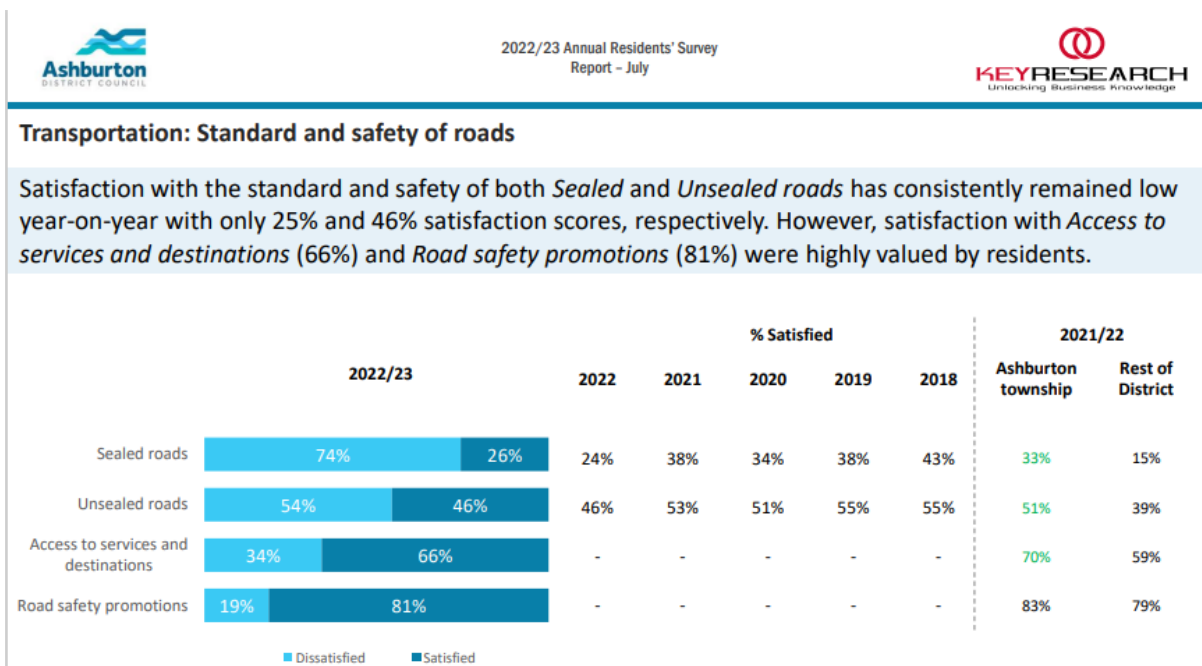
Attachments

Appendix 1 Modelling to illustrate financial impacts on for option2

Background

The current situation

15. Council is required to review its funding and financial policies ahead of the Long-Term Plan 2024-2034, scheduled to be adopted in June 2024. The Revenue & Financing Policy (R&FP) is one of Council’s core funding and financial policies that is currently up for review.
16. The policy supports Council’s objective of prudent financial management and outlines Council’s approach towards funding its activities and services.
17. Ashburton District Council is the Road Controlling Authority (RAC), which means it owns and manages the roading network in the district. Ashburton district has a large roading network of 2,632 km, of which 1,507km is sealed and 1,116 km is unsealed.
18. For the last few years, our annual resident’s survey demonstrates high dissatisfaction levels with the standard and safety of both the sealed and unsealed roads in the network.



19. In recent years, rural ratepayers have expressed high levels of dissatisfaction on rural roads and have indicated they supported greater investment on those roads. However, this should not be misconstrued as a given that they would be willing to be targeted via rates for increased investment.
20. To ensure the roading activity is fit for purpose and meeting expected levels of service, increased investment is required for the roading activity. Due to significant cost escalation, and historic underfunding, substantially increased investment is required which will enable us to maintain the levels of service Council provided in prior years.

21. The situation means that even though Council aims to maintain affordability and community expectations, currently a significant rate increase associated with roading is proposed during 2024-2027 investment periods and in the future.
22. This report focuses on the proposed Revenue & Financing Policy approach for Transportation - Roads.

Road funding

23. Council's current policy is to fund its share of subsidised and unsubsidised roads through a targeted capital value rate (90-100%) and fees & charges (0-10%). The targeted rate is charged on the capital value of each Separately Used or Inhabited Part (SUIP) of a rating unit in the district. This approach transparently identifies the rates paid for roads by each ratepayer. The current policy can be read [here](#).

NZTA (Waka Kotahi)

24. Most of Council's roading activity receives a 51% financial assistance rate (subsidy) from NZTA (Waka Kotahi). Council is required to submit its three-year work programme which includes projects that are seeking NZTA subsidy.
25. The work programme agreed to by NZTA is based on the premise that our rural and urban roads operate as an overall network – to one degree or another, where rural ratepayers drive on urban roads and urban ratepayers similarly utilise the rural roads.
26. The work programme is developed using evidence-based information from the RAMM (Road Assessment and Maintenance Management) database, and considers the whole roading network, with no differentiation between Urban and Rural roads. NZTA undertake audits of council's methodology to ensure the subsidised work programme is supported by evidence-based condition assessments.

Funding use

27. Under the current funding approach, Council officers estimate that rural ratepayers contribute approximately 70% of the total rates revenue for the roading activity. Urban ratepayers' contribution is 30% of the total rates revenue for roading. In 2022/23 Council officers estimate approximately 80- 90% of the total roading budget is spent on rural roads and 10-20% is spent on urban roads.

Targeted rate for rural roads

28. Roading was identified as an activity where the funding approach could be reviewed. Discussion has focused on roading expenditure, and the high level of dissatisfaction expressed through the Annual Resident Survey results. Elected members consider there is a need to explore options for different rating mechanisms on rural roads.

29. Council supported the concept of further work on the option of introducing a rural roading (CV) rate targeted at rural ratepayers.
30. Council seeks to fund activities in a manner that reflects who benefits by selecting appropriate funding and rating tools. The shared roading network is equally accessible to residents (urban & rural), ratepayers (rural and urban) and visitors to the district. There are no restrictions on this accessibility and no single exacerbator who should be targeted to pay more than the general population.
31. The roading activity benefits accrue to the community as a whole and is therefore funded through the district-wide targeted CV rate. This approach is consistent with our current funding vs benefit principle.

Modelling Impact of Targeted Rural Roading CV Rates for Rural Roads

32. A preliminary modelling document (attached) was prepared which outlines the impact of introducing a rural targeted CV rate for rural roads, appendix 1.
33. The modelling shows the impact on sample properties of re-allocating the current draft LTP budget for a 5%, 10% or 20% contribution for rural roads, targeted on the area covered by the existing rural amenity rate.

Options analysis

Option one – Maintain the Status Quo funding approach for Roads – Targeted Roading Rate (CV) (*Recommended Option*)

34. Under this option, Council would continue with the current policy. This means that all ratepayers continue to pay for roads via a targeted roading rate levied on the capital value of their properties.
35. This maintains the current funding approach that Council has used for many years.
36. This option aligns with the current successful funding model with Waka Kotahi where the entire roading network is considered altogether.

<p>Advantages:</p> <ul style="list-style-type: none"> • Increased investment on rural roads can be achieved under current policy. • Remains consistent with the current funding vs benefit principle. • Is legally compliant and maintains the ‘one network’ approach to funding the roading activity. 	<p>Disadvantages:</p> <ul style="list-style-type: none"> • Council cannot target a specific group for rural roads through a targeted rural roading rate.
<p>Risks:</p>	

There is no risk associated with this option.

Option Two – Council approves an additional Rooding Rate mechanism - a Targeted Rural Rooding Rate CV and maintains the existing Targeted Rooding Rate (CV), for public consultation alongside LTP 2024-2034.

37. Under this option, Council approves a draft policy with a new rooding rate mechanism that includes two rates – the existing targeted rooding CV rate (district-wide) and a new targeted rural rooding CV rate (rural ratepayers), for consultation.
38. The rating boundary to administer the new targeted rural rooding CV rate is proposed to be the area covered by the rural amenities rate boundary.
39. The introduction of an additional targeted rural rooding rate on the CV of each SUIP of a rating unit in the rural rooding area would be at a rate in the dollar of CV that is a percentage on top of the district-wide targeted CV rate for rooding. Rural ratepayers would pay both rates.
40. In selecting this option council will need to decide a percentage (for example any number between 5 to 20%), it wishes to levy each year under the Targeted Rural Rooding CV Rate. This would reduce the existing Targeted Rooding Rate (CV) accordingly.
41. Introduction of a targeted rural rate would mean that Council believes that parts of the rooding network solely benefit rural ratepayers, and as such enables Council to consider a specific funding mechanism that targets rural ratepayers. Council has always considered that rooding is a network and benefits all user and ratepayers. Our current funding approach is based on this premise.
42. Section 16 of the Local Government (Rating) Act provides that Council can set a targeted rate for an activity if that activity is identified in its Funding Impact Statement (FIS) as the activity for which the targeted rate is to be set. The draft LTP 2024-34 budgets have been prepared based on option 1, meaning that this option would require significant re-working of budgets before finalising the LTP and re-negotiating with NZTA Waka Kotahi.

<p>Advantages:</p> <ul style="list-style-type: none"> • Reallocate the current funding mechanism by targeting rural ratepayers. • Urban ratepayers would pay less overall towards roading 	<p>Disadvantages:</p> <ul style="list-style-type: none"> • Draft policy will shift away from the current funding vs benefit principle meaning roading work funded from a proposed Targeted rural roading CV rate will benefit everyone served by the shared network, including urban ratepayers and visitors, but only be paid for by rural ratepayers. • Change of funding approach that is untested with Waka Kotahi, would require significant re-work of the budget.
<p>Risks:</p> <p>Higher operational and legal risk than option 1 as Council is changing the fundamental premise of roading being considered as a network by introducing a targeted rural roading rate.</p> <p>Greater reputational risk to Council as rural ratepayers may consider they are already paying enough for roading, and this may be viewed as unfair.</p>	

Option Three – Maintain the Status Quo funding approach for Roads – Targeted Roading Rate (CV) and when needed introduce a Targeted Rural Roading CV Rate subject to consultation.

43. Under this option, Council approves continuing with the current policy. This will mean that ratepayers continue to pay for roads via a targeted roading rate levied on the capital value of their properties. A targeted rural roading CV rate could be introduced in the future for specific rural roading projects levied on specific year/s rather than charged each year.
44. Section 16 of the Local Government (Rating) Act provides that Council can set a targeted rate for an activity if that activity is identified in its Funding Impact Statement (FIS) as the activity for which the targeted rate is to be set. The draft LTP 2024-34 budgets have been prepared based on option 1, meaning that this option would require some reworking of budgets before finalising the LTP.
45. Council should have an activity/specific (rural roading) project in place first then consult on it before levying any rates against it. This means Council should not have a targeted rate in place and use it to fund any work that is yet to be specified for an unspecified year in the future.
46. Section 95(5)(b) of Local Government Act allows council to vary from its FIS when it sets an annual plan. In this case council could choose to propose funding specific rural roading project/s through a new targeted CV rate when it sets an annual plan. For example, if council has a specific rural roading project that it wants to fund through a new targeted CV rate for rural ratepayers, then it

can consult on the revenue and financing policy during an annual plan cycle. Council would need to transparently demonstrate the funding versus benefit principle to the community. This would generally apply to unsubsidised rural roading projects.

<p>Advantages:</p> <ul style="list-style-type: none"> • Council may be able to raise additional investment to fund unsubsidised specific rural roading projects. 	<p>Disadvantages:</p> <ul style="list-style-type: none"> • Resource intensive and complicated process. • May not attract Waka Kohai subsidy, and will require a rework of the relevant budget. • Effort may outweigh any benefit as it might be impossible to raise meaningful investment without exponential increase in rates leading to unaffordability. • Would need to consult annually as would be introducing a new rate.
<p>Risks:</p> <p>Higher operational and legal risk than option 1 but less risk than option 2 as Council is changing the fundamental premise of roading being considered as a network. Greater reputational risk to Council as rural ratepayers may consider they are already paying enough for roading, and this may be viewed as unfair.</p>	

Option Four – Investigate other options for funding Roading, including the potential for introducing a differential for implementation in a future year.

47. This option would see Council decide to investigate other options for funding roading for future implementation should they be agreed. The reason for this being off the table for year 1 of the LTP is because the resources required to investigate and implement a funding change are already allocated with the current Long Term Plan work programme.
48. Currently, the roading rate is set per dollar of capital value. However, the rate paid can vary across ratepayer groups, for example rural properties are generally higher valued than urban meaning rural properties are already paying a higher proportion of the roading rate than urban properties.
49. Council could consider the introduction of differentials for example. These are typically expressed relative to the most common residential rate. For example, if most residential properties pay (say) \$1 per \$100,000 of rateable value, but rural ratepayers pay \$2, the rural differential is 2. In this example, what this means in practice is that rural ratepayers pay twice per dollar of rateable value than the residential ratepayer for the service.

50. This could enable the cost of roading to be shared between property owners and weight recovery more heavily to the rural sector, given the majority of the benefit falls on rural properties. It could be adjusted from year to year.

<p>Advantages:</p> <ul style="list-style-type: none"> • Council would be addressing the perceived inequity in roading funding in a transparent manner. 	<p>Disadvantages:</p> <ul style="list-style-type: none"> • Resource intensive process means that this could not be addressed for year 1 of the 2024-34 LTP.
<p>Risks:</p> <p>A lower risk approach than option 2 or 3.</p> <p>Greater reputational risk to Council as rural ratepayers may consider they are already paying enough for roading, and this may be viewed as unfair.</p>	

Legal/policy implications

Local Government Act 2002

51. Under [Section 102 \(2\) \(a\)](#) of the LGA, it is mandatory for local authorities to have a revenue and financing policy.
52. Under [Section 102 \(3A\) \(a\)](#), council’s revenue and financing policy must also support the principles set out in the [Preamble](#) to Te Ture Whenua Māori Act 1993.
53. Undertaking public consultation on the draft policy alongside consultation on LTP is consistent with [Section 82](#) of the LGA.
54. Setting a targeted rate occurs under [Section 16](#) of the Local Government (Rating) Act.

Climate change

55. There are no obvious linkages between the content of the report and climate change mitigation or adaptation.

Review of legal / policy implications	
Reviewed by In-house Counsel	Tania Paddock; Legal Counsel

Strategic alignment

Wellbeing		Reasons why the recommended outcome has an effect on this wellbeing
Economic	✓	Supports economic wellbeing through the provision of reliable roading network across the district.
Environmental	✗	
Cultural	✗	
Social	✓	Support social wellbeing by enabling residents to carry out social activities in a safe and reliable way.

Financial implications

Requirement	Explanation
What is the cost?	Consultation costs covered by existing budgets.
Is there budget available in LTP / AP?	Yes
Where is the funding coming from?	N/A
Are there any future budget implications?	No
Reviewed by Finance	Erin Register; Finance Manager

Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	Yes
Level of significance	Medium-High
Rationale for selecting level of significance	N/A
Level of engagement selected	3. Consult – formal two-way communication
Rationale for selecting level of engagement	This policy review occurs as part of the review of Long-Term Plan. As such, Section 102 of the LGA requires Council to consult on any policy amendments under Section 82 of the LGA. The decision of Council (i.e. maintaining the current road funding approach or introducing a

	new road funding approach) will determine the level of community engagement that would occur. Either way, the policy will be consulted on alongside the LTP 2024-34.
Reviewed by Strategy & Policy	Mark Low; Strategy and Policy Manager

Appendix 1- Modelling of impact of Targeted Rural Rate for Roothing

(based on draft LTP 24-34 budgets)

Targeted Rural Rate for Roothing at 5% of district-wide Targeted Roothing Rate

Roads				
2023/24		2024/25	2025/26	2026/27
0.000478	Rate in the \$	0.000551	0.000580	0.000625
\$9,727,439	Estimated Revenue	\$11,304,013	\$11,898,927	\$12,826,136
		16.2%	5.3%	7.8%

Rural Amenity Rate				
2023/24		2024/25	2025/26	2026/27
0.000034	Rate in the \$	0.000081	0.000082	0.000088
\$475,133	Estimated Revenue	\$1,130,718	\$1,145,024	\$1,221,999
		138.0%	1.3%	6.7%

Sample Properties

Ashburton - residential				
	Actual	LTP	LTP	LTP
	2023/24	2024/25	2025/26	2026/27
Capital Valuation	441,000	441,000	441,000	441,000
General Rate	167.58	124.80	160.97	200.66
UAGC	717.40	797.60	909.10	969.50
Roothing Rate	210.80	242.99	255.78	275.63
Ashburton Urban Amenity Rate	399.55	412.78	455.11	537.58
Ashburton Water Supply Rate	579.50	706.10	817.70	861.00
Ashburton Wastewater Rate	516.90	603.60	628.90	688.50
Ashburton Refuse Collection Rate	274.60	254.60	260.90	348.80
	2,866.33	3,142.47	3,488.46	3,881.67
	\$ increase	276.14	345.99	393.21
	% Increase	9.63%	11.01%	11.27%

Rural				
	Actual	LTP	LTP	LTP
	2023/24	2024/25	2025/26	2026/27
Capital Valuation	8,790,768	8,790,768	8,790,768	8,790,768
General Rate	3,340.49	2,487.79	3,208.63	3,999.80
UAGC	717.40	797.60	909.10	969.50
Roothing Rate	4,201.99	4,843.71	5,098.65	5,494.23
Rural Amenity Rate	298.89	712.05	720.84	773.59
	8,558.77	8,841.15	9,937.22	11,237.12
	\$ increase	282.38	1,096.07	1,299.90
	% Increase	3.30%	12.40%	13.08%

Targeted Rural Rate for Roothing at 10% of district-wide Targeted Roothing Rate

Roads				
2023/24		2024/25	2025/26	2026/27
0.000478	Rate in the \$	0.000524	0.000551	0.000594
\$9,727,439	Estimated Revenue	\$10,740,768	\$11,304,889	\$12,183,677
		10.4%	5.3%	7.8%

Rural Amenity Rate

2023/24		2024/25	2025/26	2026/27
0.000034	Rate in the \$	0.000121	0.000125	0.000134
\$475,133	Estimated Revenue	\$1,693,963	\$1,739,062	\$1,864,459
		256.5%	2.7%	7.2%

Sample Properties

Ashburton - residential				
	Actual	LTP	LTP	LTP
	2023/24	2024/25	2025/26	2026/27
Capital Valuation	441,000	441,000	441,000	441,000
General Rate	167.58	124.80	160.97	200.66
UAGC	717.40	797.60	909.10	969.50
Roothing Rate	210.80	231.08	242.99	261.95
Ashburton Urban Amenity Rate	399.55	412.78	455.11	537.58
Ashburton Water Supply Rate	579.50	706.10	817.70	861.00
Ashburton Wastewater Rate	516.90	603.60	628.90	688.50
Ashburton Refuse Collection Rate	274.60	254.60	260.90	348.80
	2,866.33	3,130.56	3,475.67	3,867.99
		\$ increase	264.23	345.11
		% Increase	9.22%	11.02%
				392.32
				11.29%

Rural				
	Actual	LTP	LTP	LTP
	2023/24	2024/25	2025/26	2026/27
Capital Valuation	8,790,768	8,790,768	8,790,768	8,790,768
General Rate	3,340.49	2,487.79	3,208.63	3,999.80
UAGC	717.40	797.60	909.10	969.50
Roothing Rate	4,201.99	4,606.36	4,843.71	5,221.72
Rural Amenity Rate	298.89	1,063.68	1,098.85	1,177.96
	8,558.77	8,955.43	10,060.29	11,368.98
		\$ increase	396.66	1,104.86
		% Increase	4.63%	12.34%
				1,308.69
				13.01%

Targeted Rural Rate for Roothing at 20% of district-wide Targeted Roothing Rate

Roads

2023/24		2024/25	2025/26	2026/27
0.000478	Rate in the \$	0.000469	0.000493	0.000531
\$9,727,439	Estimated Revenue	\$9,614,279	\$10,116,813	\$10,898,758
		-1.2%	5.2%	7.7%

Rural Amenity Rate

2023/24		2024/25	2025/26	2026/27
0.000034	Rate in the \$	0.000202	0.000210	0.000226
\$475,133	Estimated Revenue	\$2,820,453	\$2,927,139	\$3,149,378
		493.6%	3.8%	7.6%

Sample Properties

Ashburton	GST INCL			
Ashburton - residential				
	Actual	LTP	LTP	LTP
	2023/24	2024/25	2025/26	2026/27
Capital Valuation	441,000	441,000	441,000	441,000
General Rate	167.58	124.80	160.97	200.66
UAGC	717.40	797.60	909.10	969.50
Roothing Rate	210.80	206.83	217.41	234.17
Ashburton Urban Amenity Rate	399.55	412.78	455.11	537.58
Ashburton Water Supply Rate	579.50	706.10	817.70	861.00
Ashburton Wastewater Rate	516.90	603.60	628.90	688.50
Ashburton Refuse Collection Rate	274.60	254.60	260.90	348.80
	2,866.33	3,106.31	3,450.09	3,840.21
	\$ increase	239.98	343.78	390.12
	% Increase	8.37%	11.07%	11.31%

Rural	Actual 2023/24	LTP 2024/25	LTP 2025/26	LTP 2026/27
Capital Valuation	8,790,768	8,790,768	8,790,768	8,790,768
General Rate	3,340.49	2,487.79	3,208.63	3,999.80
UAGC	717.40	797.60	909.10	969.50
Roading Rate	4,201.99	4,122.87	4,333.85	4,667.90
Rural Amenity Rate	298.89	1,775.74	1,846.06	1,986.71
	8,558.77	9,184.00	10,297.64	11,623.91
	\$ increase	625.23	1,113.64	1,326.27
	% Increase	7.31%	12.13%	12.88%

**Note: In the sample rural properties above the Rural Amenity rate includes what is currently charged for through the Rural Amenity rate plus the proportion that would be charged for a new Targeted Rural Rooding Rate.*