Draft 2024/25 Enhanced Annual Plan

Consultation document

Waipā District Council

Contents

Message from the Mayor

Welcome to our draft Enhanced Annual Plan consultation document.

This plan details what our focus will be over the next 12 months. We need to respond to today's challenges but keep our eye on the big picture for the future.

It was never our intention to do a 12-month plan. We had been working on the Long Term Plan when the Government required councils to include water infrastructure costs for the full 10 years. This considerable rework of our budgets showed we were facing some long term financial challenges.

If there was ever a time, we as a Council needed to demonstrate financial prudency, it is now.

Financially, we are in an unenviable position. It has been the "perfect storm" for us as we have gone about preparing our budgets for the next few years.

Like all businesses and households, we've been hit with high inflation and increased interest costs. For us as a council, there is an additional factor - the re-inclusion of the infrastructure costs for three waters until an alternative delivery model is decided upon. Then when you throw in the costs we bear on a temporary basis to meet the growth requirements from Central Government, the picture is a challenging one.

We are not alone. Many other councils are in a similar position, particularly the ones experiencing growth.

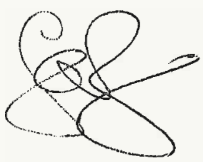
We need to be deliberate in our thinking as we plan for the future of our district, while being mindful of our financial restraints and the impact on our ratepaying community. When the Government provided us with the option to produce a 12-month budget we decided that was in the best interest of the community in order to gain some clarity. By hitting pause on some key projects, we are provided with an opportunity to build the next Long Term Plan on a sounder basis.

We will be watching the Government's transitional arrangements for three waters delivery closely and advocating strongly in the interest of our district as the reform agenda is developed.

We know that an average proposed rates increase of 14.8 percent is unprecedented in Waipā but the costs we cannot control required a 16 percent increase alone. We've called on reserves funding to try and ease the impact as best we can.

In this plan, we've tried to strike a balance between meeting the cost of necessary renewals and maintenance and planning for the future. We want to hear from as many of you as possible about whether we have that balance right.

Please read through this document and have your say. Your thoughts help us make informed decisions.



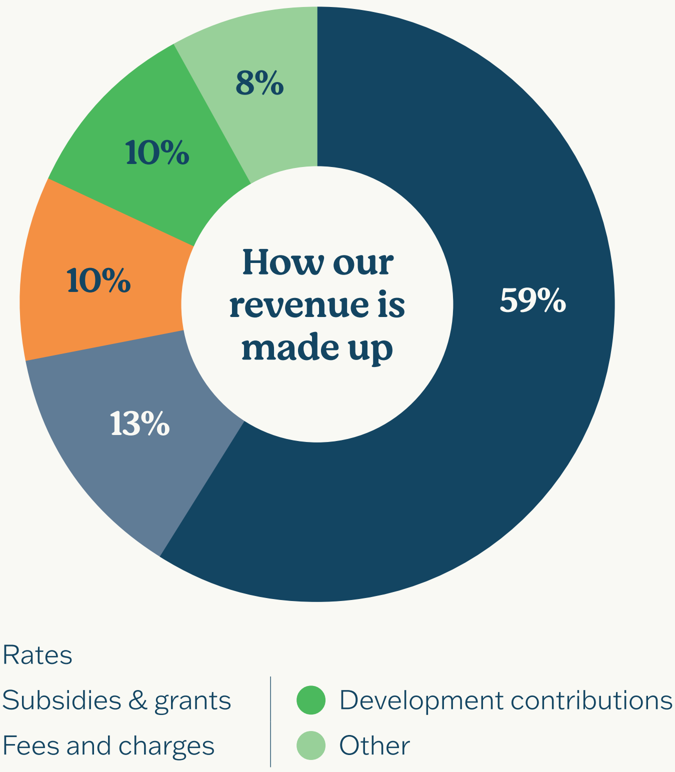
Susan O'Regan JP

Waipā District Mayor

The financial picture

Where Council gets its revenue from

There are really only a few ways that Council can get revenue – rates, fees and charges, subsidies and grants, development contributions and investment returns.



Other includes reserve contributions, vested assets and investment income.

We have a number of ways we charge rates.

- A general rate which is based on the capital value of the property.
- A uniform general charge which is a flat charge per property for particular services and/or activities and everyone pays the same amount, regardless of the value of your property.
- A targeted rate which is used when a service or project is specific to a particular part of our district.

About the 14.8% proposed rates increase

Because of the way the rates are applied, not everyone pays the same. That is why when we talk about an average rates increase, it does not mean that will necessarily be the amount of increase for your property. It depends on where you live, the services you receive, and the value of your property.

When costs increase like we've seen recently with very high inflation and escalating interest rates, we are very limited in the way we can respond. Essentially, it means that we have to also increase rates and fees and charges to pay for the extra costs.

When you combine the increase in costs with our assets rising in value by $120 million, and the need for us to fund depreciation (to pay for replacement assets in the future), we need another 16.1 percent in revenue in 2024/25 to be able to meet those costs.

To try and reduce the impact on ratepayers, we have used $5.5 million of reserve funding. The average rates increase for the 2024/25 year is proposed to be 14.8 percent.

You can see what it means for your property here: **waipadc.govt.nz/ratescalculator**

What about the debt?

Just like when you take out a mortgage, we too need to prove that we will have enough revenue to pay our loans back, and that it is affordable and within our means.

Just like a bank, the Local Government Funding Agency, which loans us the money we need to undertake capital expenditure projects, has measures that we must meet in order to borrow money and to ensure that we are being prudent in our approach.

The costs of our larger projects are spread out over a 30 year loan period – just like a home loan. This makes it manageable.

We are fortunate to be a district where people want to live. That means we have had to plan for growth and that has caused some growing pains (refer to pages 8-9). The cost of growth infrastructure sits on our books as debt until developers sell the lots and then they pay back the full cost, including interest. But there is a lag between times where the debt needs to sit on our books until payment is made.

Our opening debt for the 2024/25 year is forecast to be $296.8 million. By the end of 2024/25, that is expected to grow to $398.5 million. More than half the debt on our books is growth related.

In year 4 of the 2021-31 Long Term Plan, we were projecting debt to sit at $318.5 million - $80 million less than what is now expected. The key reasons for the increase are a reduction in other revenue such as development contributions received, and significant increases in the cost of the planned Capital Works Programme. Part of this is due to bringing some projects forward including the Cambridge Wastewater Treatment Plant and development of the C1, C2, and C3 growth cells in Cambridge, which were not included in the 2021-31 Long Term Plan.

As a council, we can currently only borrow 2.9 times a tightly defined measure of our revenue to meet the financial prudence measures set by the Local Government Funding Agency.

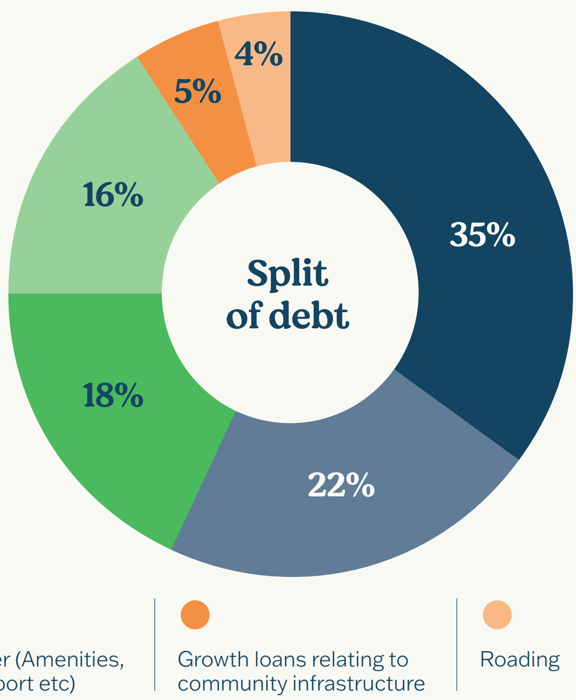
However, our 2021 Financial Strategy, which still applies to this Enhanced Annual Plan, limits that to 2.5. That means that in terms of debt affordability, we are moving very close towards our debt ceiling, and we need to ensure that we still have some borrowing power should there be a natural disaster, or other emergency, that requires us to urgently replace some of our uninsured assets.

The rules are that if we tried to borrow above that amount, we may not be able to, or we could be charged a higher interest rate so we don't see that as a viable option. Because of this, we have paused a number of major projects until the next Long Term Plan.

We are hoping between now and when we consult with you on that plan that we will have further direction from the Government on better financing and funding options for three waters, and for other growth-related debt, which will reduce the amount of debt on our books. However, we think it's important to signal now that without major change we are unlikely to be in a position to invest in discretionary projects for several years.

This pie chart outlines our debt picture.

At the end of the 2024/25 year, 57.8 percent of our debt is estimated to be growth-related. Growth-related three waters debt makes up 35 percent of the total debt. A further 21.9 percent of our total debt has resulted from Council investing in our current three waters infrastructure to ensure it remains compliant and fit for purpose. As you can see, those things make up nearly 60 percent of the debt equation. This is why the reintroduction of waters to the draft Long Term Plan was such a gamechanger, and why a greater amount of time is required to work through the implications of this on our debt metrics, and in determining an approach to mitigate the impacts.



Are we being financially prudent?

The Government requires us to measure ourselves against six benchmarks when we set our budgets. They are:

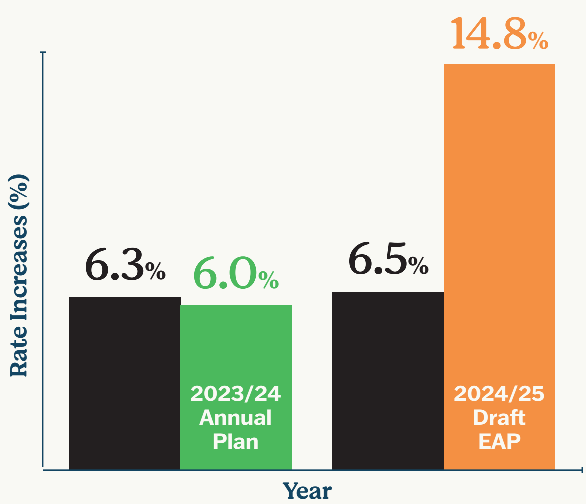
1. **Debt servicing** – this measures the percentage of interest costs against total revenue.
2. **Debt affordability** – sets a net debt ceiling.
3. **Rates affordability as a percentage of revenue** – sets a limit on the percentage of revenue we can raise from rates.
4. **Rates affordability increases** – we have set this at the Local Government Cost Index plus three percent.
5. **Essential services** – aims to show the level of capital expenditure matches, or exceeds, the depreciation charge for that financial year.
6. **Balanced budget** – aims to ensure that the operating expenditure needs of the organisation are met by the level of revenue.

In the 2024/25 year, we are expecting to meet all but two benchmarks. Those are the rates affordability and balanced budget benchmarks.

Rates (increases) affordability

Given the economic environment, the financial pressures council is experiencing and changes to the regulatory landscape, the proposed average increase in the rate requirement is 14.8 percent. The graph below shows that the proposed rates increase significantly exceeds the limit set in our financial strategy.

- Quantified limit on rates increase
- Proposed rates increase (at or within limit)
- Proposed average rate increase requirement

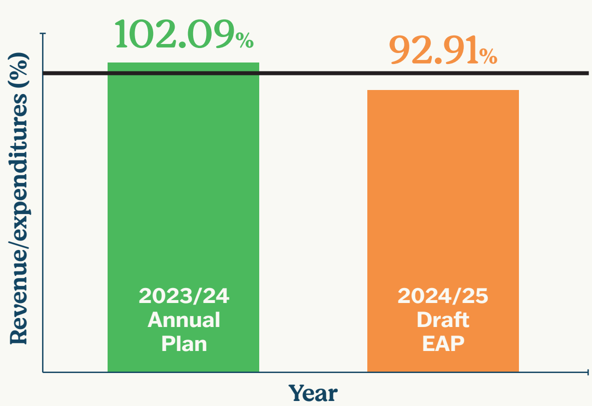


Balanced budget benchmark

This benchmark aims to ensure that the operating expenditure of the organisation are met by the level of revenue (as defined by the regulations) generated.

We will not meet this benchmark for two significant reasons. The first is that revenue from development contributions cannot be included in the calculation however the expenses associated with growth activities must be included making it difficult for a growth council to meet this benchmark. The second is that we are drawing on everything, including reserves, to fund operating costs and reduce rates.

- Benchmark
- Benchmark not met



The finances by numbers

14.8%
the proposed average rates increase

16.1%
the amount of extra funding needed to meet an increase in costs that we have no control over

34%
the initial rates increase needed to fund cost increases and the original work programme

$5.5m
the amount of reserve funding used to limit the impact on ratepayers

$296.8m
our forecast opening debt position for 2024/25

$398.5m
our forecast closing debt position for 2024/25

$158.4m
how much we propose to spend on capital expenditure in this plan

$145.4m
the proposed operating expenditure for the year

$80m
the difference between the forecast debt position between now and when we adopted the 2021/31 Long Term Plan.

Growth... and what it means for Waipā

Despite the uncertainty of some issues, one thing is clear – growth is having a huge impact on Waipā. This will not change for some time yet.

By 2050, we're expecting an additional 18,000 people to be living in our district, bringing our population to around 79,100. There will be an extra 10,400 more people in Cambridge, around 5,000 more people in Te Awamutu and Kihikihi, and another 2,600 people spread across our villages and rural areas. To house our new arrivals, we'll need about 6,900 more homes.

We acknowledge some people don't like 'growth'. Some would prefer Waipā to stay the same as it was 20 or 30 years ago….and we understand that.

But population growth, migration and other factors mean growth in Waipā is inevitable. Rather than ignore growth, or push back against it, we must manage it in the fairest way possible.

Government requirements

Successive governments have long required councils to plan and prepare for growth. The previous Government set out legal requirements through the National Policy Statement on Urban Development, which requires us to have a buffer of an additional 15 percent land available for development over and above what is provided for in the District Plan.

In the urban areas of Te Awamutu and Cambridge, we currently have close to 500ha of land which is earmarked for 'growth' but is currently unconsented.

We time developments carefully so new industrial, commercial and residential areas are built in the right place, with necessary infrastructure ready to go, at the right time. We try to do this at a pace our community can afford.

That infrastructure includes roads, cycleways and footpaths, drinking water, wastewater and stormwater (three waters), community infrastructure like halls and green spaces like parks and reserves. This infrastructure costs hundreds of millions of dollars…. and costs are rising.

While Council is responsible for basic growth infrastructure, there are things out of our control. For example, councils don't decide when schools are built (that's up to the Government) or when new supermarkets open (that's up to private companies). We allow for those things when we plan for new neighbourhoods… but can't 'demand' when they are built.

Growth-related debt

Catering for growth is costly.

Developers pay for growth infrastructure via development contributions. Since development contributions were introduced in Waipā, we've received $87 million from developers. For example, 35 percent of the new Cambridge Wastewater Treatment Plant is being paid for by growth via development contributions. The remaining cost is being paid by ratepayers, connected to the plant.

Although growth does pay for growth and its infrastructure needs, there may be delays between when Council builds the necessary infrastructure and when developers pay their development contributions. They pay when sections go to market. Delays are influenced by various factors, such as fluctuating interest rates, escalating construction costs, migration patterns, shifts in lending criteria, and, most importantly, economic conditions. As councils are not able to insist development contributions are paid upfront, most development contributions are paid once the land is ready to be sold. As consent applications take a long time to lapse and the Council cannot reassess the required development contribution, developers control when it suits them to release sections for sale.

This time-lag and infrastructure costs significantly impact Council debt levels, especially for high-growth councils like ours that are seeing slowdown based on the current economic climate. At the beginning of the 2024/25 financial year, Waipā District Council will need to recover about $207 million in development contributions out of a total forecast debt of $398.5 million. Of the $207 million, we have already issued $60 million in payable development contribution notices – which need to be paid before their consent activity is granted; the remaining debt is sitting against the relevant land, awaiting development applications to be lodged.

It should be noted Interest costs for development contribution debt is paid by developers – and not by ratepayers.

The impact of three waters

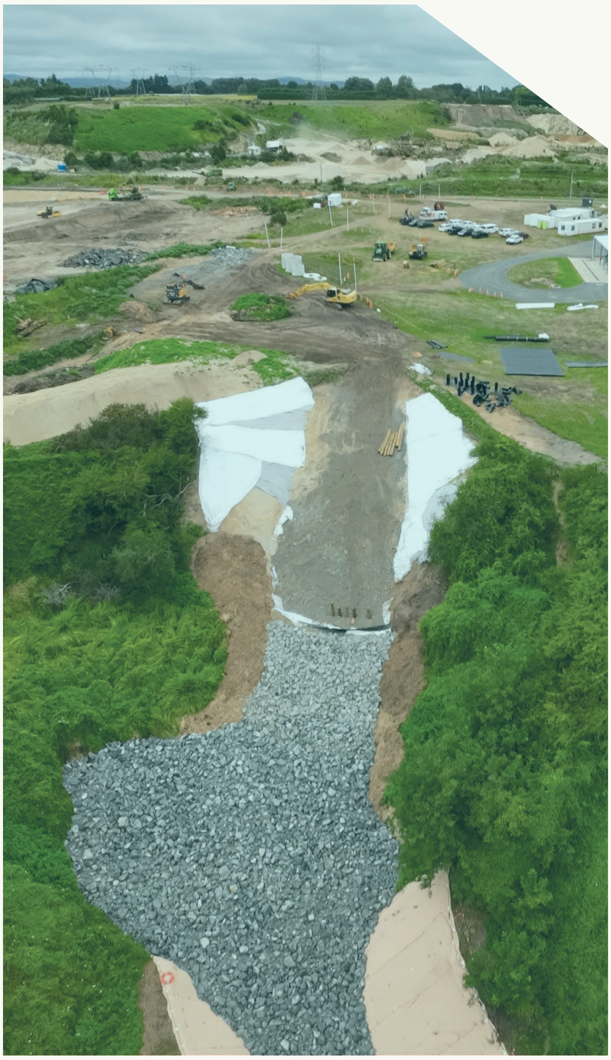
Importantly, nearly 60 percent of our forecast debt relates to three waters. Like all other councils, we had budgeted for that waters debt to be off our books by 2026 because of legislation that was in place to change the way three waters is managed.

In December 2023, that suddenly changed when the new coalition Government clarified their intentions to repeal the legislation, leaving us with no option but to put the cost of three waters infrastructure back into our budgets. We don't yet know the detail of what the Government is now planning for three waters. Nor do we know what funding tools might be available in the future, including Government funding. In the meantime, we are carrying the costs….and those costs are rising.

We still have a big capital expenditure programme with over $158 million earmarked for core activities like wastewater ($47.1 million), roads and footpaths ($47.3 million), stormwater ($24.8 million) and water ($20.7 million). We can still look after the basics.

But having three waters back on our books, when we did not expect it, has pushed us close to our debt limits, placed upon us by the organisation we borrow money from (the Local Government Funding Agency).

That, and concerns about affordability for ratepayers, has forced Council back to the drawing board. It means big projects like Te Ara Wai, the Te Awamutu to Pirongia Cycleway and the Cambridge Library have been paused to allow us to focus on the basics. We need to pay for large infrastructure projects first – including growth infrastructure – maintaining what we have and undertaking our renewals programme. That is largely what's proposed in this draft Enhanced Annual Plan.



Spot the difference

Because we have delayed adopting a Long Term Plan until next year, we are required to compare the draft Enhanced Annual Plan to year 4 of the 2021-31 Long Term Plan. Given that a lot has changed in the past four years, there are some key differences in this reworked plan which we outline here:

Capital expenditure

Roading
growth capital expenditure **increased by**
$18.1m

Stormwater
growth capital expenditure **increased by**
$9.1m

Wastewater
growth capital expenditure **increased by**
$3.4m

Cambridge Wastewater Treatment Plant
brought forward
$32m

Outside Play Structure Plan
(Leamington Domain playground) **increased by**
$1.6m

Earthquake strengthening
and reoccupation of Council offices and the Te Awamutu and District Museum at 135 Roche Street **increased by**
$5.9m

Te Ara Wai
removed
$12.7m

Water growth
capital expenditure **increased by**
$5.9m

Sports field
improvements removed
$851,000

Implementation of the Lake Te Koo Utu
Concept Plan **reduced by**
$863,000

Operating expenditure

An $11m increase to interest costs due to higher interest rates

Widespread increase to costs due to higher inflation

$2.29m in higher depreciation charges due to impact of revaluations

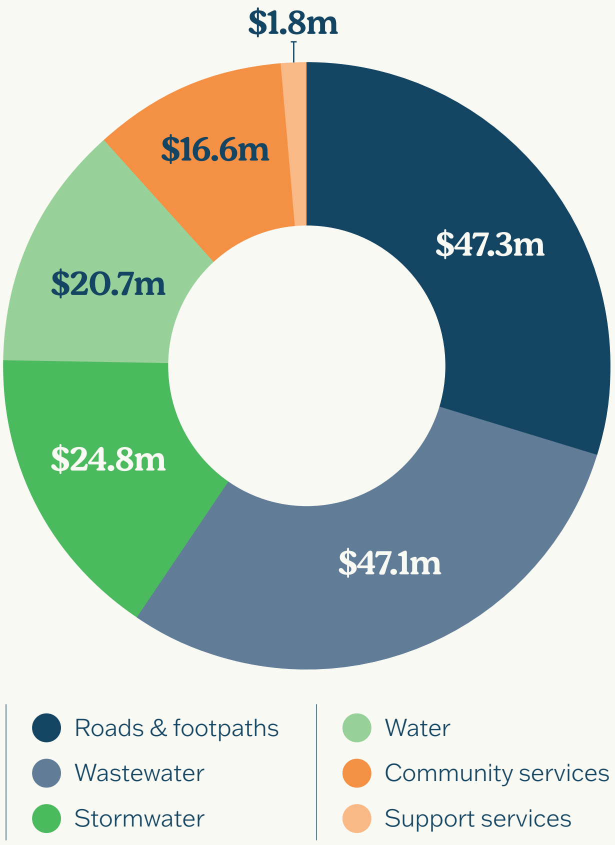
Increase in payroll due to labour cost inflation

Removed $2.7m operating project cost relating to Te Ara Wai exhibition costs.

A full list of capital and operating projects can be found here: **waipadc.govt.nz/enhancedannualplan**

What we are spending money on

Due to our financial position we have taken a 'back to basics' approach to our proposed capital works programme. It is primarily focussed on maintaining our levels of service to our community, renewing our assets, and/or catering for growth.



What we have paused

In reviewing the budgets, we have decided to pause work on some key projects until we draft and consult on the 2025-34 Long Term Plan early next year. They are:

- Te Ara Wai – a New Zealand Land Wars Museum planned for Te Awamutu
- A new Cambridge Library
- Cambridge Town Hall upgrades
- The Te Awamutu to Pirongia Cycleway
- Construction of new pensioner housing
- Sports fields improvements

What we are planning to do in 2024/25

- Undertaking earthquake strengthening and reinstating the office space and Te Awamutu Museum in Roche Street
- Continuing with the development of a Resource Recovery Centre, largely funded from the Ministry for the Environment's Waste Levy funds
- Leamington Domain Masterplan implementation
- Completing the finishing touches to the Cambridge and Te Ara Rimu Kihikihi cycleway projects
- Upgrading the Alpha Street Water Treatment Plant in Cambridge

It's time to have your say: Have we got the balance right?

In hard economic times, some hard decisions need to be made.

This year, we've been hit with a triple whammy. We've had a huge increase in costs, a slow down in property sales limiting the amount of revenue we are getting back on our growth projects, and we are moving close to our debt ceiling. The first two are outside our control. So, while this draft Enhanced Annual Plan is a one year snapshot of our financial situation, it is unlikely that we will be able to make much headway in the medium-term unless there is a change in revenue and funding options.

We are not alone.

A recent report by leading NZ economic consultancy firm Infometrics - commissioned by Local Government New Zealand - investigated what's driving proposed rates increases across New Zealand.

It found all councils are struggling with rates rises due to inflation and other factors. A sample from 48 councils across New Zealand show that the average rates increase currently proposed for the 2024/25 year nationally is 15.3 percent. The highest is 24 percent and the lowest six percent. Our proposed average rates increase of 14.8 percent has Waipā sitting slightly below average.

The Infometrics report also found civil construction costs have risen an average of 27 per cent over the last three years and that, in particular:

- Bridges are 38 percent more expensive to build
- Sewerage systems are 30 percent more expensive
- Roads and water supply systems are 27 percent more expensive.

That means the budgets for much of the work planned in year four of the 2021-2031 Long Term Plan were already about 27 percent short before we even started working on this draft Enhanced Annual Plan.

At the same time, the report found councils are tackling historic under investment and most are at the point where 'sweating assets', or under investment in new assets, would impact on services – and community tolerance of service failure is low. This is compounded if capital investment was deferred during Covid.

Waipā is no different in this respect. For example, there was a 40 percent constraint of water infrastructure spend in 2021 and we've had to make the decision to keep our high traffic roads in good condition at the expense of some of our other roads. While our capital expenditure programme is still promoting investment of over $158 million in the 2024/25 year, escalating costs mean less work can be done than what was planned when the budgets were prepared.

Councils also face ever-increasing unfunded mandates from Central Government in terms of cost of legislative compliance. For example, the estimated upfront costs to all councils of complying with the National Policy Statement for Freshwater Management were estimated at between $1.4 and $2.1 billion, followed by ongoing costs of up to $59 million a year.

We agree with the national sentiment that the funding system is broken. Councils' share of overall tax revenue has remained at just two percent of GDP for the last 50 years, despite our ever-increasing responsibilities. That's simply not sustainable.

Taking all that into account, we've had to make some changes in this plan.

We know our ratepayers are faced with ever increasing costs and the closer we are to our debt ceiling the more opportunity is reduced for future ratepayers to shape the district in the future. While we wait for further direction from the Government, we've tightened our belt where we can, with a measured approach to mitigate the risk of our district going backwards.

This draft plan includes:

No longer funding or temporarily reducing the amount spent on some planned renewals.

This includes in cemeteries, libraries, parks and reserves, property, public toilets, community halls, roading and footpaths, water and wastewater.

Reducing discretionary and grants funding

- Saving $50,000 by no longer funding Te Waka: Waikato's Regional Economic Development Agency
- Maintaining the level of funding to local community organisations through grants, with a slight increase of $1,080 to a total of $11,080 for the Waipā Mountain Bike Club
- Reducing Council discretionary grant funding by $216,800. This includes reducing funding to each of the two community boards from $49,600 to $20,000, reducing the Pirongia Ward committee grant funding from $27,600 to $10,000, halving the District Promotion Fund from $150,000 to $75,000, and halving the Heritage Fund amount from $75,000 to $35,000
- No longer providing a Community Events Fund
- No longer funding the Cambridge and Te Awamutu iSites
- Reducing funding to Hamilton Waikato Tourism from $183,379 to $146,703

Delaying the development of some planned growth cells

What do you think? Do we have the balance right?

It's time to have your say:
Should we demolish the Cambridge Water Tower?

The Cambridge Water Tower is located on the greenbelt reserve on Hamilton Road, next to the Resthaven Retirement Village. The tower was constructed in 1902 when the town's population was around 1,000 people and stands 19.5 m above ground.

Water towers were built to store and provide water to towns. They were very popular when town populations were relatively small. Now much larger water storage tanks, called water reservoirs, are used. Waipā has 19 of these across the district.

The water tower provided water to Cambridge from 1902 - 1926 but stopped being used as the springs it drew water from were being polluted. Since then, it has had no practical purpose however it has remained somewhat of a local icon to some of our community and a landmark and is registered as a Category 2 Heritage Building by Heritage New Zealand (HNZ) – Pouhere Taonga. The tower is also identified as a Category B heritage item in Council's Operative District Plan (ODP), meaning it has regional and district wide significance.

An earthquake assessment in 2014 said the tower met 25 percent of national building standards (NBS). This means Council needs to make a decision on what to do with the tower – remove or restore.

So, what are our options?

There are two key options for the future of the water tower – remove or restore. Doing nothing is not an option due to the unsafe state the tower is in. Council did consider relocation but the process and costs involved means this option simply isn't viable.

Option 1: (preferred)
Remove the Cambridge Water Tower

About this option:

Pros

- ✓ Lower costs
- ✓ Removal of the risk to public health and safety

Cons

- ✗ Cambridge Water Tower is a Category 2 Heritage Building
- ✗ Given the water tower is identified as a Category B heritage item in Council's Operative District Plan (ODP), a resource consent will be required before demolition can occur.
- ✗ Iconic nature of the tower will be lost.

Cost

Total: $810k for a resource consent and demolition.

Option 2:
Restore the Cambridge Water Tower

About this option:

Pros

- ✓ Protection of a heritage structure of significance to the Cambridge and wider district/regional community
- ✓ Removal of the risk to public health and safety

Cons

- ✗ Extra costs for Waipā ratepayers

Cost

Total: $6m (estimated)

Our preferred option is Option One.

Council is aware that the water tower is a heritage site and for many, will be a very special part of Cambridge. However, due to the economic climate, Council is having to make some tough decisions and is proposing that we remove the water tower which is a much lower cost than what restoring will be. If the tower is demolished, we propose to have a commemorative structure on the site and interpretive signage to continue to celebrate the history of the tower.

What do you think? Have we got it right?

For your information:

Financial Strategy

Our current financial strategy was developed in 2021 and adopted as part of the 2021-31 Long Term Plan. It is now out-of-date. Quite simply, the financial environment has changed dramatically over the past four years. Council will be developing a new Financial Strategy as part of the 2025-34 Long Term Plan. We will be consulting with the community on what that looks like next year.

Recycling charges

Funding for Waipā's recycling contract has needed to increase to meet the costs associated with inflation, minimum wage hikes and high contamination in recycling bins. That means those receiving a recycling service will be charged $66.70 more including GST in the 2024/25 year to cover the extra cost.

Airport wastewater rate

We're proposing a targeted wastewater rate for properties within the Waikato Regional Airport Industrial Precinct. The rate will be used to cover the cost of transporting wastewater to the Cambridge Wastewater Treatment Plant. Historically, the property owners have been responsible for wastewater removal themselves. We will be consulting with affected property owners directly.

Funding of passenger transport

The Waikato Regional Council is consulting on funding public transport services region-wide from July 2025 through a new regional council rate. This would mean that the Waipā District Council would no longer have to fund public transport in our district but would still be involved in decisions on public transport through the Waikato Regional Transport Committee and Future Proof Public Transport Sub-Committee.

You can find out more about the regional council's proposal, including how to make a submission in the Waikato Regional Council's draft Long Term Plan consultation document which you will find here: **waikatoregion.govt.nz/ltp**

Submissions on the Waikato Regional Council's draft Long Term Plan are open until May 2, 2024.

Fees and charges consultation now open

We review our fees and charges annually and update when required to better reflect the true cost of providing services as outlined in the Revenue and Financing Policy.

This year we are proposing increases of 10 percent across the board, with a few exceptions.

Development contributions amendments proposed

Minor amendments are being proposed to the development contribution rates and policy. As these proposed amendments are minor these changes are not being formally consulted on however these will be discussed with known members of the development community forum.

Consultation is open now until Friday, April 26, 2024.

Changes to performance measures

It is recommended that the four performance measures should be removed from the 2024/25 Enhanced Annual Plan.

Group of activities – Community Services and Facilities		
What you can expect from us	**How we measure success**	
Provision of library facilities with sufficient resources and services which provide the necessary support for the communities' learning and leisure needs.	The number of walk-in library visitors per annum.	Te Awamutu Cambridge

The rationale for removing this measure is that the results are unreliable. The entry counter is a beam that reflects from one gate column to the other as someone enters the library. The counter does not provide accurate numbers when a group enters the facility in close proximity as it is unable to count each individual. There have been repeated comments from Elected Members on the functionality of the gates noting that their primary purpose is security.

The existing measure 'Percentage of population who are active library users' is a more relevant measure when it comes to utilisation of library resources.

Group of activities – Water Treatment and Supply

What you can expect from us	How we measure success	
The extent to which the local authority's drinking water supply complies with the drinking-water standards.	Water treatment plans – compliance with bacteriological criteria.	Parallel Road
	Water Treatment Plans – compliance with protozoal criteria.	Maungatautari
	Network zones – compliance	Maungatautari

The rationale for removing these measures is that the Maungatautari and Parallel Road treatment plants are no longer active.

Two targets for performance measures are also proposed to be amended as follows.

Group of activities – Heritage

What you can expect from us	How we measure success	Result for 2022/23	2024/25 performance target
The district's community and visitors are provided with appropriate opportunities to experience the district's heritage through interpretation, education and conservation delivered directly by Council and through partnerships.	The number of school student experiencing heritage based educated through the Enriched Learning Curriculum programme.	1,776 (not achieved)	3,900

The rationale for reducing this target is that it does not align with the contractual arrangement we have with the Ministry of Education. The contract for the 2024-25 year has a lower target than previous years.

Group of activities – Transportation

What you can expect from us	How we measure success	Result for 2022/23	2024/25 performance target
Provision of road and footpath networks which support usability and user comfort both now and in the future.	Length (km) of network which remains unsealed.	39.1 km (achieved)	Same as previous year

The rationale for changing this target is that no funding is provided for seal extensions and therefore the measure needs to reflect our planned approach for 2024/25.

Rates for different property types

The tables below show examples of the proposed rates for a range of rating valuations for residential and farming properties in Te Awamutu, Cambridge, Pirongia, Ōhaupō, Ngāhinapōuri, Kakepuku and Maungatautari as well as for industrial and commercial properties based on this draft plan.

Cambridge Area (Residential)

Rating Valuation	$645,000 1 SUIP		$1,100,000 1 SUIP		$2,560,000 1 SUIP	
	2023/24 $	2024/25 $	2023/24 $	2024/25 $	2023/24 $	2024/25 $
Fixed Targeted Rates	423	435	423	435	423	435
UAGC	700	805	700	805	700	805
Recycling Charge	125	192	125	192	125	192
Capital Value Rates	649	734	1,107	1,251	2,575	2,912
Stormwater Charges	159	210	272	358	632	833
Wastewater Charges	911	926	911	926	911	926
Estimate for Metered Water	677	796	349	411	969	1,141
Total Rates	**3,644**	**4,098**	**3,887**	**4,378**	**6,335**	**7,244**
$ Increase per week		**8.73**		**9.45**		**17.46**
Percentage Increase		**12.5%**		**12.7%**		**14.3%**

Te Awamutu Area (Residential)

Rating Valuation	$690,000 1 SUIP		$800,000 1 SUIP		$1,330,000 1 SUIP	
	2023/24 $	2024/25 $	2023/24 $	2024/25 $	2023/24 $	2024/25 $
Fixed Targeted Rates	307	330	307	330	307	330
UAGC	700	805	700	805	700	805
Recycling Charge	125	192	125	192	125	192
Capital Value Rates	695	788	806	914	1,339	1,520
Stormwater Charges	170	225	198	260	329	433
Wastewater Charges	911	926	911	926	911	926
Estimate for Metered Water	744	876	331	390	543	639
Total Rates	**3,652**	**4,142**	**3,378**	**3,817**	**4,254**	**4,845**
$ Increase per week		**9.40**		**8.45**		**11.35**
Percentage Increase		**13.4%**		**13.0%**		**13.9%**

UAGC: Uniform annual general charge SUIP: Separately used or inhabited part of a property

Pirongia Village (Residential)

Rating Valuation	$750,000		$980,000		$1,220,000	
	1 SUIP		1 SUIP		1 SUIP	
	2023/24 $	2024/25 $	2023/24 $	2024/25 $	2023/24 $	2024/25 $
Fixed Targeted Rates	220	211	220	211	220	211
UAGC	700	805	700	805	700	805
Recycling Charge	125	192	125	192	125	192
Capital Value Rates	749	851	979	1,112	1,219	1,385
Stormwater Charges	185	244	242	319	301	397
Wastewater Charges		-		-		-
Estimate for Metered Water	408	480	452	532	542	638
Total Rates	**2,387**	**2,783**	**2,718**	**3,171**	**3,107**	**3,628**
$ Increase per week		**7.62**		**8.72**		**10.01**
Percentage Increase		**16.6%**		**16.7%**		**16.8%**

Ōhaupō Village (Residential)

Rating Valuation	$700,000		$950,000		$1,340,000	
	1 SUIP		1 SUIP		1 SUIP	
	2023/24 $	2024/25 $	2023/24 $	2024/25 $	2023/24 $	2024/25 $
Fixed Targeted Rates	247	240	247	240	247	240
UAGC	700	805	700	805	700	805
Recycling Charge	125	192	125	192	125	192
Capital Value Rates	699	795	949	1,078	1,339	1,521
Stormwater Charges	173	228	235	309	331	436
Wastewater Charges		-		-		-
Estimate for Metered Water	519	611	601	707	463	545
Total Rates	**2,463**	**2,871**	**2,857**	**3,331**	**3,205**	**3,739**
$ Increase per week		**7.83**		**9.14**		**10.28**
Percentage Increase		**16.5%**		**16.6%**		**16.7%**

Ngāhinapōuri Village (Residential)

Rating Valuation	$740,000		$1,030,000		$2,300,000	
	1 SUIP		1 SUIP		1 SUIP	
	2023/24 $	2024/25 $	2023/24 $	2024/25 $	2023/24 $	2024/25 $
Fixed Targeted Rates	225	218	225	218	225	218
UAGC	700	805	700	805	700	805
Recycling Charge	125	192	125	192	125	192
Capital Value Rates	739	840	1,029	1,169	2,298	2,611
Stormwater Charges	30	43	41	60	92	135
Wastewater Charges		-		-		-
Estimate for Metered Water		-		-		-
Total Rates	**1,819**	**2,098**	**2,120**	**2,444**	**3,440**	**3,961**
$ Increase per week		**5.38**		**6.24**		**10.02**
Percentage Increase		**15.4%**		**15.3%**		**15.1%**

UAGC: Uniform annual general charge SUIP: Separately used or inhabited part of a property

Rural Cambridge (Residential)

Rating Valuation	$860,000 1 SUIP		$1,380,000 1 SUIP		$2,840,000 1 SUIP	
	2023/24 $	2024/25 $	2023/24 $	2024/25 $	2023/24 $	2024/25 $
Fixed Targeted Rates	423	435	423	435	443	456
UAGC	700	805	700	805	700	805
Recycling Charge		*		*	125	192
Capital Value Rates	865	978	1,388	1,570	2,857	3,230
Stormwater Charges	34	50	55	81	114	167
Wastewater Charges		-		-		-
Estimate for Metered Water		-		-		-
Total Rates	**2,022**	**2,268**	**2,566**	**2,891**	**4,239**	**4,850**
$ Increase per week		**4.74**		**6.24**		**11.74**
Percentage Increase		**12.2%**		**12.6%**		**14.4%**

Rural Te Awamutu (Residential)

Rating Valuation	$837,000 1 SUIP		$1,330,000 1 SUIP		$2,550,000 1 SUIP	
	2023/24 $	2024/25 $	2023/24 $	2024/25 $	2023/24 $	2024/25 $
Fixed Targeted Rates	307	330	307	330	307	330
UAGC	700	805	700	805	700	805
Recycling Charge		*	125	192	125	192
Capital Value Rates	843	956	1,339	1,520	2,568	2,914
Stormwater Charges	33	49	53	78	102	150
Wastewater Charges		-		-		-
Estimate for Metered Water		-		-		-
Total Rates	**1,883**	**2,140**	**2,524**	**2,925**	**3,802**	**4,391**
$ Increase per week		**4.94**		**7.68**		**11.30**
Percentage Increase		**13.6%**		**15.8%**		**15.5%**

Pirongia (Rural)

Rating Valuation	$1,080,000 1 SUIP		$2,970,00 1 SUIP		$3,450,000 2 SUIP's	
	2023/24 $	2024/25 $	2023/24 $	2024/25 $	2023/24 $	2024/25 $
Fixed Targeted Rates	221	214	203	194	195	188
UAGC	700	805	700	805	1,400	1,610
Recycling Charge	125	192	125	192	250	383
Capital Value Rates	1,079	1,226	2,967	3,371	3,447	3,916
Stormwater Charges	43	63	734	967	138	202
Wastewater Charges		-		-		-
Estimate for Metered Water		-		-		-
Total Rates	**2,168**	**2,500**	**4,729**	**5,529**	**5,430**	**6,299**
$ Increase per week		**6.39**		**15.39**		**16.74**
Percentage Increase		**15.3%**		**16.9%**		**16.0%**

UAGC: Uniform annual general charge SUIP: Separately used or inhabited part of a property * no dwelling

Pirongia (Rural)

Rating Valuation

	$7,165,000 1 SUIP		$7,360,000 3 SUIP's	
	2023/24 $	2024/25 $	2023/24 $	2024/25 $
Fixed Targeted Rates	195	188	351	344
UAGC	700	805	2,100	2,415
Recycling Charge	125	192	375	575
Capital Value Rates	7,158	8,133	7,353	8,354
Stormwater Charges	287	420	294	432
Wastewater Charges		-		-
Estimate for Metered Water		-		-
Total Rates	**8,465**	**9,738**	**10,473**	**12,120**
$ Increase per week		**24.49**		**31.68**
Percentage Increase		**15.0%**		**15.7%**

Kakepuku (Rural)

Rating Valuation

	$837,000 1 SUIP		$1,330,000 1 SUIP		$2,550,000 1 SUIP	
	2023/24 $	2024/25 $	2023/24 $	2024/25 $	2023/24 $	2024/25 $
Fixed Targeted Rates	222	218	222	218	222	218
UAGC	700	805	700	805	700	805
Recycling Charge	125	192	125	192	125	192
Capital Value Rates	1,688	1,918	5,544	6,300	7,802	8,865
Stormwater Charges	68	99	222	326	312	458
Wastewater Charges		-		-		-
Estimate for Metered Water		-		-		-
Total Rates	**2,803**	**3,232**	**6,813**	**7,841**	**9,161**	**10,538**
$ Increase per week		**8.26**		**19.74**		**26.46**
Percentage Increase		**15.3%**		**15.1%**		**15.0%**

Kakepuku (Rural)

Rating Valuation

	$8,860,000 2 SUIP's	
	2023/24 $	2024/25 $
Fixed Targeted Rates	195	188
UAGC	700	805
Recycling Charge	125	192
Capital Value Rates	7,158	8,133
Stormwater Charges	287	420
Wastewater Charges		-
Estimate for Metered Water		-
Total Rates	**8,465**	**9,738**
$ Increase per week		**24.49**
Percentage Increase		**15.0%**

UAGC: Uniform annual general charge SUIP: Separately used or inhabited part of a property

Maungatautari (Rural)

Rating Valuation

	$870,000 1 SUIP		$1,303,000 2 SUIP's		$3,520,000 1 SUIP	
	2023/24 $	2024/25 $	2023/24 $	2024/25 $	2023/24 $	2024/25 $
Fixed Targeted Rates	373	375	335	322	373	375
UAGC	700	805	1,400	1,610	700	805
Recycling Charge	125	192	250	383	125	192
Capital Value Rates	869	987	1,302	1,479	3,516	3,995
Stormwater Charges	35	51	52	76	141	206
Wastewater Charges		-		-		-
Estimate for Metered Water	312	367		-		-
Total Rates	**2,414**	**2,777**	**3,339**	**3,870**	**4,855**	**5,573**
$ Increase per week		**7.01**		**10.23**		**13.83**
Percentage Increase		**15.1%**		**15.9%**		**14.8%**

Maungatautari (Rural)

Rating Valuation

	$7,350,000 1 SUIP		$7,430,000 2 SUIP's	
	2023/24 $	2024/25 $	2023/24 $	2024/25 $
Fixed Targeted Rates	363	350	367	354
UAGC	700	805	1,400	1,610
Recycling Charge	125	192	250	383
Capital Value Rates	7,343	8,343	7,423	8,433
Stormwater Charges	294	431	297	436
Wastewater Charges		-		-
Estimate for Metered Water		-		-
Total Rates	**8,825**	**10,121**	**9,737**	**11,216**
$ Increase per week		**24.92**		**28.46**
Percentage Increase		**14.7%**		**15.2%**

Cambridge (Commercial/Industrial)

Rating Valuation

	$530,000 1 SUIP		$1,350,000 1 SUIP		$3,450,000 1 SUIP	
	2023/24 $	2024/25 $	2023/24 $	2024/25 $	2023/24 $	2024/25 $
Fixed Targeted Rates	423	435	423	435	423	435
UAGC	700	805	700	805	700	805
Recycling Charge		-		-		-
Capital Value Rates	533	603	1,358	1,536	3,471	3,924
Stormwater Charges	131	172	333	439	852	1,123
Wastewater Charges	911	926	911	926	5,419	5,508
Estimate for Metered Water	346	407	552	650	1,221	1,437
Total Rates	**3,044**	**3,348**	**4,277**	**4,791**	**12,086**	**13,232**
$ Increase per week		**5.86**		**9.87**		**22.05**
Percentage Increase		**10.0%**		**12.0%**		**9.5%**

UAGC: Uniform annual general charge   SUIP: Separately used or inhabited part of a property

Te Awamutu (Commercial/Industrial)

Rating Valuation	$405,000 1 SUIP 2023/24 $	$405,000 1 SUIP 2024/25 $	$1,400,000 1 SUIP 2023/24 $	$1,400,000 1 SUIP 2024/25 $	$4,320,000 1 SUIP 2023/24 $	$4,320,000 1 SUIP 2024/25 $
Fixed Targeted Rates	307	330	307	330	307	330
UAGC	700	805	700	805	700	805
Recycling Charge		-		-	125	192
Capital Value Rates	408	463	1,410	1,600	4,350	4,936
Stormwater Charges	100	132	346	456	173	253
Wastewater Charges	911	926	1,822	1,852	911	926
Estimate for Metered Water	627	738	543	639	1,424	1,676
Total Rates	**3,053**	**3,394**	**5,128**	**5,682**	**7,990**	**9,118**
$ Increase per week		**6.54**		**10.64**		**21.69**
Percentage Increase		**11.1%**		**10.8%**		**14.1%**

Te Awamutu (Commercial/Industrial)

Rating Valuation	$3,960,000 3 SUIP's 2023/24 $	$3,960,000 3 SUIP's 2024/25 $
Fixed Targeted Rates	307	330
UAGC	2,100	2,415
Recycling Charge		-
Capital Value Rates	3,988	4,525
Stormwater Charges	978	1,289
Wastewater Charges	4,645	4,721
Estimate for Metered Water	1,986	2,337
Total Rates	**14,004**	**15,617**
$ Increase per week		**31.02**
Percentage Increase		**11.5%**

UAGC: Uniform annual general charge   SUIP: Separately used or inhabited part of a property

How to have your say:

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waipadc.govt.nz/enhancedannualplan

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Submissions close
5pm, Friday 26 April 2024

Head Office 07 872 0030 • 101 Bank Street, Private Bag 2402, Te Awamutu 3840
Cambridge Office 07 823 3800 • 23 Wilson Street, Cambridge

0800 WAIPADC (924 723)
waipadc.govt.nz

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