



Council Workshop Briefing Session

Notes of a workshop briefing session of the Tararua District Council held in the Council Chamber, 156 High Street, Dannevirke on Wednesday 11 February 2026 commencing at 1:00pm.

1. Present

Mayor – Mr S M Gilmore, Crs S M Wards (Deputy Mayor), A J Amboy, C L Corlett, P A Johns, E F Kennedy, P M Naylor, E L Peeti-Webber, K E R Te Waaka, and S A Wallace

In Attendance

Mrs R Bell - RFB Consulting (online)

Mr M Alexander - Chief Executive
Mrs K Tani - Group Manager – Strategy and Information
Mr H Featonby - Group Manager – Operations
Ms T McDonald - Chief Financial Officer
Mrs S Walshe - Finance Manager
Ms J Smith - General Counsel
Mr A Desmond - Alliance Network Manager
Mrs A Dunn - Manager – Democracy Services
Mrs S Anthony - Democracy Support Officer

2. Welcome and Workshop Opening

Cr Keshaan Te Waaka opened the workshop with a karakia

3. Apologies

Nil

4. Briefing Papers

4.1 Transport Activity Management Plan

The Group Manager - Operations and Tararua Alliance (TA) Network Manager gave a powerpoint presentation on the introduction to the Transportation Activity Management Plan (AMP) as part of the Long Term Plan for 2027-37, with the aim to set the scene and the present the key challenges and considerations:

- Seeking direction from members for the problem statements, while no decisions were required, feedback was sought from elected members to inform future workshops.
- To inform newly elected members, the strategic alignment was explained in detail to show – national context, regional context and Tararua context, how the various acts and policies interact and where they sit in the alignment. What TA manage, how TA plan with NLTP Funding, how TA plan using asset management tools, how TA plan for strategic delivery, plus performance of pavements and measures used.
- Overview of levels of service with both a customer service focus and an asset management focus.
- A need to consider the next Election looming, and potential changes in government which can bring direction and policy changes.
- All considerations need to tie back to the Government Policy Statement (GPS) on Land Transport
- Need to consider budget and how this fits in with the Long Term Plan
- The Land Transport Management Act is a key influencer
- What does future roading look like? Feeding into national networks. One Network Framework better defines this and offers tools to develop levels of service based on road hierarchy.
- Possibility of a national approach to levels of service
- The Tararua Alliance contract ends in 2029 - to be considered.
- What does procurement look like – this needs to be discussed further.
- Tararua received some regional funding for public transport which is allocated to the Shuttle and Community Car, there are no targeted provisional rates for this although has been investigated in the past.
- Tararua is a complex network with varied terrain and was built around the 1930's.
- Guardrails are undeveloped in the Tararua District, a low amount installed and low incidence of road accidents. Require regular maintenance and if metal ones are hit and damaged they are very expensive to replace.
- The districts bridges are nearing the end of their lifespan, 10 are on the critical list. Lifespan ends when the cost of the bridge components outweighs cost of full replacement of the bridge. Steel weakens over time and concrete gets stronger, however can crack.
- The slide showing how investment is split across the district (road length vs total spend) was of great interest. Members were interested in further detail such as including vehicle movement to provide an indicator of where to target investment.

- 75% of funding comes from NZTA FAR funding. The FAR amount is unable to be influenced. It was felt that it should be a priority to protect the level received as cannot afford a down turn, and to be strategic as there may be ways to influence. It was noted that NZTA budgets are under significant pressure.
- CRM's showed a 95% response rate
- A request was made to share the Councils strategic workshop notes with the Network Manager. This would help to align values with GPS and help to steer direction for the problem statements. Verify over email.
- There is a risk of CCO's for transportation through Government changes - how do we protect what we have - commentary and highlights of how well we do.

The workshop adjourned at 2.32pm and returned at 2.44pm.

4.2 **Financial Strategy 1**

The Finance Manager and Chief Financial Officer gave a powerpoint presentation to introduce the financial strategy for the Long Term Plan to the elected members:

- A recap of the recent strategy day, outlining where Council intends to focus first and providing a high-level overview of the Long Term Plan. Elected members were introduced to the inputs required from them and how their discussions will help shape the process. The strong connection between Infrastructure and Finance was highlighted, with the session centred on the Financial Strategy for 2027–2037.
- Outlined how the financial strategy fits within the wider strategic alignment of the LTP, showing where it sits in the bigger picture. The Infrastructure and Financial Strategies were highlighted as key enablers—forming the core pillars of this alignment. All underlying forecasting assumptions and associated risks will be fully addressed as part of the strategy. The core principles guide and link back to district plan.
- The five key strategic directions were outlined, including the need to factor in the impact of rates capping. The exercise must also be completed without the Three Waters component. The concept of “stranded overheads” was explained—costs such as finance and corporate overheads that will remain after Three Waters is removed and will either need to be reduced or funded in new ways. This will be a challenging issue for Council to address. (Additional reading will be provided.)
- Dedicated debt repayment explained, ability to manage within

financial headroom.

- Borrowing limits, increase in debt leads to increase in interest. Credit rated council option – procurement process, to apply for rating it costs \$60-70K, large councils have become credit rated and allows borrowing to increase, plus reduced interest, with removal of 3 waters, not prudent for TDC to do at this stage. Significant risks are also involved by being credit rated. Mayor not advocating for this unless required to meet our objectives.
- Extensive reporting on managing risk to come, all councillors will need to be across.
- Alternative revenue/funding sources, recommend we retain. Graph demonstrated allocation of revenue.
- Balanced budget – total operational revenue covers total operational expenditure. Currently balanced.
- Total operating expense – a lot around cyclone Gabrielle created increase. The charge for 3 waters depreciation will remain with CCO. 79% of depreciation from infrastructure.
- Treasury Management Policy – needs to come sooner.
- Challenges and Opportunities – borrowing limits, high level capital investment, market constraints, cost increase, supply chain availability, contractor availability, affordability, inflationary impacts, reforms/legislative changes, land use, change in FAR rates for NZTA funding, resilience/climate change, shared services, finding efficiencies, changes in levels of service. This will set up next part of financial strategy, not a ranking exercise. Could lever be added? Levers are an operational decision, some feed into strategies to mitigate challenges.
- Remembering that this period encompasses rate capping, regulatory environment to factor – not fees and charges, level of cross subsidy, need to understand well, what does it mean for community use? Fees and charges is currently very small. Govt expectations that this will be part of it. Increasing charges and utilisation is part of work for Community Connections Committee.
- Supply chain availability? Ongoing issue, can delay works. Off shore concerns and delays.
- Growth is priority for this council.
- Shared services – there is an appetite, if reform succeeds and amalgamates. Discussing with other councils at any opportunity. Need to see where rules will land first, it will be a national theme. Continue to keep options open and look for opportunities far and wide to share services.
- Opportunity for communities to step up. Important to consider in LTP, decision around community funding, help the community to

apply for external grant funding. Reduce Council funding as result. Need to move things we pay for and find alternatives. If we remove, what can we do to replace with community support.

- Management recommendation – reduce borrowing limits, rate payers still paying even with removal of waters. Government will be watching closely if we rush in and borrow. Limit has been to allow us to deliver LTP. Many things to consider other than reduce services. Diversify revenue sources – covering off fees and charges
- Key strategies: reduce borrowing limits, debt repayment, infrastructure investments for levels of service and resilience and growth, balance budget requirements, rates capping, appropriate level of depreciation funding, diversify revenue sources.
- Officers – think outside the box, we need to think differently, present ideas for council consideration. Use copilot and AI to leverage ideas, what are other organisations doing – NZ or global, creative thinking. Lens of affordability needs to be applied, ideas can be expensive. Staff and Councillors put forward ideas and debate, staff provide advice of cost and constraints. How do we create space for those discussions? Hoping team can create tool to measure ideas against principles.
- AI – social way of getting training. Appetite was shown from members for training.

The workshop briefing session closed at 3.59pm.