



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 20 May 2026 commencing at 1:00 pm.

1. Present

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

In Attendance

Ms R Bell	- RB Consulting
Mr C Haines	- Chief Executive
Mrs K Tani	- Group Manager – Strategy and Information
Ms S Lowe	- Group Manager – People, Capability and Customer Engagement
Mr H Featonby	- Group Manager – Operations
Ms T McDonald	- Chief Financial Officer
Ms J Smith	- General Counsel
Mrs B Kawana	- Corporate Planning and Reporting Advisor
Mrs S Walshe	- Finance and Revenue Manager
Mrs S Anthony	- Democracy Support Officer

The workshop was Chaired by Deputy Mayor - Cr S M Wards.

2. Apologies

There were no apologies.

3. Reports

3.1 Presentation - Revenue and Financing Policy Funding Needs Assessment

Rebecca Bell and Sarah Walshe presented, continuing on from Lizzie Wiessing's workshop on 29 April 2026. The session focused on the Revenue and Financing

Policy (RFP), which directly informs the rating system and the Long-Term Plan (LTP).

No decisions were sought; the purpose was to build understanding of activity assessments and gauge members' comfort with proposals. Members were advised that further workshops may be scheduled if required. The RFP is iterative, and some items will remain a work in progress.

Community outcomes are currently out for early engagement. The 2024 RFP is being used as the starting point for the drafting process, and a draft LTP has also been circulated. Only limited changes from the 2024 policy are proposed; and feedback is sought on next steps. The policy will remain in draft throughout the process, be submitted for audit in draft form, and be finalised alongside LTP adoption in June 2027.

Strategic alignment - The Local Government System Improvements Bill focuses on cost efficiency and core services. LGA (Local Government Act) sets prescribed requirements. Assessments will be detailed. The focus for members is on affordability and efficiency, keeping low rates, and trusted leadership. This is classified as a matter of significance according to criteria from section 8 of the Significance and Engagement Policy.

The process aims to be intuitive and reinforce to the community that their views are important and reflected throughout the drafting process. Community feedback during the 2024-34 LTP influenced changes, including a shift toward user-pays funding across activities.

Related forecasting assumptions and risks - risks identified were:

- Potential impacts of the Local Government System Improvements Amendment Bill.
- Uncertainty around Waka Kotahi funding levels, which significantly affect the rates burden (Council currently receives a higher subsidy than many others).
- Council's ability to borrow required funds over the LTP period.
- Council noted a low risk appetite for rate setting, highlighting the importance of getting decisions right.

RFP Review Process - it was acknowledged that it is a challenging time in Local Government at the moment. The RFP remains a prescribed process which we will continue to follow, and it is unlikely to change. It is important to acknowledge and continue to consider government changes throughout this process. The review is important as we look at how the funding decisions translates into rates, and determine final outcomes. Goals include transparency, equity, and financial sustainability. Community views remain central throughout.

A sample rates bill was provided to members for reference.

Funding sources - under LGA section 103(2), Council has many means to fund its operations. Of these, TDC currently do not have development contributions or financial contributions.

Transportation activity - This activity was used as an example to explain the Funding Impact Statement, noting its complexity due to the variety of rates and funding sources involved. First is the general rates, uniform annual general charges (UAGC), or rates penalties, this activity does not take much of this funding as is shown in the TDC Annual Plan. Secondly is targeted rates which show all of Council's portion. Further discussions will be had to ensure members understand, and will go through step by step.

Mayor S M Gilmore and Cr P A Johns left the workshop at 1.21pm.

Council is required to adopt a rates resolution (showed example on slide) and it is important to get this right, this decision is reflected on the back of a rates invoice. It was emphasised that the RFP determines who pays for services—not how much is spent—and aims to ensure fairness and equity. Clarification was provided on rating categories, particularly the “other” category, which was described as covering properties that do not fall within defined categories such as residential, commercial, industrial, or utilities.

Members discussed how different land uses (e.g. commercial properties, solar farms) are categorised for rating purposes - certain activities, such as solar or wind farms, fall under a utilities grouping and are rated accordingly. Staff confirmed that further information will be provided on specific rating treatments for these types of developments.

There is a specific targeted rate for swimming pools to show transparency, this was a decision made by council a long time ago which is why this is reflected as targeted rate. It is the same amount for all across the district.

The 2 Step: LGA S101(3)a and b - This is about policy setting, a lot of analysis and equation building. Members were encouraged to consider the perspective of ratepayers. An opportunity to look at what reflects in the strategic framework, are we still a can-do council with an efficiency and affordability lens. There is no right or wrong answer, it is a judgement call.

Mayor S M Gilmore and Cr P A Johns joined the workshop online at 1.47pm.

If Council were challenged through Ombudsman, the focus in an investigation is not on rate but the process you went through to get to your decision. Direct impact to the community is to be considered but good process will support you. Safeguards are in place to reduce risk including support from Lizzie Wiessing who is looking at policy as a whole, and will do more review as it comes together. Members can have that confidence we are following good process.

Funding Needs Analysis - a spreadsheet handout was issued to members. Assessments are presented as groups (each row is an activity). Members were

encouraged to think about have we got right, what is missing, do we understand, do you have questions. This is a big piece of work to get our head around

Emergency Management:

Presented as a straightforward activity contributing to all community outcomes. The members were presented with information covering the 5 requirements of LGA section 101(3)a. Discussion included identifying who benefits from the activity, focusing on whether benefits are to specific groups or the wider community. A question was raised regarding the relationship between uniform annual general charges and targeted rates, particularly how changes in water-related services may affect funding arrangements. The Chair suggested this be addressed later in the relevant section to maintain progress.

Further clarification was sought on rating calculations, specifically whether charges for certain properties are based on capital value or land value. Officers advised that the rates invoice provides a breakdown showing how each charge is calculated and applied. Members were encouraged to progress through activities systematically and revisit broader or cross-cutting questions at the end to ensure efficient use of time.

A question was raised about subsidies, with officers confirming that subsidies can come from a range of sources, not just central government. Examples include funding from organisations such as the Lotteries Commission for recovery efforts. Subsidy funding is only included in budgets when it is confirmed, although provision allows flexibility where opportunities arise.

Transport

The discussion moved to the Transportation Activity which includes Roothing and Footpaths. It was noted that the rooding activity aligns with two key community outcomes: affordable, efficient core services delivering clear value, and a resilient and prosperous district supporting people and business. In terms of beneficiaries, the activity provides broad benefits to the whole community through access to the rooding network, and direct benefits to specific users and groups, including individual road users and businesses.

Cr K Te Waaka left the workshop at 2.02pm.

Footpath subsidies are currently set at 75–85%, which appears unusually high compared to the FAR rate. Sarah will propose revising the subsidy, as it is significantly above the approved FAR level. At the time the RFP was adopted, there was limited clarity on what had been formally approved, and some assumptions were made. This will be taken back for review, and changes to the footpath subsidy are likely. The FAR rate, expected to be around 73%, still needs confirmation, noting that NZTA's processes are out of sync with ours, with confirmation anticipated in August.

Cr K Te Waaka returned to the workshop at 2.07pm.

A question was raised about how funding levels are managed when new or unexpected costs arise (e.g. new initiatives or infrastructure replacement). Officers advised that changes are addressed through the Annual Plan process, where later years of the LTP are refined, and if necessary, Council can operate outside the Revenue and Financing Policy, but this requires clear justification and transparency. It was clarified that funding proportions (ratios) set in the policy remain consistent, even if total costs change. For example, if expenditure increases unexpectedly, the same funding split across sources is applied to the new total.

Members asked how Council would respond if external subsidies (e.g. Waka Kotahi funding) were reduced. Officers advised that this would likely trigger a review of levels of service. Options could include consultation with the community on whether to maintain service levels or adjust them. In some cases, alternative funding (e.g. reserves) could be considered.

It was highlighted that roading is a significant component of Council's budget, making it particularly sensitive to funding changes. Members noted that future uncertainties, such as potential changes in funding assistance rates or structural changes across councils, could significantly affect future funding assessments and decision-making.

Strategy, Policy, and Governance - It was asked why the funding source for Strategy is included within support services allocation, while Democracy Services sits within general rates and it was responded that Strategy has been considered a back-office support function, falling under support activities. In contrast, Democracy Services is outward-facing and directly engaged with the public, which is why it is treated differently from a funding perspective. It was identified that there is a valuable opportunity to work alongside the Communications team to develop clear infographics that show where each activity sits, helping to clarify and communicate these allocations. This would also support identifying exactly what falls within each category, including incorporating the percentage split of support allocation.

The workshop adjourned at 2.21pm and reconvened at 2.35pm.

Community - This includes Customer Services, Libraries, Communications, Visitor Information, Community Engagement, and Economic Development activities. It was noted that Economic Development is on hold for now and only one activity carried a recommendation for change to the funding source which is Community Engagement. The Communications team were acknowledged for the fantastic job they do, and there may be opportunity to create revenue by contracting their services out, the Group Manager and activity manager to come back with suggestions.

Visitor Information is in relation to TDC I-site operations e.g. Woodville and Dannevirke. Officers advised that revenue from fees and charges (e.g.

commissions on ticket sales and small retail items) is minimal. Clarification was sought regarding whether certain externally facing initiatives (e.g. Explore Pahiatua and Positively Woodville) were included in the community engagement activity. Officers confirmed these initiatives fall under Democracy Services, not the Community Services grouping.

Discussion then focused on the proposed change to community engagement funding, with members seeking the rationale. Officers explained that the adjustment reflects actual funding received, including external subsidies and grants (e.g. Mayor's Taskforce for Jobs and Creative Communities funding). The change was therefore recommended to better align the policy settings with current funding realities.

Waste Management and Minimisation - The Finance team recommended separating activities into distinct line items to improve transparency and better manage funding allocations, particularly for areas where cost attribution is unclear. It was proposed that the transfer station move to a 100% user-pays model. The rationale is to clearly distinguish the public benefit component and ensure costs are appropriately allocated across related activities.

Recycling services and kerbside recycling will be treated as separate activities. Recycling revenue will reflect actual income received, which is currently minimal and includes a quarterly subsidy from the waste minimisation levy.

Discussion noted that waste management involves Council providing facilities to the community (including transfer stations requiring resource consent), with some costs currently apportioned across other activities such as kerbside services. Recycling facilities are available for community use, and there is a need to clearly define public versus user benefits to ensure costs are fairly allocated.

It was also acknowledged that waste management delivers a public good, with strong community interest, particularly regarding illegal dumping and fly-tipping. It was highlighted that increasing costs to users could potentially lead to higher levels of illegal dumping, which has broader community impacts. The need to balance cost recovery with community outcomes was emphasised.

Consultation feedback, particularly from Norsewood and Ormondville, highlighted that charges should apply only to ratepayers who have access to the service, suggesting a more targeted, location-based approach.

Members discussed interest in rubbish collection services, noting consideration of broader waste service provision is scheduled within the current LTP period. This work will form part of a Section 17A service delivery review.

Regulatory - will park and come back.

Community and recreational facilities

Parks and reserves: no change recommended.

Forestry was discussed as a self-funded Council activity, operating through its own dedicated reserve where all revenue and expenditure are managed independently. It was noted that, following the previous Long Term Plan and the proposed sale of Birch North, the scale of the forestry activity has reduced.

Historically, forestry had been grouped with parks and reserves, consistent with how some other councils structure similar activities. A proposal has been raised to separate forestry into its own activity grouping, rather than retaining it within parks and reserves. Officers advised that central government has introduced a mandatory list of activity groupings, which will require forestry to be treated separately in future.

It was confirmed that there is no proposed change to the funding approach, with forestry to continue operating as a self-funding activity regardless of its future structure.

Public Conveniences - no change.

Community Buildings - more thinking to go into this, will come back.

Swimming Pools - It was advised that revenue from pool entrance fees is used to offset operating costs, but is not sufficient to fully fund these facilities, meaning Council funding remains necessary for Woodville, Wimbledon and Eketāhuna community pools. It was confirmed that an initial business case was prepared previously for the Pahiatua complex, but there are still uncertainties due to factors such as construction and operational variables. Need time to ensure meeting community needs. Members were reminded to consider assessments before costs, not thinking of dollars as a starting point. Detailed costing and analysis to follow as part of future work.

Cemeteries - no change.

Pensioner Housing - self funded - no change.

Aerodromes - recommended changes focused on aligning the policy with current actual funding arrangements. It was noted that aerodromes are being separated from the Parks and Reserves grouping and treated as a standalone activity, improving clarity and transparency. Changes do not introduce new user charges, but instead reflect existing fee structures already in place. The move was described as supporting greater transparency in funding, ensuring the policy accurately reflects how the activity operates.

It was highlighted that a small proportion of general rates may contribute to aerodrome costs, providing flexibility for items not covered by user charges. This includes Council's responsibility for the airstrip itself, particularly health and

safety and risk management obligations, which cannot be leased out. Members acknowledged that aerodromes had historically been included within parks and reserves but supported the rationale for separating them.

Support services funding methodology - costs are distributed across all Council activities rather than directly rated. Costs ultimately flow through to each activity and are funded according to that activity's rating approach.

Next steps: The workshop concluded with further work required on the Regulatory activities, which will be brought back for discussion. And minor adjustments will be made to some assessments based on workshop feedback, including footpaths.

Once all activities are reviewed, the process will move to the next stage involving assessing the overall funding picture ("how all the pieces fit together"). Identifying any adjustments or levers available to ensure a balanced and appropriate funding approach.

It was noted that additional work is needed before this stage, including clarifying the economic development activity, and further analysis of community and recreational facilities. It was emphasised that maintaining a clear record of questions and responses is important for transparency and reference throughout the process and members were encouraged to submit questions through the online LTP platform. A clarification was made that water services are not included in the current assessment, as they will be managed separately in future arrangements.

It was agreed to cancel the workshop for next week (27 May 2026).

Cr K Te Waaka closed the workshop with a karakia.

The workshop briefing session closed at 3:22pm