



WEAVING THE
FUTURE, TOGETHER
KOTAHITANGA
ŌTOROHANGA DISTRICT COUNCIL

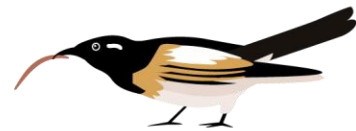
SETTING THE PATHWAY (TE ARA)

DRAFT

- About Us
- Our Story
- Context



Te Kaunihera ā-Rohe o
Ōtorohanga
District Council
Where kiwi can fly



INTRODUCTION

SETTING THE PATHWAY (TE ARA)

This section of the long term plan sets out the pathway we are following to help achieve the future we have been weaving with you for our district. It is divided into three parts to set the scene as well as tell the story about the journey we are on.

ABOUT US

This is a very brief snapshot of the district. It draws on information from the Ōtorohanga District Environmental Scan (2023) supplemented by new information that has come to hand and comments from community engagement events carried out in August and September 2023. Its purpose is to:

- Highlight features about the district
- Underline what people have said are important about living here.

Together this information helps set our priorities and informs how we deliver our mahi (work).

OUR STORY

Our journey did not start with this long term plan. Nor did it start three years ago with the 2021/31 long term plan but we signalled some big changes in 2021 about our focus and how we would deliver our services.

Building on the directions laid down in the 2021/31 Long Term Plan, Our Story outlines:

- The outcomes we as a district are seeking to achieve
- What Council has done over the past three years to work toward these community outcomes.

CONTEXT

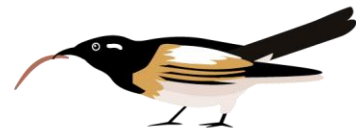
The context in which we find ourselves in now is very different from three years ago. To help explain the pathway we are following we set out:

- Today's challenges
- What you've told us from our engagement sessions with you
- The approach we're taking in this long term plan.

Our approach is informed by questions we asked ourselves when we developed this plan (themes) in relation to whether what we were planning was sustainable, resilient and transformational. It is also informed by our Infrastructure and Financial Strategies and the key assumptions we have had to make about future conditions.

Note:

Our Infrastructure and Financial Strategies are set out in full in latter sections of this long term plan (Refer to Policies Section, pages [XX](#) - [XX](#)). A complete list of our Assumptions is also provided (Refer to pages [XX](#) - [XX](#)).



ABOUT US

Small in size but rich in history, Ōtorohanga District stretches 90 kilometres from the Tasman Sea in the west to the Waikato River in the east – an area of 1,976 square kilometres. Our near neighbours are the districts of Waipā to the North, Waitomo to the South and Taupō and South Waikato in the East.

Our high value natural habitats, landscapes and ecosystems and erosion prone hill country need particular care.

Historically significant, Kāwhia was the final landing place of the Tainui waka.

Roads are our backbone and disruption affects resilience.

We're one of the most youthful populations in the Waikato.

Greater understanding between ŌDC and iwi, hapū and marae open future opportunities.

We're growing but it's gradual.

Agriculture, forestry and fishing dominate the local economy.

GEOGRAPHY

Around 30 kilometres wide, the district is relatively narrow with two distinct landscapes:

- In the west¹ rugged hill country and harbours dominate
- In the east the district's rolling lowlands are part of the Waipā river catchment - the single largest tributary of the Waikato River.

SETTLEMENT

Ōtorohanga District falls within the rohe of a number of iwi – Maniapoto, Raukawa and Ngāti Hikairo. There are also prominent iwi and hapū including Ngāti Apakura, Ngāti Mahuta, Ngāti Wehi and Te Patupō, with approximately 17 marae located in different parts of the district

Today the district population is largely rurally based (69.9%²), supported by the two main urban areas - Ōtorohanga township and the Aotea/Kāwhia community.

POPULATION

District population in 2023 was estimated to be 10,900, up 0.9% from a year earlier³. Figures for that same year show that the district's dependency ratio was 60.7% - higher than the New Zealand ratio (54%). This elevated ratio reflects both the slightly higher proportion of residents aged 65 years and older (17%; cf. New Zealand 16.5%) and higher proportion of young people aged under 15 years (20.6%; cf New Zealand 18.5%)⁴.

Nearly 30% of the district population identify as of Māori decent (cf. New Zealand – 16.5%) and 11.3% of residents were born overseas⁵.

Population growth is expected to continue albeit gradually. By 2048, resident population is projected to be 12,656⁶ with a corresponding growth in households from 3,872 in 2024 to 4,644 by 2048 (20% increase)⁷.

ECONOMY

Primary industries account for almost 50% of district's GDP⁸. Rental, hiring and real estate is the next largest sector making up just under 22%.

¹ Waikato Regional Council, West Coast Zone Plan, 2016, pages 11 - 13

² WSP, Ōtorohanga Town Concept Plan (Final), October 2022, page 52.

³ Source: Infometrics

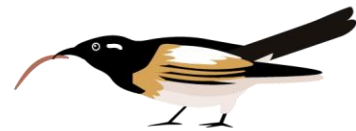
⁴ Ibid

⁵ Ibid

⁶ Under a medium variant scenario. Refer: Waikato Regional Council Technical Report 2021/22, 2018-base Population, Family and Household, and Labour Force Projections for the Waikato Region, 2018-2068.

⁷ Ibid. The report estimates the population of the district in 2048 to be 14,083 under a high variant scenario; 12,656 under a medium; 11,241 under a low.

⁸ According to Infometrics, 45.9% in 2022 (Cf New Zealand 10.7%).



Ongoing support/
promotion is wanted for
businesses.

In 2023, there were 2019 businesses operating in the district up 0.9% from the previous year (cf. New Zealand 1.7%). The average number of employees was 2.3 per business in 2023 (cf. 2.6 in 2013).

The Māori economy is growing and iwi and post settlement governance entities are expected to play a major role in New Zealand's financial future. While local data is limited, anecdotally it is thought Māori businesses have an important contribution to make to district growth.

People's worries include
money, jobs, food, petrol,
technology and housing

In the year to March 2023, mean annual earnings in Ōtorohanga District were \$64,186 (cf. New Zealand \$74,754). The district's dependency ratio (discussed above) may in part contribute to the lower-than-average earnings.

Demand for public and
emergency housing has
grown dramatically in
since 2018 but supply
has remained static.

HOUSING⁹

Like other New Zealand communities, the availability, affordability and quality of housing is an issue for Ōtorohanga District. With almost 60% of houses built prior to 1980, over a quarter of the population are living in damp and/or mouldy dwellings. Other uncomfortable trends are:

- The cost of housing relative to income which is rising at a much higher rate than median incomes
- The current shortfall in the availability of houses. Looking ahead, in line with district growth, an additional 281 homes are estimated to be needed by 2043.

Extreme weather events
(wet and dry) are likely to
become regular.

CLIMATE CHANGE

Over the medium to long-term the district can expect¹⁰:

- An increase in the frequency and intensity of storm events
- Higher temperatures
- Rising sea level (1.0 metre rise for Kāwhia/Aotea over the next 100 years)
- A change in rainfall patterns, with a 5% increase in rainfall intensity, producing more extreme weather events and increased drought events.

The west coast is
vulnerable to increased
flooding and coastal
inundation due to
predicted sea level rise.

Maintenance of the
Waipā stopbanks are
important.

Residents value their
environment and have
urged Council to keep
supporting actions that
care for te taiao
(environment).

WELLBEING

While generally satisfied with their local environment (72%), a 2019 study of Waikato residents reported that just under half of respondents felt that its state had declined in recent years¹¹. Water pollution from towns and cities and the spread urban areas across farmland were issues of particular concern for Ōtorohanga respondents. This finding is reinforced in our recent engagement with district residents. Caring for the moana (sea) and the awa (rivers) were frequently mentioned themes.

Bring Waiwaia
(wellbeing) back to the
Waipā awa (river).

Overall people are satisfied with the network of green, open spaces throughout the district. However, needs are changing and community facilities - venues, sports grounds and open spaces - need to be flexible to cater for the new and emerging demands.

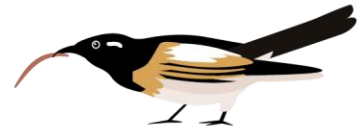
The need for a
multipurpose facility was
often mentioned. Young
people also thought an
age-appropriate park
suitable for older
teenagers was needed.

Art, culture and heritage are important components of wellbeing. People we talked to were keen to see support for events that create colour and social cohesion. Ongoing adult learning was also valued along with supporting our international community members.

⁹ Source: Ōtorohanga Housing Group, Homes for our Community, Draft Ōtorohanga District Housing Plan, Dec 2022.

¹⁰ Envirostrat & AECOM, 2020, Report prepared for Waikato Regional Council, Waikato Region Greenhouse Gas Emissions Inventory for the period July 2018 to June 2019, page 6.

¹¹ Versus Research for Waikato Regional Council, Your Environment-What Matters: A Survey of Residents of the Waikato Region, May 2019, page 2.



OUR STORY

Three years ago, Council adopted a fresh approach to looking at its role and services. We began using the concept of wellbeing as our lens for examining what we did. This, in turn, has led to a much sharper focus on the outcomes wanted from our services and how these services are delivered.

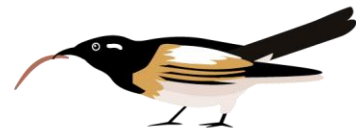
Ōtorohanga is a fabulous district and we want to ensure that everyone who calls this place home is nurtured and enabled to be their best. We want the district to be **dynamic, inclusive** and **unique** - a place **where kiwi can fly** and this means focusing on **people, place** and **partnerships** to achieve the outcomes below:

COMMUNITY OUTCOMES



The community outcomes (what is wanted) are the threads woven through the priorities and activities funded in this long term plan and delivered through our work programmes.





WHAT'S HAPPENED SINCE 2021 ... QUITE A LOT!

GREATER COMMUNITY CONNECTEDNESS AND STRONGER PARTNERSHIPS

We have:

- Realigned our organisation to improve our responsiveness and provide greater community outreach.
 - While delivering the same range of services and maintaining those important assets that make the district tick, today across all our teams there is a much stronger emphasis on outcomes for the needs of people and place
- Worked hard on our relationships and engagement by
 - Building more meaningful relationships with Iwi/Māori and other partners.
 - Putting effort into engaging with our communities on the matters important to them.

BIG ADVANCEMENTS IN PLACEMAKING

We have really moved our placemaking work forward:

- The Ōtorohanga Town Concept Plan was adopted in 2022
- Work is well underway on the Kāwhia, Aotea, Ōpārau Concept Plan and Rural Concept Plan

KEPT OUR COMMUNITIES THRIVING, LIVEABLE AND RESILIENT

We have also been hard at work maintaining and replacing Council's valuable assets and over the last three years this is what we have delivered ...

THREE WATERS

We completed a substantial capital works programme with funding assistance from government (\$2.5M). Some of the bigger projects were:

- Construction of a 500m³ reservoir on Mountain View Road
- Replacement of 1.7 km of watermain on Gradara Avenue
- A feasibility study for an earth dam on Te Raumauku Road to provide additional water storage
- Design of the Ōtorohanga wastewater upgrade
- Laid 2.8 kms of new water main for the Tihiroa Rural Water Scheme
- Removal of asbestos from the Kawhia Water Treatment Plant.

We also undertook an accelerated three waters programme investing \$8 million into capital projects. These projects are completed or nearing completion:

- 2.6 kms of wastewater main renewals
- 5.2 kms of watermain renewals
- 0.6 km of stormwater renewals
- Kawhia Water Treatment Plant filter upgrade
- Tihiroa Rural Water Treatment plant filter upgrade
- Installation of Kāwhia water meters
- Activated carbon introduction at the Ōtorohanga Water Treatment Plant.
- Ōtorohanga Water Treatment Plant filter upgrades
- Harper Ave wastewater upgrade
- Rangitahi Street wastewater upgrade (under construction)
- Two 400m³ reservoirs on Waipā Rural Water Scheme – (under construction).

Council also collaborated with Waipā District Council with a combined water main renewal contract for both districts.





LAND TRANSPORT

In land transport we have undertaken:

- 2.3 kms of road rehabilitation
- 184 kms of resealing
- 2.2 kms of footpath renewals
- 130 culvert replacements
- 163 kms road metalling.

AND ON TOP OF ALL THAT WE HAVE ...

Made improvements to our places and spaces including

- Expanded and upgraded the Ōtorohanga Cemetery
- Provided a new toilet at Windsor Park (under construction)
- Carried out the Te Ara a Waiwaia Riparian Planting project on the Waipā River.

Thought outside the box by:

- Partnering with Ōtorohanga Timber Company to provide a \$4M loan to a local developer to enable a 128-lot subdivision to progress and help keep our community growing
- Lending the Kiwi House funding to support a substantive upgrade and re-establish the facility as major tourist drawcard.

IMPROVED PERFORMANCE

We have lifted the quality of service we deliver through:

- Better information, systems and processes for looking after your assets
- Investing in people and workforce development.

We have also revamped Council's main office:

- Making it more inviting for the community and guests
- Creating work spaces that are more functional and productive and encourage internal collaboration





CONTEXT

TODAY'S CHALLENGES

The major challenges we have had to navigate preparing this long term plan are set out below. These challenges are not unique to our council or the district but they influence how we design and deliver our activities to achieve the community outcomes wanted.

AFFORDABILITY

As New Zealand moves through the remediation phase post Covid and the response to the 2023 cyclonic events, the cost of doing business has increased significantly. New Zealand households are being squeezed and are looking to organizations to contain their spending and rein in increased costs where possible.

To simply maintain current levels of services in this long term plan we have had to navigate inflation, supply and skill shortages, and increased cost passed onto us by those we contract to help deliver our programmes.

TRUST

Internationally and nationally communities are being tested by the ongoing threats to wellbeing from climate change, pandemics and general unrest. This has had a corresponding effect on people's trust in both authority and one another. *As a nation, we need to rebuild trust in institutions and between people¹².*

We consider ourselves very fortunate and we are grateful for the trust placed in us as a Council¹³. We believe this trust is a testament to the additional effort that we have invested in community engagement and relationship building over the past three years.

CLIMATE CHANGE

Weather events since the beginning of 2023 have reminded local and central government of the vulnerability of New Zealand and its communities. While climate change has been a part of our planning and implementation for some time, a more comprehensive organisational approach is needed looking at:

- Consequential impacts on council services
- Risk reduction
- Implications for public and environmental health and safety.

CHANGE AND UNCERTAINTY

Preparation of this long term plan has been difficult and sometimes confusing because of the uncertainty and change in government direction on issues relating to three waters, resource management, land transport and other matters. While needing to factor the government's expected direction into our work programmes, there is considerable uncertainty about all or aspects of these changes leading up to the adoption of the 2024/34 LTP. We also expect this uncertainty to continue until the new coalition government has had a chance to bed in its policies for the management of matters relating to local government. Furthermore, the recent review of local government and the Review Panel's recommendations have been left to lie upon the table awaiting the attention of the coalition government.

NEW AND EMERGING ISSUES

Since the 2021/31 Long Term Plan a number of new and emerging issues have surfaced particularly in relation to housing and health. We potentially have a role to play in these issues but more work and understanding is needed to determine how we can best contribute.

¹² Gluckman, 2023.

¹³ According to the 2023 Annual Residents Survey, 87% of respondents generally trusted Council and of these 61% had high trust or trusted Council most of the time.



YOU'VE TOLD US ...

Leading up to the preparation of this long term plan we held a number of engagement sessions with you in different parts of the district and through different media to hear what you had to say about the future and what's important. This information helps us understand your priorities and how best to work with you. Here's what we heard ...

PEOPLE

- The increased engagement has been great and needs to continue
- Council's trusted but transparency in decision making is important and all opinions need to be heard
- Be more visible
- Improve the service request system

PLACE

- Road maintenance, access and road safety continue to be a priority.
- Facilities need to be flexible, able to be used for multi purposes and cater for changing demands.
- Actions that care for and ensure ongoing access to our environment, in particular our moana and awa are supported.

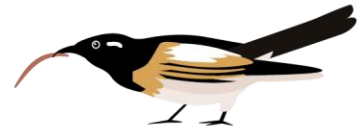
PARTNERSHIPS

Our partners say that relationships with iwi/hapu and marae are better:

- We're providing more relevant information
- Relationships are more meaningful.

And ... there's still room for improvement.

Other relationships are progressing and there is value in maintaining ongoing relationships with key organisations in the district.

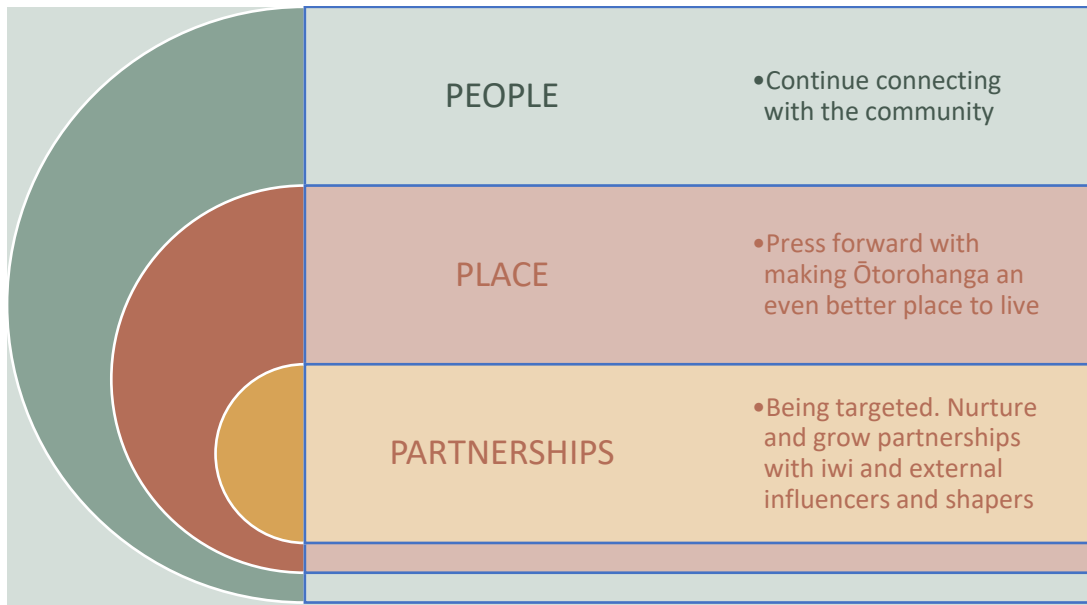


OUR APPROACH FOR 2024/34

Mindful of the challenges we and other councils currently face, we've used what you've told us to help us shape both the approach (tactics) taken in this long term plan and the key themes woven through our infrastructure and financial strategies, and the activities presented in this plan.

TACTICS

The tactics we are applying in this long term plan to progress the community outcomes for people, place and partnerships are set out below.



You'll see these tactics applied across all of our groups of activities.

THEMES

When we reviewed our activities for the long term plan we asked ourselves whether what we were planning was resilient, sustainable and transformational.

	BY THIS WE MEAN ...
RESILIENT	<ul style="list-style-type: none"> • Continue to provide leadership that builds trust and confidence for social resilience. • Embed climate adaptation and mitigation practices into the way we work and: <ul style="list-style-type: none"> – Actively seek to reduce risks – Build back better where possible.
SUSTAINABLE	<ul style="list-style-type: none"> • Adopting environmental protection and restoration practices when carrying out our work • Having and implementing a plan to reduce our emissions • Implementing better waste management to contribute to the national goal of a circular economy.
TRANSFORMATIONAL	<ul style="list-style-type: none"> • Continuing to improve delivery • Make sure the district and the organisation are well positioned for the future.



These themes are not new for us and were a part of the approach we took when we developed our last long term plan. What we have done in this long term plan is continue to build these themes into our activities enabling us as an organisation to develop and improve our services to the community.

WHAT OUR INFRASTRUCTURE STRATEGY SAYS ...

ABOUT THE STRATEGY¹⁴

The Infrastructure Strategy sets out Council's high level direction for provision of water supply, wastewater, stormwater, flood protection, road and footpath assets over the next 30 years. At this stage the Infrastructure Strategy does not include community facilities such as halls, toilets, swimming pools and other council property - this is something we're working on. Specifically, the Infrastructure Strategy outlines:

- How we intend to manage our key infrastructure assets, including having regard to matters such as when these assets need to be renewed or replaced
- How we intend to respond to growth or decline in demand for services
- How we plan for increases or decreases in levels of services
- Other matters, such as the need to improve public health or environmental outcomes (or mitigate adverse effects on them) and to manage risks from natural hazards.

OUR APPROACH

In 2021, Council changed its approach to infrastructure management shifting from a 'do minimum' to a 'sound management' approach which means **making the best decisions in the long-term interests of our communities**. Our reasons for adopting a 'sound management' approach were:

1. The district had moved into a period of growth, after several decades of static or declining population and services needed to be expanded to cater for the growth.
2. Council had commissioned an external assessment (CouncilMARK) of the organization. The independent assessors described Council's water services infrastructure as a key risk, recommending significant investment over the next ten to fifteen years to meet regulatory thresholds and service level expectations of the community. The priority was to create **resilience** and place the district in the best possible position for future challenges around water security, climate change and central government reforms.

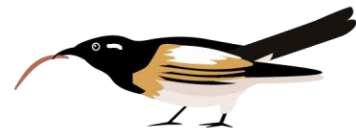
We are continuing to take a 'sound management' approach in this long term plan.

SOUND MANAGEMENT ... WHAT IT MEANS FOR 2024/34

We are committed in this long term plan are to **pressing forward with making Ōtorohanga an even better place to live**. The 'sound management' approach we are applying to our different classes of infrastructure for the next three to 10 years is summarised below. Any immediate issues we are addressing are also highlighted.

ASSET	OUR APPROACH ...
ROADING	<p>Costs for land transport have increased significantly since the 2021/31 long term plan. However, we are continuing to focus on keeping up with maintenance and renewals with no significant new projects planned within the next three to 10 years.</p> <p>Resilience of the network is critical for community wellbeing. Climate change and other extremes are considered whenever assets are renewed, replaced or new assets planned, and proposed work programmes already account for this (eg. culvert replacement). Consideration is also being given to increasing the resilience of the network in areas prone to slips and drop-outs to ensure the risk of any significant disruption to access is minimised.</p> <p>Affordability is an issue and seal extensions remain cost prohibitive at this time.</p>

¹⁴ For a full copy of the Infrastructure Strategy refer to pages **XX-XX**



THREE WATERS

In 2021 we embarked on an accelerated programme of infrastructure upgrades for wastewater, water supply and stormwater focussing on compliance, **resilience**, network optimisation and growth. This work was paid for using a combination of debt and government funding. The majority of this work is now largely complete and has been hugely important for the district. It has enabled us to catch-up on renewing assets that are worn out and increase the network's capacity giving us some head room for growth. It means that in this long term plan we can prioritise our ongoing maintenance and renewals to ensure the system is reliable and fit for purpose.

New drinking water rules and standards came into effect in November 2022. The standards require all suppliers (public and private) to manage risks and protect drinking water supplies from contamination using a multi-barrier approach. Our rural water scheme at Arohena does not comply with the new standards. Although available for drinking water, albeit with a permanent boil water notice, the scheme is primarily used for stock watering and agricultural purposes. Previous estimates to bring the scheme up to compliance were in excess of \$2M. Our intention is to talk to the government about the appropriateness of these sorts of measures for remote rural schemes which are primarily for used agriculture.

We're experiencing significant levels of unaccounted water loss across the Ōtorohanga urban area. To help bolster the **sustainability** of the network we've made provision in 2024/25 for leak detection for both Ōtorohanga Community and Waipā Rural Water Scheme (RWS).

Planning for the three waters continues to be uncertain as we await more detail on the government's proposals for Local Water Done Well and changes to the National Policy Statement for Freshwater Management (NPSFM). Once details are made public, we will use the channels we have available nationally and regionally to participate in the discussions on your behalf to help ensure that the government's proposals are **sustainable** and workable at the local level.

Over the next 3 years our approach will be to continue with a standard renewal programme for our three waters assets while remaining agile and making adjustments once the details of the government's policy is better known.

FLOOD PROTECTION

The district's flood protection assets include the Ōtorohanga Flood Protection Scheme (ŌFPS) and coastal structures located in Kāwhia and Aotea harbours¹⁵.

In recent years we've invested significantly in the ŌFPS replacing/relining all 3 outflow pipes and rebuilding several of the major flood pumps. Over the next 10 years we'll be keeping up our regular maintenance programme to ensure we're in good shape to cope with any event that might occur.

The ŌFPS assets have a dual role - flood protection and the provision of recreation spaces. Contributing to the overall **vibrancy** of the Ōtorohanga community we're looking to further enhance the amenity values of these assets while noting that this comes at an increased cost for Council as mowing, planting and other enhancements are not eligible for funding from the Project Watershed rate collected by Waikato Regional Council which is only for flood control purposes.

¹⁵ Coastal structures comprise a mix of coastal defences (eg. seawalls) protecting property from coastal erosion and facilities providing water access.



We're working toward resource consent renewals for coastal structures in both Aotea and Kāwhia harbours. An application is underway for the Aotea seawall and consents for the various structures that makeup the Kāwhia coastal defences are due for renewal in 2029. Improvements to the structures may be necessary as a part of the renewal process for both Aotea and Kāwhia but the extent of any work required is still to be determined. Government funding (\$730k) has been secured for Kāwhia to carry out condition assessments of the various structures and associated maintenance that will be needed as part of the consent renewal process.

ON THE HORIZON

There are two main areas we've not made specific provision for in the Infrastructure Strategy:

1. Kāwhia wastewater
2. Unanticipated costs associated with consent renewals.

Work was started in 2022 and is ongoing assessing the need for a wastewater scheme in Kāwhia. While indicating a high public and environmental health risk associated with continued use of septic tanks, testing so far has not shown any measurable impact on harbour water quality. We acknowledge the desirability and value of a community wastewater scheme in Kāwhia but it must be affordable and this can only be achieved with substantial external/government funding. Unless funding is secured, we will not commit to a new community wastewater scheme but we will continue to monitor septic tank performance and impacts.

Current and pending resource consent renewal processes are being worked through for:

- Stormwater (Ōtorohanga and Kāwhia)
- Coastal structures (Aotea and Kāwhia)
- Water supply (Tihiroa RWS Scheme and Ōtorohanga Water Treatment Plant - discharge water).

Budget provision has been made for the renewal processes and, in some instances, a degree of maintenance to meet any new consent conditions. While not anticipating increases at this stage, compliance with any new consent conditions may add extra costs to the delivery these services. Should this occur, these matters will be worked through as part of the consent process and any significant changes would be subject to engagement and consultation with those affected and factored into future long term plans.

WHAT OUR FINANCIAL STRATEGY SAYS ...

ABOUT THE STRATEGY¹⁶

The Financial Strategy sets out information to help you assess the impact of Council's decisions on your community. It includes both a forecast of things that could have a financial effect on us such as building a new asset like a water treatment plant or changes in population or land use creating the need for additional services. Also included in the Strategy are the financial limits in which we intend to operate within for rate increases and borrowing.

The Financial Strategy goes hand in hand with our Infrastructure Strategy in spelling out how we intend paying for our infrastructure assets over the life of the long term plan and beyond. Our intention by making this information available to you is to provide the transparency needed for you to see why we are making particular decisions.

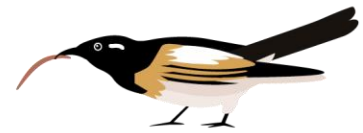
OUR APPROACH

We have three financial goals that we are applying to the services proposed in this long term plan:

- Deliver value for residents, both current and future
- Use debt as a tool for intergenerational equity while retaining borrowing headroom
- Be good custodians of community assets.

¹⁶

For a full copy of the Financial Strategy refer to pages **XX-XX**

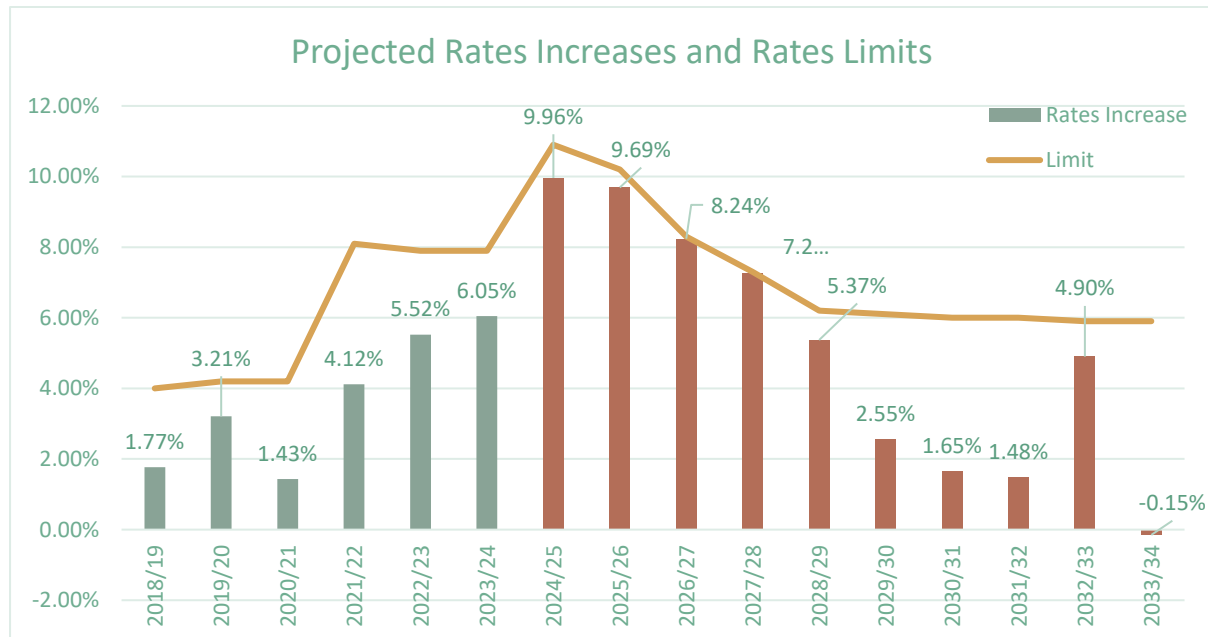


KEY FINANCIAL DECISIONS

We see our job in the next 10 years as keeping investing in our district assets and maintaining current levels of service. However, to do this we need to increase the financial limits we set for rates. While we are not proposing the construction of any new infrastructure or major renewals of existing infrastructure over the life of this long term plan, rates do need to rise just to keep up with the increased costs of delivery.

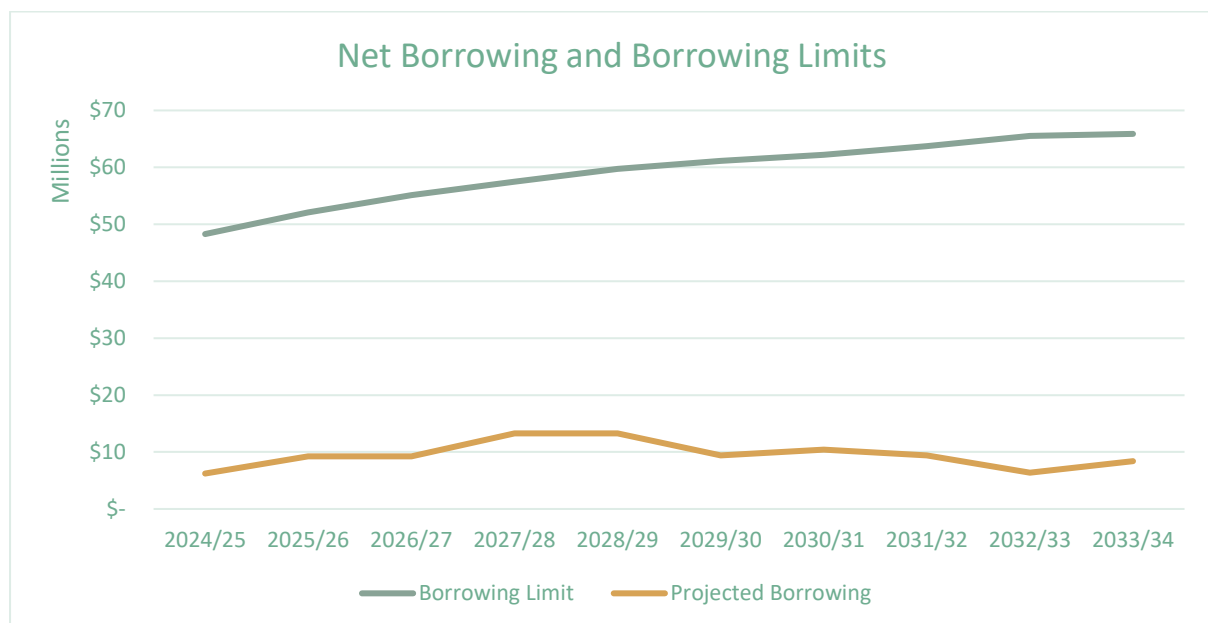
Rates Increase Limit

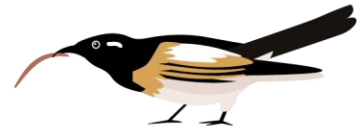
Rates are the main source of income for our activities, but we also try to maximise funding from other sources as well, including the Government. We are proposing that our rates revenue be capped at the following levels over the ten years of the long term plan:



Borrowing Limits

We're not planning to change our borrowing limits in this plan. Our limits will continue to be calculated as 175% of total income each year. This means that in 2024/25, the cap will be approximately \$48 million, increasing over the ten years of the plan to \$66 million in 2033/34.





While proposing to keep our debt low, we have capacity to borrow if needed.

KEY ASSUMPTIONS

Planning involves making assumptions about the future which may or may not hold true. Here are the key assumptions we have made when we put together our activities and budgets:



KIA MAU TĀTOU KI TE ARA

This long term plan is about keeping to the path we have woven with you, staying connected and doing the basics well to support and honour our people, place and partnerships ... *It's 'steady as she goes'.*