



# LONG TERM PLAN 2018-28



South  
Waikato  
District  
Council



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## 1. INTRODUCTION

### He hupu whakataki

Council's Long Term Plan 2018-28 (LTP) is our ten year strategic plan detailing activities and services, the issues facing our district and how we intend to address those issues. This document highlights the key projects, major issues and important financial information.

### 1.1. Message from the Mayor and Chief Executive

The South Waikato District is at a major crossroads. After many years of declining population and a rates burden falling on fewer residents, we have seen over the past three years the district's population growing and businesses considering moving to set up in our towns.

In the face of required investment in our infrastructure and increasing regulatory and compliance costs; Council faced the very tough decision of not supporting this growth and keeping rates at a low level, or alternatively investing in our district with initiatives that will allow growth to occur and stimulate the economy. Council had to ask itself "what is the right thing to do for the good of the district in the long term?"

Council has chosen to be positive and grab the opportunity in front of us while considering affordability as much as possible. Council believes that the increasing rate payer base, the jobs and money that will come into the district and the investment into our facilities and infrastructure will make our district more resilient and sustainable with better long term services and opportunities for our residents.

Through comprehensive workshops and meetings, many people in our community have already been involved in shaping this LTP.

Council is aware of the financial pressures facing many within our community and we have tried to balance keeping rates affordable with delivering essential services, addressing the issues we are facing and funding what we have to do. This has still resulted in higher rate increases than we've had in previous years.

The proposed average rates revenue increase for next year (2018-19) is 7.7% and for 2019-20 it is 8.9%. The proposed average rates increase over the ten years of the LTP is 4.8% per year. The plan gives Council the ability to provide and maintain existing levels of service and meet additional demands for services within financial limits of the budget.

#### The big issues

The big issues facing our community over the next ten years are:

- Growth in residential housing demand and the resulting need to make more residential sections available
- Our environment and healthy rivers
- District image and job creation
- Solid waste management and minimisation
- Other Council infrastructure, buildings and operations.

Unfortunately, there are no simple solutions. We need to work together as a community to address the big issues as Council cannot do it on its own.

Significant funding has been budgeted to help work on the opportunities and challenges of growth and to complete the infrastructure upgrades that now face our district. Historically we have spent a long time just maintaining our district and minimising rates but now we are faced with the opportunities and challenges that growth brings as people want to come to live in our district. We need to embrace development but it costs money.

Council has developed three new outcomes to help achieve our vision of 'Healthy people thriving in a safe, vibrant and sustainable community'.

- Growth - Activities and strategies that facilitate sustainable economic growth and lift community pride.
- Resilience - A resilient district with good infrastructure, services, a sound financial position, rates affordability and a healthy environment that has the ability to anticipate, resist, respond to and recover from significant change or events.
- Relationships - Strong relationships with Iwi and Māori, Pacific Peoples and community and business groups that can achieve growth and a resilient community.

### District Revaluations

As a result of the demand on property from a growing population, property values are rising significantly. District property revaluations completed as at June 2018 will impact rates occurring in 2019-20. The forecast estimate for valuation increases since the 2015 valuation is 67% for residential properties and 35% for lifestyle, with minimal changes for rural. This will have a large impact on how rates are spread between urban and other ratepayers. For example the rates on a residential property with 2015 valuation of \$136,000 will have a 6.3% increase in rates as a result of district valuation changes. The effect of this has been reduced by the change in the UAGC percentage from 29.9% to 25%. This is in addition to an average increase in rates revenue for 2019-20 of 8.9% so it has a major impact especially on higher value properties.



Jenny Shattock QSM JP  
**MAYOR**  
28 June 2018



Craig Hobbs  
**CHIEF EXECUTIVE**  
28 June 2018

## 1.2. What is the Long Term Plan?

The Long Term Plan is a ten year strategic document which describes the activities and services Council intends to deliver from 2018 to 2028 and how Council plans to fund them. This is where you can find out how much it costs to run the district and how your rates will be spent for the next ten years. The plan highlights what Council is going to do to make our district a better place to live and work.

The plan also describes our levels of service, financial strategy, infrastructure strategy, the supporting financial information, capital projects and operational activities and how we will measure our performance.

### **1.3. Auditors Opinion**







## 1.4. Your Council



Councillors from left to right back row: Jeff Gash (Deputy Mayor), William (Bill) Machen, Marin Glucina, Peter Schulte, Gray Baldwin and Herman Van Rooijen

Left to right front row: Wendy Cook, Adrienne Bell, Jenny Shattock (Mayor) and Arama Ngapo-Lipscombe

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