



LONG-TERM PLAN 2024

ADOPTION - 26 JUNE 2024

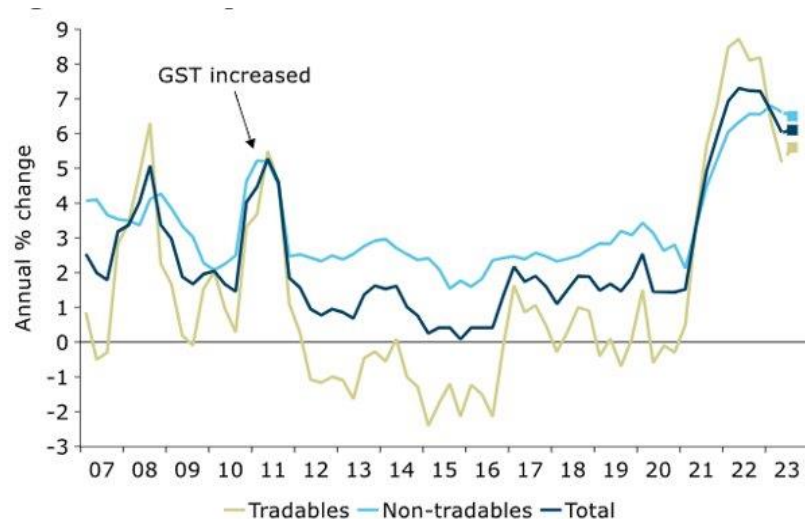


**ROTORUA
LAKES COUNCIL**

CONTEXT

One of the most difficult LTPs ever

- Uncertainty on Local Government and 3 waters reform
- Regulatory and compliance pressure continue to increase
- Contractor and Labour shortages
- Higher interest rate environment
- Annual inflation still tracking above 6% - impacting both opex and capex



Source: Stats NZ, Macrobond, ANZ Research



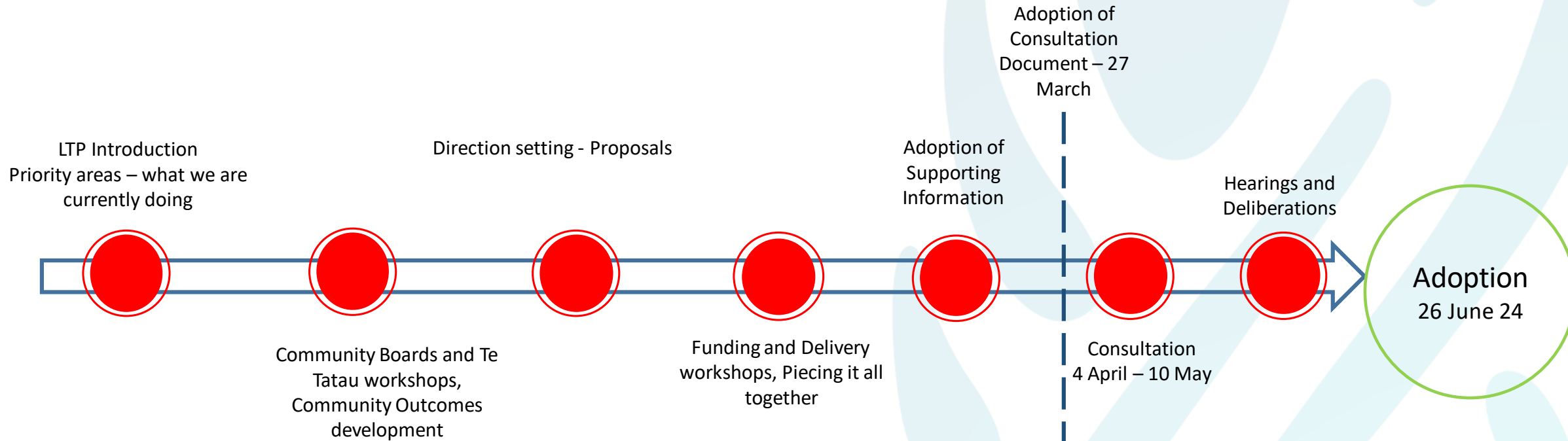
ROTORUA
LAKES COUNCIL

Challenges

- Inflation and interest rates
- Resilience of service provision
- Reputation of Rotorua
- Resilience of Infrastructure
- Climate change



LTP DEVELOPMENT



LTP development journey










- 7 September 2023 - **LTP 2024** – Introduction and setting the context for a financial framework
- 8 September 2023 - **LTP 2024** – Council priority area – Economy and Housing
- 14 September 2023 - **LTP 2024** – Council priority area – Infrastructure
- 21 September 2023 - **LTP 2024** – Priority direction for the next 10 years
- 3 October 2023 - **Te Tatau o Te Arawa Board** and RLC Councillor discussions on **Te Arawa Vision 2050** and RLC LTP 2024-34
- 9 October 2023 - **Joint Community Board Workshop - LTP 2024-2034**
- 17 October 2023 - **LTP 2024 – 2034 – Project Proposals**
- 18 October 2023 - **LTP 2024 – 2034 – Project Proposals**
- 25 October 2023 - **LTP 2024 – 2034 – Project Proposals**
- 21 November 2023 - **Funding and delivery Pt 1 – The Financial Strategy, Capex programme and what it will cost to fund council services**
- 11 December 2023 - **Funding and Delivery Pt 2 – Rating Framework**
- 15 December 2023- **Piecing it together**
- 28 February 2024 – **Capital Funding programme**
- 13 March 2024 – **Development Contributions Policy**

14 Workshops



Community outcomes

Outcomes will focus delivery in key areas the Council wants to focus on

| | | |
|--|---|--|
| <p>Kua Tūhonotia, Kua Pakari Hoki</p>  <p>CONNECTED AND RESILIENT</p> | <p>Ngā Take Mahi Me Te Taiōhanga</p>  <p>EMPLOYMENT AND ECONOMY</p> | <p>Ngā Mahi Tūruhi</p>  <p>TOURISM</p> |
| <p>Ngā Take Whare</p>  <p>HOUSING</p> | <p>Ngā Mahi a Te Rēhia</p>  <p>ACTIVE</p> | <p>Mauri Taiao</p>  <p>ENVIRONMENT</p> |
| <p>Haumarutanga</p>  <p>SAFETY</p> | <p>Ngā Wawata o Te Tangata Whenua</p>  <p>MANA WHENUA/TĀNGATA WHENUA ASPIRATIONS</p> | <p>Ngā Mahi Toi, Ahurea Hoki</p>  <p>ARTS AND CULTURE</p> |

FINANCIAL STRATEGY

Council's financial strategy aims to deliver the following:

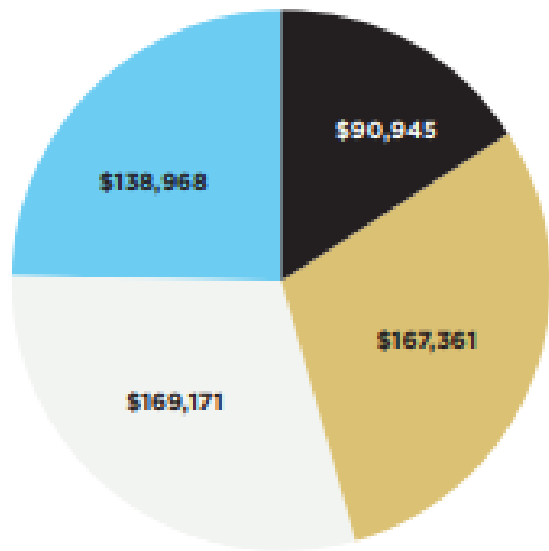
- ❖ **Maintaining existing infrastructure** so it is fit for purpose now and into the future
- ❖ Providing infrastructure to **accommodate a growing district**
- ❖ Investing in the future of the district to **deliver community outcomes**
- ❖ Being **good stewards** of our assets
- ❖ Balancing delivery with **affordability**
- ❖ **Prudent use of debt** to support infrastructure and growth
- ❖ Managing debt



INFRASTRUCTURE STRATEGY

\$566m invested over 10 years across the 4 key activities

Ten year Capital Infrastructure Investment ('000)



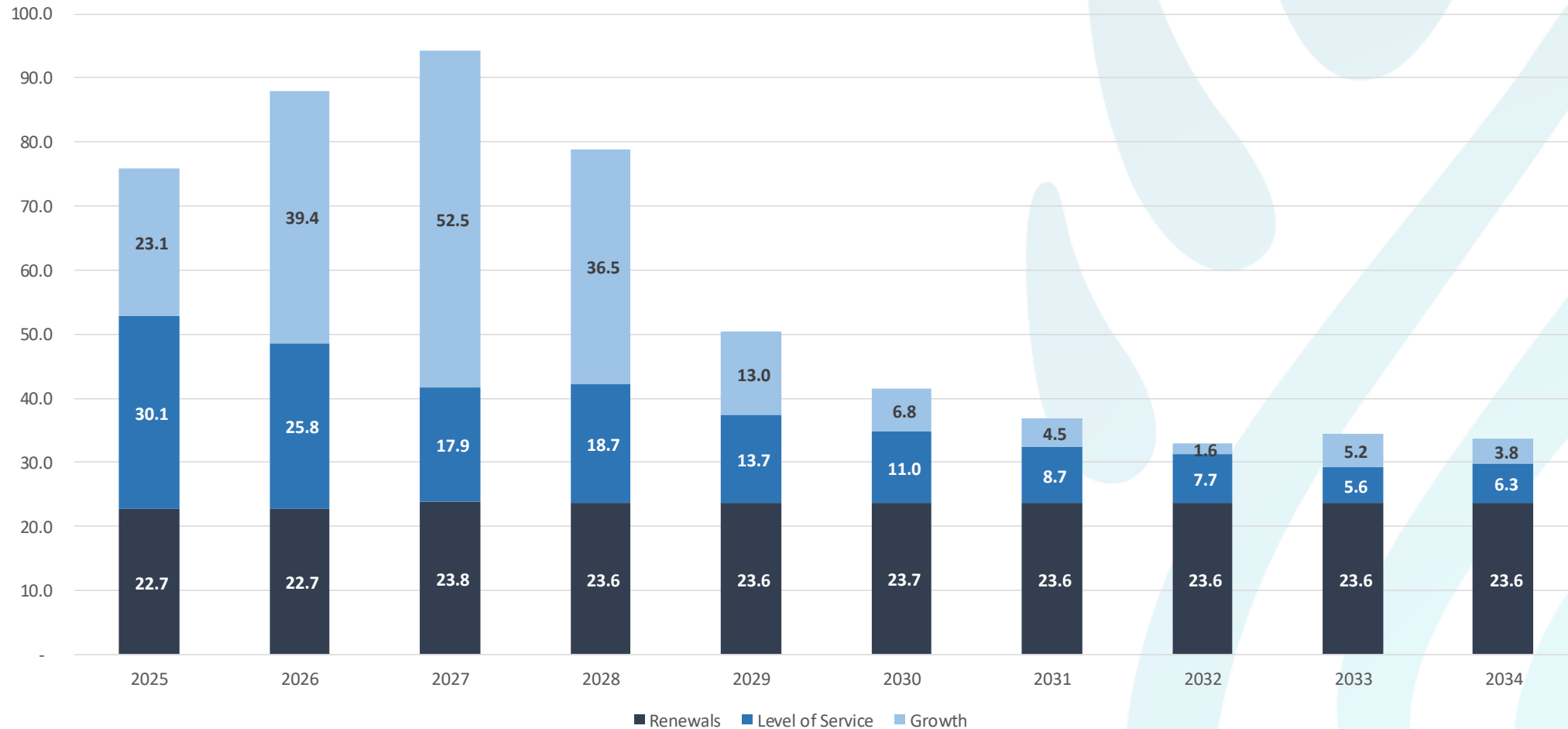
■ Water Supplies ■ Waste Water ■ Stormwater ■ Transport Infrastructure

| 2021-2031 | |
|-------------------------------|--------|
| Waste water | \$163m |
| Transportation Infrastructure | \$124m |
| Storm water | \$75m |
| Water supplies | \$51m |

| 2024-2034 | |
|-------------------------------|--------|
| Waste water | \$167m |
| Transportation Infrastructure | \$139m |
| Storm water | \$169m |
| Water supplies | \$91m |

INFRASTRUCTURE STRATEGY

Consistent investment in renewing assets, delivered improvements in service and growth demand flexibility



CONSULTATION

- Community outcomes
- East Rotoiti/Rotoma
- Short term accommodation
- RotoruaNZ funding
- Inner city revitalisation revitalisation – stage 3
- Aquatic Centre
- Inner city skatepark
- Pensioner housing
- Community Funding
- Community Boards – Devolved funding
- Tarawera sewerage scheme
- Lakes Infrastructure enhancements
- Transportation infrastructure
- Vacant land remission on services
- Other feedback



What the community said

Council consulted with the district 3 April to 10 May 2024

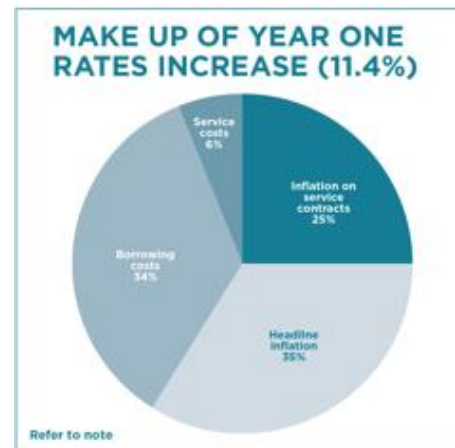
| | | |
|---|--|---|
| 4,658 Unique visitors to LTP website homepage | 240 Downloads of full or part of the consultation document | 193 individuals presented |
| 8,689 page views on LTP website | 387 requests to make an oral submission | 1474 submissions (differentiated by individuals and organisations) |
| 32 hours of hearings | 7 young people events | 27 total engagement events |

Plan at a glance

Total investment
over **10** yrs
\$2.4 billion



\$1.92
BILLION
funded by rates

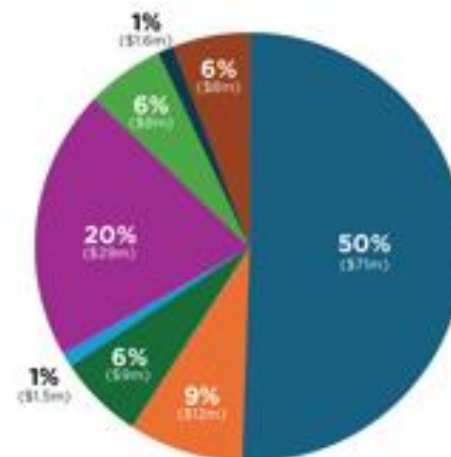


Average rates increase Year 1
11.4%

5.7%
average rates increase across 10 years

Peak debt: **\$574M***
Debt by 2034: **\$540M**

*This is the highest our debt will get and will happen at the top of our investment cycle, in year 2028/29.



Year 1 Rates by rating type

- General Rates
- Uniform Annual General Rate
- Business and Economic Development Rate
- Lakes Enhancement Rate
- Sewerage Disposal Rate
- Waste Collection Rate
- Sewerage Capital Scheme Rate (Including Rotoit/Rotoma)
- Water Rate

10 YEAR DEBT PROFILE

