

Report To: Council



Meeting Date: 24 March 2026

Subject: **Adoption of the Consultation Document and the Supporting Information for the 2026-27 Draft Annual Plan**

Type: Decision Required

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1 Purpose of Report

- 1.1 The purpose of this business paper is to present to Council, for consideration and adoption for public consultation, the Consultation Document (CD) for the Draft Annual Plan (dAP) 2026-27 and proposed Fees and Charges 2026-27.
- 1.2 The supporting information which provides further detail to the consultation is also presented for consideration.

2 Suggested Resolutions

- 2.1 The following are suggested resolutions only and do not represent Council policy until such time as they are adopted by formal resolution.
 - 1 The business paper on Adoption of the Consultation Document and the Supporting Information for the 2026-27 Draft Annual Plan be received.
 - 2 The following supporting information for the 2026-27 Draft Annual Plan be adopted for public consultation:
 - (a) Prospective Statement of Funding Sources
 - (b) Prospective Whole of Council Funding Impact Statement
 - (c) Summary Prospective Financial Statements
 - (d) Financial Reporting and Prudence Benchmarks
 - (e) Rating Examples
 - (f) Draft Revenue and Financing Policy 2026
 - (g) Draft Significance and Engagement Policy 2026
 - (h) Draft Policy on Appointment of Directors to Council Controlled Organisations 2026
 - 3 The Proposed Fees and Charges for 2026-27 Draft Annual Plan be adopted for public consultation.
 - 4 The Consultation Document for the 2026-27 Draft Annual Plan be adopted for public consultation.
 - 5 The Chief Executive be delegated authority to make any final editorial amendments to the Consultation Document and the supporting information, if required, prior to commencement of the consultation period.

3 Background

- 3.1 The Local Government Act 2002 (LGA) requires local authorities to prepare and adopt an Annual Plan (AP) for each financial year.

- 3.2 The purpose of the AP, as defined by the section 95 of the LGA is to:
- a) contain the proposed annual budget and funding impact statement for the year to which the annual plan relates; and
 - b) identify any variation from the financial statements and funding impact statement included in the local authority's long-term plan in respect of the year; and
 - c) provide integrated decision making and co-ordination of the resources of the local authority; and
 - d) contribute to the accountability of the local authority to the community.
- 3.3 The AP must be adopted before the commencement of the year which it relates to (s95(3) LGA)).
- 3.4 An AP is an exceptions focused document, which addresses any changes between the Long Term Plan (LTP) and the proposed Annual Plan. Consultation on the AP is only required where there are 'significant or material differences from the content of the LTP for the financial year to which the proposed annual plan relates to.'
- 3.5 The level of 'significance' and 'materiality' is determined by assessing any change/proposal against Council's Significance and Engagement Policy and the definitions in the LGA.
- 3.6 The purpose of the consultation document under section 82A(3) of the LGA is to provide a basis for effective public participation in the decision-making processes relating to the activities to be undertaken by a local authority in the coming year, and the effects of those activities on costs and funding, as proposed for inclusion in the annual plan, by—
- a) identifying significant or material differences between the proposed annual plan and the content of the long-term plan for the financial year to which the annual plan relates; and
 - b) explaining the matters in paragraph (a) in a way that can be readily understood by interested or affected people; and
 - c) informing discussions between the local authority and its communities about the matters in paragraph (a).
- 3.7 The supporting information needs to be included by providing links or references to Councils Internet site. The documents are included as attachments to this business paper. Council has elected to consult on the dAP using the special consultative procedure under section 83 of the LGA.

4 Commentary

4.1 CONSULTATION DOCUMENT

- 4.2 The CD outlines the consultation proposal, where the Council is asking for community feedback before making a final decision. The proposal includes options and general feedback questions on the proposed changes.
- 4.3 In deciding what should be included in the CD, Council considered the requirements under its Significance and Engagement Policy.
- 4.4 There are some additional documents included as supporting information that provide further financial and policy information. These are included so that the community can understand the impact of the proposed changes and provide feedback should they wish to.
- 4.5 The Council considered the draft CD at workshops held on 24 February and 10 March 2026. Feedback from the workshops is updated in the final draft CD enclosed as **Separate Enclosure 1**.

4.6 **CONSULTATION TOPICS**

4.7 **Awakino Transfer Station – Relocation - Consult**

4.8 This is a proposal to relocate the Awakino Transfer Station to the Inframax Construction Ltd depot site in Mokau. The proposal has two options –

- Option 1 (preferred) - Move transfer station to Mokau
- Option 2 - Keep transfer station at Awakino

4.9 **Districtwide Subsidies – Inform**

4.10 Currently there are districtwide subsidies for water supply, wastewater and trade waste. For the current financial year Council made the decision during the previous AP process to reduce the districtwide subsidies with the intention of further reductions/removal prior to the waters transition.

4.11 Council is proposing to remove all the remaining districtwide rates for water and wastewater charged to all rating units in the district for 2026/27. This includes drinking water supply, wastewater, trade waste rates. The impact will vary for properties with one or both water and wastewater services.

4.12 **Stormwater Improvements - Inform**

4.13 Council has invested in stormwater model that allows us to see what impact different improvements have during rain and flooding events. The model allows us to compare different approaches under different scenarios. The investments made so far have improved the stormwater network's ability to cope with storm events.

4.14 **Water Services Transition - Inform**

4.15 Waitomo District Council (WDC) will transition responsibility for the delivery of water supply and wastewater activities to Waikato Waters Limited (WWL) on 1 July 2026.

4.16 There are some minor amendments required to three Council policies which form part of the supporting information.

- Revenue and Financing Policy
- Significance and Engagement Policy
- Appointment of Directors to CCOs Policy

4.17 **Waitomo District Landfill and Sludge Removal – Inform**

4.18 Waste volumes into our landfill have continued to drop over the past few years and are likely to keep dropping. Domestic waste is reducing, however much of our waste comes from commercial companies or from out of district, a significant proportion of this waste stream has now stopped coming to our landfill.

4.19 Council made the decision to transport waste out of the district last AP. The timing of this has now been confirmed that from July 2026 the waste will be transported to Hampton Downs landfill, and our landfill will be capped and mothballed. This means that if transport and disposal fees get too high, we could still decide to expand and open the new landfill 'cell', under the new resource consent.

4.20 **Change to Piopio Retirement Village remission funding – Inform**

4.21 Piopio Retirement Village receives annual rates remission for water, wastewater and solid waste to support the trust in the continued delivery of elderly housing accommodation services. This means that currently Piopio retirement village pay reduced rates funded by the ratepayers in the wider Piopio area.

4.22 The proposed change is to fund the Piopio Retirement Village rate remission through the General Rate/UAGC to align with all other remission categories rather than a separate targeted rate for the Piopio area. There is no change proposed to the amount funded.

4.23 **Policies Update - Inform**

4.24 Council is consulting on the following policies - Draft Revenue and Financing Policy 2026, Draft Significance and Engagement Policy 2026 and Draft Policy on Appointment of Directors to Council Controlled Organisations 2026.

4.25 **Proposed Fees and charges 2026-27 – Consult**

4.26 To ensure cost recovery through fees and charges an inflationary amount is applied annually. The most significant changes are:

- Changes to water and wastewater fees
- Te Kuiti Transfer Station and rubbish bags
- Alcohol Licensing as consulted with the Alcohol Fee Bylaw last year.
- Hireage Les Munro Centre

Topic	Consult/Inform
1. Awakino Transfer Station – Relocation	Consult
2. Districtwide Subsidies	Inform
3. Stormwater Improvements	Inform
4. Water Services Transition	Inform
5. Waitomo District Landfill	Inform
6. Change to Piopio Retirement Village remission funding	Inform
7. Policy Updates	Inform
8. Proposed Fees and charges 2026-27	Consult

4.27 In addition to the consultation topics, the CD contains a focus on:

- **Rates Increase:** The increase in rates revenue excluding water and wastewater, is 2.88% (WDC rates). The increase in rates revenue including water and wastewater, is 3.79%.
- **Rates Affordability:** Use of the UAGC (Uniform Annual General Charge) and retaining rate proportions.
- **Debt Reduction:** At the completion of the transfer of the associated water and wastewater debt to Waikato Waters Limited, WDC debt is estimated to be under \$10 million.
- **Key Project Updates:** Roading repairs, improvements to stormwater, WDC District Plan Review.

4.28 The consultation period will run from Monday 30 March to Thursday 30 April 2026. The key information/messages will be communicated to the community through a notice in the newspaper then promoted via social media and will be available on the website.

4.29 Printed copies of the CD will be made available at key locations:

- Customer Services and Visitor Hub, 160 Rora Street, Te Kūiti
- Waitomo District Library, 28 Taupiri Street, Te Kūiti
- Waitomo District Council Main Office, 15 Queen Street, Te Kūiti
- PGG Wrightson, 58 Moa Street, Piopio
- Whitebait Inn, 55 North Street, Mokau
- Location to be confirmed, Maniaiti/Benneydale
- Waitomo Caves Discovery Museum, 21 Waitomo Village Road, Waitomo
- Marokopa Transfer Station, Marokopa Road

4.30 **SUPPORTING INFORMATION**

4.31 The Supporting Information that the CD relies upon is enclosed separately and is listed below:

- (a) Prospective Statement of Funding Sources
- (b) Prospective Whole of Council Funding Impact Statement
- (c) Summary Prospective Financial Statements
- (d) Financial Reporting and Prudence Benchmarks
- (e) Rating examples
- (f) Draft Revenue and Financing Policy 2026
- (g) Draft Significance and Engagement Policy 2026
- (h) Draft Policy on Appointment of Directors to Council Controlled Organisations 2026

4.32 Proposed Fees and Charges Schedule 2026-27 is enclosed as **Separate Enclosure 3**.

4.33 Additional links provided on the website will be the Rates Calculator where the public can input their property details to find the 2026-27 estimated rates for that residence.

4.34 **KEY DATES**

Key Milestone	Timeframe
Adoption of CD and supporting information	24 March 2026 (Council meeting)
Community Consultation (1 month)	30 March – 30 April 2026
Hearings	12-13 May 2026
Deliberations	26 May 2026
Adoption of AP	30 June 2026 (Council meeting)

5 Analysis of Options

5.1 Option 1: Council adopts the Consultation Document for the 2026-27 Draft Annual Plan for Public Consultation using the Special Consultative Procedure (recommended).

5.2 Option 2: Council does not adopt the Consultation Document for the 2026-27 Draft Annual Plan for Public Consultation.

6 Considerations

6.1 **RISK**

6.2 There is no risk associated with the preferred option 1. Council has considered the material and significance of the changes as a whole as individually they do not trigger the requirement for consultation.

6.3 **CONSISTENCY WITH EXISTING PLANS AND POLICIES**

6.4 The Consultation Document is consistent with Council's direction, existing plans and policies.

6.5 **SIGNIFICANCE AND COMMUNITY VIEWS**

6.6 An assessment under Council's Significance and Engagement Policy was undertaken and Council considers that consultation should be undertaken in accordance with the Special Consultative Procedure under LGA.

7 Attachments/ Separate Enclosures

Separate Enclosures:

- 1 Draft Consultation Document Annual Plan 2026-27 (Doc #957397)
- 2 Supporting Information (Doc #857116):
 - (a) Prospective Statement of Funding Sources
 - (b) Prospective Whole of Council Funding Impact Statement
 - (c) Summary Prospective Financial Statements
 - (d) Financial Reporting and Prudence Benchmarks
 - (e) Rating examples
 - (f) Draft Revenue and Financing Policy 2026
 - (g) Draft Significance and Engagement Policy 2026
 - (h) Draft Policy on Appointment of Directors to Council Controlled Organisations 2026
- 3 Proposed Fees and Charges Schedule 2026-2027 (Doc # 952593 V1.0.6)