

PROPOSED ANNUAL PLAN

2025/26

CONSULTATION
DOCUMENT

You have until
**Thursday
15 May 2025**
to have
your say!



WHAT IS AN ANNUAL PLAN?

An Annual Plan outlines the activities, services, and capital projects we will deliver and how we will fund them, including the required rates. It also highlights any key changes from the Long Term Plan for the year.

This Draft Annual Plan covers the second

financial year of the Long Term Plan, from 1 July 2025 to 30 June 2026. It is based on the goals set in the Long Term Plan but may include updates to reflect any necessary changes.

WHY ARE WE CONSULTING?

This Annual Plan outlines what the Council will be doing next year, particularly where changes have been made from the Long Term Plan—one key difference being our approach to footpaths, which is our only consultation item.

We also want to inform you of our progress on several key projects outlined in the Long Term Plan. Your feedback is important—every submission is considered in our final decisions. We encourage you to get involved, have your say, and help shape the future of our district.

WE WANT YOUR FEEDBACK

You can make submissions from Monday 14 April until 11.59pm on Thursday 15 May 2025. See page 9 for a list of the ways you can have your say.

THE PLANNING PROCESS

We are now in the first year of the Long Term Plan, where we must confirm the necessary investments to achieve our planned outcomes for the next financial year (1 July 2025 – 30 June 2026).

To support these outcomes, we have identified key projects, set the corresponding budgets, and determined the rates required for Year 2 of the LTP. The Annual Plan ensures we stay on track while making any necessary adjustments along the way.

What is the Long Term Plan?

Every three years, we team up with the community to create a plan for the future—one that reflects our shared vision for our

district. This is called the Long Term Plan (LTP). It covers the services we provide, how we look after important infrastructure, and new projects that will make our district an even better place to live.

In the two years between each LTP, the Council puts together an Annual Plan to outline what's happening in the next financial year. If any changes arise, the Annual Plan explains what's different, how much it'll cost, and how we'll pay for it.

This consultation document is your chance to have a say on the Council's plans and budget for the 2025/26 Annual Plan. We want to hear what you think!



ANNUAL PLAN TIMELINE



MAYOR AND CHIEF EXECUTIVE'S MESSAGE

As we shape the Draft Annual Plan for 2025/26, we've listened to your feedback, focusing on efficiency and value for money. This Annual Plan sets out what the council will do next year, highlighting where we've adjusted course from the Long-Term Plan (LTP).

This year, the only thing we're consulting on is footpath maintenance and repairs. That's because NZTA has cut its funding for this, so together we need to decide what to do next. Should we maintain footpaths less often to match the lower budget, or should we keep things the same and cover the cost with rates?

We are asking for your feedback on how to fix the parking issues at WaiSplash Pool. Parking is tight, especially during sports events at the nearby domain, and it's becoming a safety concern. One option is for the Council to buy land to extend the carpark. This wouldn't cost ratepayers extra, as we could use a reserve fund. Before we make any decisions, we want to know what you think. Should we buy land to expand the carpark? Do you see this as a good long-term investment for the district? As said, we would really like to hear what you think of this plan.

Rising costs—driven by regulatory changes, inflation, global uncertainty, and interest rates—affect us all, including the council. In the current LTP, we projected 11.79% rates rise for this year, but by delaying, adjusting and reducing funding for certain activities, we've reduced that to around 7.71%. While still significant, it's lower than anticipated and below many other councils' increases. Your rates may differ from the district average or your neighbour's due to local factors.

Some costs are unavoidable and are being passed down to local councils by the Government. Examples are the new \$101,000 levy for the national water regulator Taumata Arowai (\$77,000), and a fee of \$24,000 for the commerce commission.

Looking back, some initiatives from Year 1 of the LTP have progressed. The Land Rationalisation project and Integration of Services, for instance, are well underway and will continue to evolve in this Annual Plan. This work is streamlining services, boosting efficiency, and sharpening our understanding of our land, property, and their future potential. As part of this project, did you know we own more than 40 community buildings, like halls, plus significant land?

These spaces foster social, cultural, and recreational connections. We manage maintenance, utilities, and more, but we're asking: do we need them all? Could amalgamating services within buildings be a better approach? Over the next year, we'll assess their use and future role.

For 2025/26, we're tackling new or previously uncertain items not in the LTP. The Government's "Local Water Done Well" policy is one focus, exploring how we manage drinking water, wastewater, and stormwater. We're weighing two paths: partnering with Wairarapa councils (South Wairarapa, Carterton, and Masterton) to form a "Council Controlled Organisation," or continuing solo. This choice will shape water services for decades. We're consulting with you now, so this draft doesn't yet reflect a final decision—stay tuned for the outcome in the final plan.

Community support has also driven the new Pahiatua indoor pool project, with a \$6.1 million cost. The Bush Aquatic Trust has raised over \$2.7 million, and Council has approved \$2.5 million in this year. Fundraising continues, and while timelines remain fluid, progress is underway.



We've also reviewed key services—campgrounds, pools, and waste management—through Section 17A reviews conducted in Year 1 of the LTP. For our four council-owned campgrounds, no major improvements were made, but the reviews highlighted actions to focus on, such as updating policies, improving financial reporting, and exploring online booking. Similarly, with swimming pools, the reviews identified priorities like better asset tracking, land agreements, and service levels—no upgrades yet, but in the future, we may need to decide whether to stick with current management or shift to a different operating model. For waste management, the reviews pointed to full insourcing as a potential long-term option, but we'll build a business case and consult with you before deciding.

There are some exciting opportunities for growth coming our way. The new Te Ahu a Tūranga Manawatū-Tararua Highway is set to open in June 2025, cutting travel time between Woodville and Ashhurst to just 13 minutes. This new connection will bring more people, jobs, and businesses to our district. We want to be ready for growth in a way that benefits everyone. That means attracting businesses and industries that create local jobs and strengthen our economy. To make the most of these opportunities, we're developing a Growth Strategy and reviewing our District Plan. With the right planning, we can shape a thriving future for our communities.

These are big topics, and your thoughts matter. By balancing affordability and sustainability, we aim to position our district for a strong future. This document is your chance to shape council decisions—tell us what you think about our plans and spending. The Draft Annual Plan for 2025/26 outlines our priorities ahead, and I encourage you to dive in and share your feedback. We're listening.

This document includes three types of topics we would like to share with you:

- **Consultation items** - big decisions where we need your input before making a final choice
- **Feedback items** - areas where we'd like to hear your thoughts to help guide our decisions
- **Inform items** - updates to keep you informed about what's happening, with no decision required



Mayor Tracey Collis



Chief Executive Bryan Nicholson

QUICK FACTS

What changed from our LTP Year 2 for 2025-26 compared to our proposed Annual Plan.

m = \$million

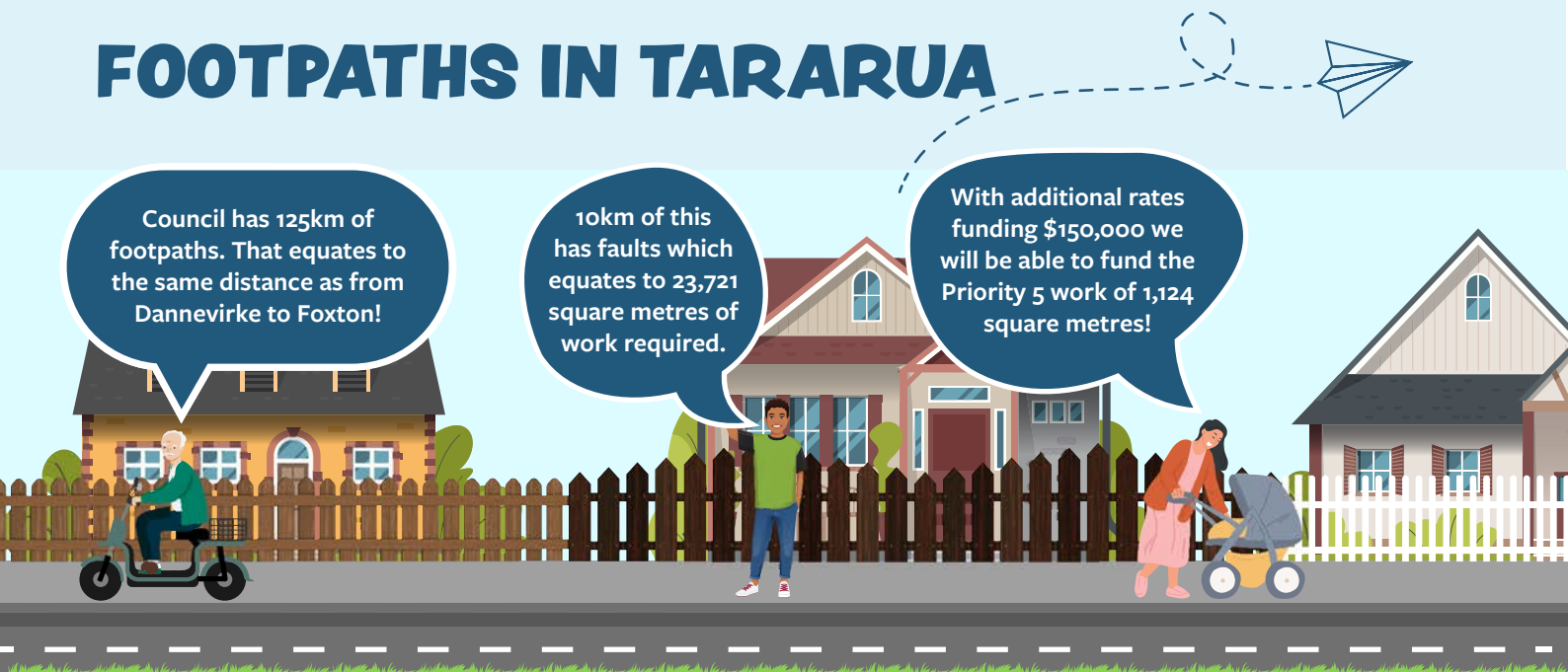
	LTP Year 1 (2024-25)	LTP Year 2 (2025-26)	Annual Plan 2025-26
Overall rates increase	11.09%	11.79%	7.71%
Fees & Charges This includes increases in Building Services, Pensioner Housing and Animal Control fees.	5.1m	5.4m	4.9m
Subsidies A significant portion of the total subsidies is from Waka Kotahi for the transportation activity which makes up 94% of this total.	36m	29.6m	25.3m
Finance costs Interest costs assumptions decreased from 4.71% to 4.2%	3.4m	3.8m	3.5m
Employee benefit costs Increase is due to market adjustments to staff salaries and bringing services in-house (\$135,000).	11.3m	11.5m	11.7m
Operating expenses Increases in contract costs, maintenance and operational expenses to meet changes in regulation and inflation pressures. Offset by savings in contract costs with bringing services inhouse (\$256,000).	28.9m	29m	29.2m
Depreciation expenses Reduce the funding levels as per the LTP to recognise the affordability issues for ratepayers.	19.5m	20.4m	19.6m
Capital spend This includes capital spend that has pushed out or brought forward to better align with other key projects that are completed, and also once more information is certain following legislative reforms.	50.5m	52.4m	46.2m
Accelerated dept repayment	2% of rates	2% of rates	2% of rates



CONSULTATION ITEM



FOOTPATHS IN TARARUA



Council has 125km of footpaths. That equates to the same distance as from Dannevirke to Foxton!

10km of this has faults which equates to 23,721 square metres of work required.

With additional rates funding \$150,000 we will be able to fund the Priority 5 work of 1,124 square metres!

Last year, when Council adopted the 2024–2034 Long Term Plan (LTP), we were still waiting for confirmation from NZTA on its three-year funding program, particularly regarding the funding Council requested for footpaths. After the LTP was adopted, NZTA confirmed that the approved funding was less than what Council had requested and budgeted for.

As a result of this reduced funding, Council will not be able to maintain footpaths as before. This means there will be a reduced cleaning schedule, and only Priority 5 (minor) faults on footpaths will be addressed with a temporary dressing coat. It's also important to note that Council won't be able to carry out any major renewals to the footpaths, as the NZTA-approved budget doesn't cover all faults.

Council currently receives a 73% subsidy from NZTA for its roading infrastructure. This means that for every dollar invested in roads and footpaths, Council contributes only 27 cents, with the rest being subsidised by NZTA.

Since Council has not received the full NZTA funding for

footpaths as requested, we now want to consult with you about whether we should compensate for the funding shortfall by funding it entirely through rates. This would allow us to continue doing priority maintenance work and address some of the repairs required to our footpaths.

If we rate an additional \$150,000 for each of the next two years for footpaths, it will enable Council to maintain the current cleaning schedule and repair priority faults on the footpath network. However, please note that this won't address every fault on the network.

The other option is not to fund it with rates and continue to operate with the reduced budget which will mean reduced maintenance and little repairs.

What is a priority 5 fault?

These faults are defects that present a high safety risk to the general user - e.g. trip hazards greater than 50mm in height or loose stones covering the footpath

So what option will you go for?

OPTION ONE

No additional funding

Reduced cleaning and maintenance schedule

Only priority 5 (minor) faults on footpaths will be addressed with a temporary dressing coat

No major renewals to footpaths

No impact to rates

Proposed
option

OPTION TWO

Additional \$150,000 added to rates

Council will be able to maintain the current cleaning and maintenance schedule

Repair priority faults on the footpath network (please note, this won't address every fault on the network)

Extra \$150,000 for each of the next two years would be rated for by way of a targeted rate. This will result in an average rates increase of 0.40%

Have your say

You have until
**Thursday
15 May**
to have
your say!



Scan the QR code
to be taken to
our consultations
webpage

Make a submission!

Making a submission is the most important thing you can do. It also means that if you'd like, you can choose to speak to Elected Members about your views at our hearings. Simply tick the box on the submission form to do that and we will be in touch to arrange a time.

You can make a submission in three easy ways:

1. On our website **tararua.govt.nz/consultation**
2. Fill in a hardcopy form from one of our libraries or customer service centres (also available at the back of this document) and drop it in a box in person
3. Fill in a hardcopy form and post it to us:
Annual Plan Consultation
FreePost 69367
PO Box 115
Dannevirke 4942 (please note NZ Post delivery timeframes)



FEEDBACK ITEM



GIVE YOUR FEEDBACK ON THE WAISPLASH CARPARK PROPOSAL

The Tararua Aquatic Community Trust (TACT) has submitted a proposal to Council to help solve an ongoing issue—parking at WaiSplash Community Aquatic Pool. The pool, located on York Street in Dannevirke, is owned by a trust, but the land it sits on belongs to Council. Over time, parking has increasingly become an issue, especially during peak times and sports events at the nearby domain, where soccer and cricket are regularly played. Along with capacity issues there are safety risks for vehicles, pedestrians

and children with near misses frequently occurring that need addressing.

To help with these issues, Council is considering options, including purchasing additional land to allow for a carpark extension. This would not only benefit pool users but also those attending events at the adjacent sports field, where cricket and other sports are regularly played. The TACT Board has already presented options to the Council for how the carpark and safety issues could be resolved.

An investment for the future

If the Council decides to purchase land for the carpark, the funding could come from a General Purpose Fund - a reserve fund that a council can use for various purposes, including purchasing land, or covering unexpected costs. This means there would be no impact on rates and no extra costs for ratepayers.

Importantly, this would also be an asset for the Council—a form of 'landbanking' that could provide long-term value for the community. Even if the land is

not developed into a carpark immediately, it would still be a strategic investment for the district.











At this time, Council is reviewing community buildings, reserves, and council-owned land as part of a wider effort to find cost savings and reduce future rates. Any investment in land—whether for purchase or development—must be carefully considered. That's why community feedback is crucial.

We want to hear from you!

This proposal is included in the Annual Plan as a feedback item, meaning the Council is seeking input from residents before making any decisions. As this is still a relatively new idea, the Council has not yet done full project validation. Right now, the focus is on understanding community views and whether there is support for this proposal.

- ➔ Would you like to see the carpark extended?
- ➔ Do you think Council should purchase land to make this happen?
- ➔ Do you support the idea of Council acquiring land as an investment?

ANNUAL PLAN AT A GLANCE

			Expenditure What do we spend on:		Funding How we fund our expenditure:		
		Where we are spending the rates increases	Capital	Operational	Rates	Subsidies	Other
	Governance and Community Engagement	0.21%	-	4,422	3,683	65	15
	Community Facilities and Services	2.82%	3,299	8,395	7,960	5	1,896
	Economic and Community Development	-0.46%	-	1,418	1,461	-	24
	Regulatory Compliance	0.78%	-	2,439	1,606	-	839
	Transportation	0.85%	20,914	12,136	7,316	23,762	202
	Environmental Management	-0.61%	865	5,539	3,464	495	1,746
	Stormwater	0.23%	595	681	1,012	-	7
	Wastewater	0.53%	8,765	3,943	5,462	317	208
	Water supply	3.70%	9,438	4,839	6,749	364	5
	Treasury and Support	-0.34%	2,343	12,169	3,136	300	121
Total		7.71%	46,219	55,979	41,849	25,309	5,064

Amounts above are in \$000

A close-up photograph of a young white lamb with large, upright ears, looking directly at the camera. The lamb is positioned behind a wooden fence with a chain-link mesh. The background shows a wooden structure and some green grass. A blue geometric pattern is visible on the right side of the image.

INFORM ITEMS

17a REVIEWS

A Section 17A review is something councils have to do every six years (or when big changes happen) to check if their services are being run in the best way possible. It looks at how a service is managed and delivered to see if there's a better, more cost-effective way to do it—whether that's keeping it in-house, sharing with other councils, or outsourcing.

The whole idea is to make sure ratepayers are getting good value for money and that services are running as efficiently as they can be.

This financial year we conducted 17A Reviews for Campgrounds, Swimming Pools, and Solid Waste.

Campgrounds

The four council owned campgrounds in our district are the Dannevirke Holiday Park, Woodville Camping Ground, Carnival Park Pahiatua, and Eketāhuna Campground. All four facilities are relatively well-maintained, and the campground operators have said they want to continue providing this service. The current operational models differ across all four facilities, for example:

- The Dannevirke Holiday Park is managed by a campground manager
- Woodville Camping Ground is operated in-house and facilitated by isite staff
- Carnival Park is operating under a board of management
- Eketāhuna is operating under a sole operator licence agreement.

All of the campgrounds have had a thorough review.

Overall, the review found that our facilities are modest and that public costs are low.

More specifically the review recommended that Council should:

- Update processes and policies to make sure all campgrounds meet the Camping Ground Regulations 1985.
- Improve data on campground assets and their value.
- Create a policy on how long people can stay and any required break periods.
- Improve how financial data is collected and reported.
- Start working towards an online booking system.
- Work with campground operators to boost their online presence.

Once this has been done, operational models/options will be proposed and consulted on with you.

These include:

- Hiring a commercial company to manage the campgrounds
- Using a tendering process for management
- Partnering with non-profit or charitable organizations
- Managing the campgrounds internally

Number of visitors to our campgrounds in the 2023/24 year



Dannevirke

4,559



Woodville

1,137



Pahiatua

4,577



Eketāhuna

5,740



Swimming pools

A comprehensive review was also conducted of our swimming facilities, including Wai Splash Dannevirke, Woodville Pool, Pahiatua Pool, Eketāhuna Pool, and the ownership of Wimbledon Pool.

These pools operate under two distinct models. Wai Splash Dannevirke is an indoor, year-round facility owned and operated by the Tararua Aquatic Community Trust (TACT), on the other hand the Woodville, Pahiatua, and Eketāhuna pools are outdoor, seasonal facilities managed by local community groups. It is planned that the Pahiatua pool is replaced with an indoor, year-round facility in the future.

The review of the pools recommended that Council should:

- Carry out regular checks or audits to ensure services meet requirements.

Waste management services

Another full review was conducted to see how well the current waste management system is working. The goal was to find the best approach to reduce risks and keep costs down for Tararua's waste services over the medium to long term.

Kerbside recycling and transfer stations used to be outsourced, but the Council has taken over these services, which has saved money. Currently, residents arrange their own kerbside rubbish collection through private providers. They can also use the Council's transfer stations in Dannevirke, Woodville, Pahiatua, and Eketāhuna to dispose of rubbish, green waste, and recyclables, depending on the site.

The review aimed to find the best way to manage waste services in the district. The delivery models considered were:

- Hybrid (Current Model): Council runs transfer stations and kerbside recycling, while households arrange their own rubbish collection with private providers.
- Fully Insource: Council runs transfer stations and handles all kerbside collection (both recycling and rubbish), funded through pay-as-you-go or household rates.
- Contract Refuse: Council runs transfer stations and kerbside recycling but hires a contractor for rubbish collection, funded through pay-as-you-go or household rates.
- Contract Kerbside: Council runs transfer stations but outsources both recycling and rubbish collection.
- Fully Outsource: Council steps back completely and gives a private company a licence to manage all waste services at agreed service levels.

The assessment found that fully insourcing all services is the best option.

This means Council would run transfer stations and handle all kerbside collections. The next step is to complete a business case in the new financial year to analyse the cost

- Fully record outdoor pool assets in the asset register.
- Confirm land use agreements with the Wimbledon Memorial Baths Committee.
- Keep track of service level agreement performance and support operators as needed.
- Keep track of how buildings, equipment, and facilities are maintained and work with operators on necessary improvements.
- Make sure performance is measured in a clear way that matches the goals set in the service level agreement

Once these changes are implemented, Council will evaluate if a service delivery model change is required. If so, this will need to be consulted on.

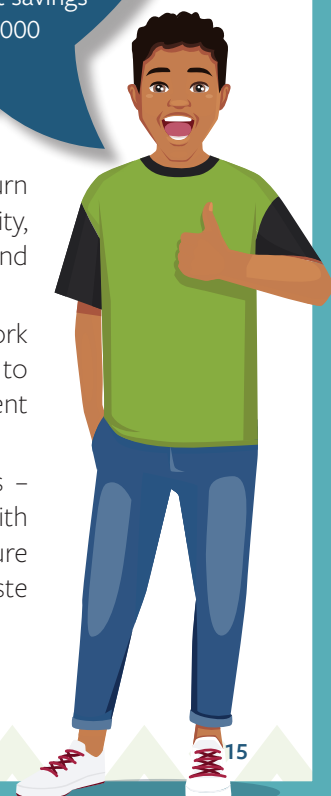
of each option and consult with the public to get their feedback.

As part of the selection of a preferred operation model, Council will consider the following:

- Affordability and sustainability – Make sure waste services are affordable for ratepayers while being sustainable in the long run.
- Managing waste disposal costs – Focus on educating residents about recycling and reducing waste to lower disposal costs and encourage better waste practices.

Historically, Council incurred substantial costs for contractor managed waste management services. However, since bringing these services in-house, multiple efficiencies have been identified, resulting in significant cost savings - approximately \$282,000 per year!

- Circular economy adoption – Turn waste into a business opportunity, creating a more sustainable and profitable system.
- Collaboration for innovation – Work with iwi and local businesses to find innovative waste management solutions.
- Look for long-term partnerships – Investigate how we can work with neighbouring Councils to secure sustainable and consistent waste management services.



LAND RATIONALISATION

Tararua District Council is reviewing community buildings, reserves, and council-owned land to identify opportunities for cost savings and reduce future rates, as outlined in the Long-Term Plan. This project focuses on underused properties and non-operational land across the district.

Council assessed 28 properties, excluding key facilities like Domain Board-managed buildings, public conveniences, and sports pavilions. The review identified 10 properties for potential disposal: two community buildings, three reserves, and six land parcels.

Importantly, **no properties will be disposed of without iwi engagement and full public consultation.** Council will seek input before creating detailed disposal plans, which may include valuations and engagement with potential buyers or tenants.

Additional cost-saving measures under consideration include demolition-only insurance for low-use buildings and shifting maintenance expenses to tenants through updated agreements.

We are progressing with the development of the disposable plans, and these will be presented to Council for approval to initiate community consultation.

For more information, visit our website.

HOW DO WE PROPOSE TO MANAGE COMMUNITY ASSETS?

1. PROPOSED ASSET DISPOSALS

The following assets have been identified for potential disposal:

- ❌ **39 Gregg Street, Dannevirke**
- ❌ **39 Ransom Street Reserve, Dannevirke**
- ❌ **Woodville Pioneer Museum (partial)**
- ❌ **Weber Reserve**
- ❌ **DVK Rural Bus Depot, Dannevirke**
- ❌ **Land at Newman Road, Eketāhuna**
- ❌ **Land at 16 Bengston Street, Eketāhuna**
- ❌ **744 Waitahora Road, Waitahora**
- ❌ **Land surrounding the Old Maharahara Public Hall**

KEY CONSIDERATIONS:

- 💡 Retaining areas with ecological or recreational value (e.g., esplanade areas).
- 💡 Confirming land status and statutory obligations.
- 💡 Minimising disposal costs and ensuring community benefit.

2. COMMUNITY FACILITY CONSOLIDATION

The Council is exploring options to optimise the use of community facilities. This includes:

- ✅ Assessing the **Pahiatua Library & Town Hall** to determine whether or not activities could be relocated to the **Pahiatua Service Centre**.
- ✅ Considering partial disposal of the **Woodville Pioneer Museum** while preserving its community value.

3. RETAINING HIGH-VALUE ASSETS

Certain assets with significant community, heritage, or recreational value will be retained. Examples include:

- ✅ **Dannevirke Town Hall:** Recognised for its heritage and high community use.
- ✅ **Eketāhuna Medical Centre:** A critical hub for community health services.
- ✅ **Rotary Reserve:** Recently enhanced as a recreational space.

4. ENHANCING AGREEMENTS WITH OCCUPANTS

For community buildings and land **occupied by third parties**, the Council proposes:

- ✅ Formalising occupation agreements.
- ✅ Shifting responsibility for operational expenses (e.g., insurance, maintenance) to tenants where feasible.
- ✅ Regularly reviewing rental agreements to reflect market rates.

5. REDUCING OPERATIONAL COSTS

To manage older, low-use buildings nearing the end of their lifecycle, the Council suggests:

- ⬇️ Reducing insurance coverage to demolition-only policies.
- ⬇️ Limiting renovation investments to essential operational needs.

INTEGRATION OF SERVICES

As part of the Tararua District Council's Long-Term Plan (LTP), we told the community about changes to how we run our services. The goal is to make things more efficient and improve service levels by bringing council-funded services together in one location and simplifying council roles. This means creating a more cost-effective, one-stop shop for the community in Woodville, Pahiatua, and Eketāhuna.

At this stage, the Dannevirke Library and Services Centre will remain separate.

Council is progressing well in this initiative, with Year 1 focusing on integrating Library, Customer, and site services as the priority, with changes likely at the Woodville Service Centre.

In Year 2 of the plan and this Annual Plan, the focus will be on finding the best location in Pahiatua to bring local council

services together. At the same time, the Dannevirke Town Hall will return to Council management, and funding for the Dannevirke Information Centre will discontinue, saving \$60,000. The Information Centre's services might move to either the Council building or the Dannevirke Library. Council will work with the Dannevirke Information Centre Board to make sure the transition goes smoothly.



PENSIONER HOUSING

Council owns and looks after 85 housing units, which are only available for older residents with limited assets. The rent is well below market rates, but it's set at a level that covers the running costs—so it doesn't rely on ratepayer funding.

Providing healthy homes for pensioners supports their wellbeing. There's a real need for low-income retirees to have affordable housing so they can stay near family and friends and stay involved in their community. Another key expectation for Council is that this service must pay for itself.

In the 2015/25 Long-Term Plan, Council decided to sell its housing because it was thought to be the best way to keep pensioner housing running and available in the district.

However, after consulting on the 2018-28 Long-Term Plan, the Council reversed its earlier decision. Instead of selling the housing, Council chose to keep the existing pensioner units, gradually refurbish them, and invest in building new ones—all while ensuring the service remains self-funding and sustainable.

Many of the housing units need upgrading, but Council doesn't have enough reserves set aside to pay for the work. Without a significant rent increase, a large amount of extra funding will be needed over the next 10 years to cover the costs. Since 2019/20, Council has gradually increased rents, and it is now proposing another increase of 15.22% on average in this Annual Plan. Furthermore, Council has indicated that there will be further 10% increases over the next three years. These measures are necessary to ensure the activity remains self-funded and to build up the required reserves for renewing the housing stock, of which many are nearing 50 years of age.

We're facing some challenges with this service, so we want to look at ways to improve it. To do that, we're doing a Section 17A review, which will help Council decide the best way to run this service in the future.

For details on these fees please refer to the Proposed Fees and Charges document on www.tararua.govt.nz/consultation

PAHIATUA WASTEWATER TREATMENT PLANT UPGRADE

The upgrade to Pahiatua's Wastewater Treatment Plant has come a long way since plans were first presented in December 2022. After working closely with Iwi, Horizons, and industry experts, we've refined our design approach and selected two Dissolved Air Flotation (DAF) plants, capable of treating 2,500m³ of wastewater per day.

How much will it cost?

Originally, estimates ranged from \$4.4 million to \$10.5 million. In the Long Term Plan (LTP) 2024-2034, the cost was estimated at \$1,887,480, but after finalising the detailed designs, this has now increased to \$3,300,000.

Why did we choose this option?

We considered other options, like a single, larger DAF plant (5,000m³/d), but it wasn't the best fit. A single large DAF plant would have pushed operating limits and required more resources, making it less practical and more expensive in the long term.

The dual-plant system is more flexible to operate, more energy efficient and importantly; cheaper to run long term. While the initial capital expenditure is higher, the long-term operational savings and energy efficiency make this choice the best value for the community.

Better for the environment

This upgrade ensures we meet the strict consent conditions that Council operates under, increases the plant's capacity, and removes solids from the treated wastewater before it flows into the new wetlands. The wetlands play a big role by helping filter and manage the discharge into the river.

While the upfront cost is higher, this system is a smarter long-term investment—it saves energy, reduces ongoing costs, and benefits both the environment and the Pahiatua community.

What is a Dissolved Air Flotation (DAF) Plant?

A DAF plant is a system used to clean wastewater. It works by adding tiny air bubbles to the water, which attach to solid particles and float them to the surface. These solids are then removed, leaving cleaner water behind.

DAF plants are important because they help remove pollutants before wastewater is released back into the environment. In Pahiatua's case, they make sure the water going into the wetlands is as clean as possible, protecting local waterways and ecosystems.



PAHIATUA POOL

During the Long-Term Plan (LTP) consultation, the Pahiatua community showed overwhelming support for a new indoor swimming pool to replace the old one.

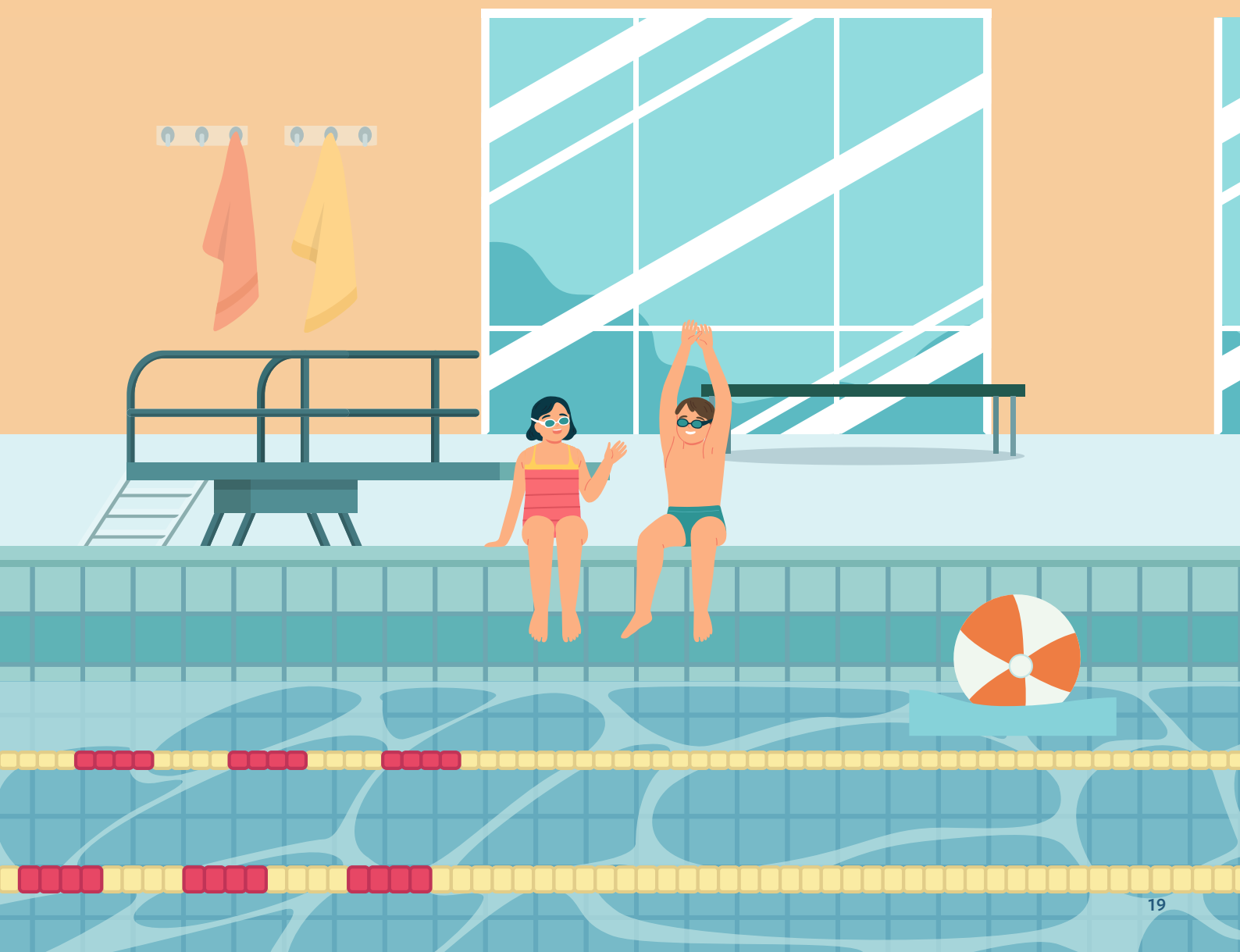
A record number of submissions focused on the project, highlighting the community's wish for a year-round hub for swim education, programmes for all ages, private lessons, and club swimming.

The pool's total cost is estimated at \$6.1 million. So far, Tararua District Council has contributed \$600,000 for design and tendering, and committed to a further \$2.5 million following the strong support during the LTP consultation. Meanwhile, the Bush Aquatic Trust has already raised \$2.5 million and is working to secure the remaining \$1.1 million.

Getting to this point has been a long journey for the Bush Aquatic Trust and recently Tararua District Council. Throughout this journey, we've worked diligently to ensure we're in the best possible position to move forward with the planned project, as previously communicated.

Balancing these factors has been crucial in ensuring the project meets community needs while staying financially viable.

Having successfully managed the project through the design phases and conducted independent price reviews, we are now ready to approach the market and begin serious negotiations for construction contracts.



LOCAL WATER DONE WELL

This draft Annual Plan does not include the impact of the “Local Waters Done Well” reform, which is the Government’s plan to improve water services in New Zealand.

During the months of March and April we are consulting on two options:

OPTION ONE

Wairarapa and Tararua

Join with Wairarapa councils to create a new water organisation that is bigger and more focused.

This means selling our water assets and debt in exchange for shares in a new council-controlled organisation. Right now, our water-related debt is expected to hit \$65.6 million by end of 2026, while our assets are valued at \$211 million.

OPTION TWO

Stand alone

Continue with our current approach, which may cost more in the long run for our customers and ratepayers.

If we do this, we’ll probably need a credit rating, which could make borrowing money more expensive in the future.

The final Annual Plan will likely include the results of this consultation.

You can find more information and give your feedback on our website: www.tararuadc.govt.nz under “Consultation” or “Local Water Done Well”.

What’s the deal with water services?

As a bit of background, the Government has been trying to improve how councils manage water services for years. Why? Because the current system is getting more expensive to manage. We need to upgrade old pipes, meet stricter regulatory standards, and keep up with growing populations. Plus, extreme weather is putting even more pressure on our aging infrastructure. Expectations are rising, costs are increasing, and something needs to change.

Councils throughout the country (including ours) have to submit a Water Services Delivery Plan to the Government by 3 September 2025. There are also new rules coming for wastewater and stormwater. On top of that, there’s a new funding model

that could give us better access to money—but only if we meet certain conditions. This is a big deal for Tararua because we’re hitting our debt limits and need to spread the cost of new infrastructure.

Regardless of which option we choose for water services, we’ve set aside \$101,000 in this Draft Annual Plan from July 2025 to cover two new government fees. These will go to Taumata Arowai (the Water Services Authority) and the Commerce Commission, which will oversee water regulations under a new law still being debated in Parliament.

Should we proceed with the joint water organisation, the current Long-Term Plan might be affected and need to be updated to reflect the changes.

OPTION ONE – Wairarapa and Tararua

Pros

Adopting the Wairarapa-Tararua option will be more affordable for water users in comparison to option 2 (more details on page 22).

By working together, the Wairarapa and Tararua councils can make their water services more resilient and stable.

The water services reform opens up opportunities for Council Controlled Organisations (CCOs) to access more funding and operate more efficiently.

It also allows for greater investment in water infrastructure—far beyond what councils can currently afford on their own.

This means better services and job opportunities for local businesses.

With many resource consents coming up for renewal across the Wairarapa-Tararua region, a larger entity could bring greater efficiency and cost savings.

Council will have less debt because our assets will be sold to the CCO and Council will repay existing water services debt.



Cons

Setting up a water services company for multiple areas is going to be complex.

All borrowing needs approval, and there's some risk involved with a multi-council organisation's debt levels and the agreement on those levels when it gets started.

There's also the chance that councils might lose their in-house expertise and understanding of water services over time.

Loss of control over the direct management of water assets and how services are delivered.



OPTION TWO – Stand alone (single Council)

Pros

Minimal interruption to business as usual.

Direct control of work programme and an already established model.

There are existing relationships and processes in place.

Existing technical knowledge and expertise within the organisation.



Cons

Continuing the existing approach will result in higher water bills for water users, and concerns about affordability for the community.

This is because Council will struggle to access enough funding to meet the required level of services, manage growth, and replace aging water services assets.

This option would not meet the legal requirements. Local Water Done Well requires councils in New Zealand to prove financial sustainability for the future. This option is too costly for our council and ratepayers.

Unable to compete within the sector for expertise and contractors.



OTHER INFORMATION



WHERE DO YOUR RATES GO?

Every \$100 collected is allocated to these services



Thriving District

Community & Economic Development



\$1.41

Community development



\$2.24

Economic development



Improving our Environment

Environmental Management



\$1.92

Resource management



\$5.93

Waste management



\$0.81

Emergency management



\$13.82

Water



\$2.53

Stormwater



\$13.66

Wastewater



Interactive Council

Governance & Community Engagement



\$2.85

Customer service



\$6.32

Treasury & Support



\$6.35

Democracy



Connected Communities



\$16.89

Roading



\$4.61

Libraries



\$5.94

Parks & reserves



\$2.71

Swimming pools



\$0.38

Animal management



\$1.51

Compliance & Monitoring



\$3.81

Community buildings



\$1.23

Public conveniences



\$1.20

Cemeteries



\$2.50

Building compliance

Transportation

Community Facilities & Services

Regulatory Compliance

PROPOSED RATES CHANGES

Here's a rough idea of the average increase on rates for the 2025/26 year.



Urban

Low land value

Average Increase **9.39%**

2023 Land value \$90,000

Actual rates 2024/25 \$3,714

Proposed rates 2025/26 \$4,062

An extra
\$6.71
PER WEEK



Urban

Medium land value

Average Increase **9.07%**

2023 Land value \$300,000

Actual rates 2024/25 \$4,300

Proposed rates 2025/26 \$4,690

An extra
\$7.50
PER WEEK



Urban

High land value

Average Increase **9.13%**

2023 Land value \$255,000

Actual rates 2024/25 \$4,174

Proposed rates 2025/26 \$4,556

An extra
\$7.33
PER WEEK



Rural Lifestyle

(this property is connected to Council water supply)

Average Increase **13.09%**

2023 Land value \$300,000

Actual rates 2024/25 \$2,978

Proposed rates 2025/26 \$3,368

An extra
\$7.50
PER WEEK



Rural

(no water connection, no kerbside recycling)

Average Increase **7.03%**

2023 Land value \$2,920,000

Actual rates 2024/25 \$9,708

Proposed rates 2025/26 \$10,391

An extra
\$13.13
PER WEEK



Rural

(no water connection, no kerbside recycling)

Average Increase **7.30%**

2023 Land value \$6,190,000

Actual rates 2024/25 \$20,724

Proposed rates 2025/26 \$22,237

An extra
\$29.09
PER WEEK



Industrial/Commercial

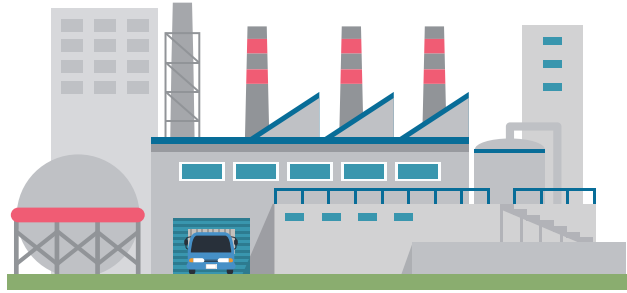
Low capital value

Average Increase **8.07%**

2023 Land value \$45,000

Actual rates 2024/25 \$3,845
Proposed rates 2025/26 \$4,155

An extra
\$5.97
PER WEEK



Industrial/Commercial

High capital value

Average Increase **0.11%**

2023 Land value \$1,060,000

Actual rates 2024/25 \$12,589
Proposed rates 2025/26 \$12,604

An extra
\$0.28
PER WEEK

WHAT'S DRIVING YOUR RATES?

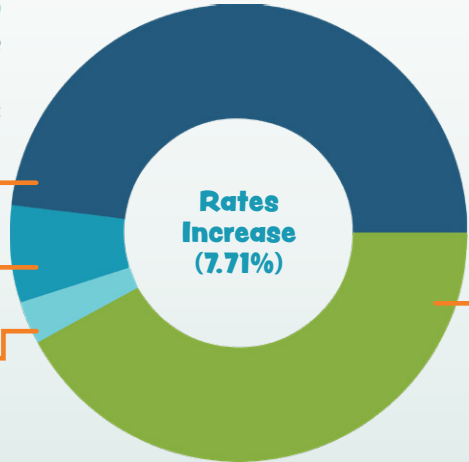
Of the proposed 7.71% rates increase, 4.47% is directly related to water, wastewater, and stormwater services

However, this is a largely **urban ratepayer cost**, so its effect is much greater for those ratepayers

Without **water-related services**, the draft average rates increase would have been **3.2%**

More than 58% of the proposed rate increase comes from water, wastewater, and stormwater:

- 48.01% Drinking water
- 6.84% Wastewater
- 2.98% Stormwater



The remaining 42% of the rates comes from all other Council services (for example community facilities and services makes up about 36%).

On the other hand, significant savings have been made in other areas such as kerbside recycling - several cost saving measures have been put in place such as bringing this service in-house. The average rates for kerbside recycling has gone down by 19.63%.

MAJOR CAPITAL PROJECTS

Activity	Description	Revised Year 2 (\$000's)	Funding
 Community Facilities & Services	New Pahiatua Pool (in conjunction with Bush Aquatic Community Trust)	2,500	Council funding
 Environmental Management	Pahiatua weighbridge	275	External funding
 Environmental Management	Side loader truck - recycling	491	Council funding
 Transportation	Cyclone Gabrielle recovery works	8,600	External and Council funding
 Stormwater	District stormwater network development	262	Council funding
 Stormwater	District stormwater network renewals	333	Council funding
 Water	District water network development (extensions)	1,414	Council funding
 Water	Dannevirke impounded supply	1,049	Council funding
 Water	Woodville water reservoir renewal	1,573	Council funding
 Water	Pahiatua water treatment plant rising main renewal	472	Council funding
 Wastewater	District wastewater network development (extensions)	514	Council funding
 Wastewater	Pahiatua wastewater treatment plant upgrade	3,460	Council funding
 Wastewater	Pahiatua wastewater wetland design	524	Council funding
 Wastewater	District wastewater infiltration and inflow strategy implementation	629	Council funding

Annual Plan Consultation 2025/26

SUBMISSION FORM



Privacy

All submissions are made publicly available on our website and at Council libraries. Your personal information, including your name and contact details, are confidential and will not be published. We collect your contact information so we can keep you up to date with the outcome of the proposal.

For more information, see our privacy statement on our website www.tararua.govt.nz/privacy

Read the options at www.tararua.govt.nz/consultation

Submissions close Thursday 15 May 2025

Personal details

Title: ☐ Mr ☐ Mrs ☐ Miss ☐ Ms ☐ Other

First names:

Surname:

Contact phone number:

Email:

Postal address:

Would you like to come to a hearing and speak to Elected Members about your submission?

☐ Yes

☐ No

If you ticked yes, we'll be in touch to confirm the date and time

Let's find out what you think about the options

Check out the Draft Annual Plan Consultation Document on our website at tararua.govt.nz/consultation or by calling into one of our Service Centres to check out the full details of the options.

Footpaths in Tararua

☐ Option 1 - no additional funding

☐ Option 2 - additional \$150,000 added to rates

Please tell us more about your thoughts on these options

What are your thoughts on the WaiSplash carpark proposal or any of the inform items?

Hardcopy feedback forms can be filled out and sent to **Annual Plan Consultation, FreePost 69367, PO Box 115, Dannevirke 4942**

Alternatively, you can email your form to submissions@tararua.govt.nz or drop it in to one of our service centres.





06 374 4080 - 06 376 0110



www.tararua.govt.nz



info@tararua.govt.nz



26 Gordon Street, Dannevirke

