

The background of the entire page is a photograph of a mountain range. In the foreground, there are rolling green hills with some dark green trees. In the middle ground, there are several mountain peaks, some of which are covered in snow or light-colored rock. Overlaid on the entire image is a white wireframe pattern that resembles a geodesic dome or a series of interconnected triangles, creating a modern, architectural feel.

TEN YEAR PLAN 2018-2028 HE MAHERE KAHURUTAKA 2018-2028

Volume 1

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A stylized, low-poly mountain range graphic in a light blue color, spanning the bottom of the page. The mountains are composed of various triangular facets, creating a geometric, wireframe-like appearance.

WELCOME TO OUR TEN YEAR PLAN 2018-2028 | NĀIA TE MAHERE KAHURUTAKA 2018-2028

Message from Jim and Mike

The theme of the draft 2018-28 Ten Year Plan is building momentum and for this we have to be bold.

Ten years from now, on our busiest days, our population will be bigger than the city of Dunedin¹. We're already experiencing these numbers on peak occasions such as New Year's Day. Not only have we planned to be ready for that – our vision is that in ten years' time, experiencing and living in this district must be better than it is today. A place where people can afford to live, where you don't waste time in traffic, you have great transport options, places to enjoy, relax, exercise or be enriched and entertained. Where you can rely on the infrastructure and services, and best of all, that these things all complement the incredible landscapes in which we live.

The challenge lay in understanding the massive investment that legacy and growth has presented this Council. Where we could, we have prioritised, deferred, streamlined and revised the capital programme over the course of the ten years. In the context of all that careful scrutiny we have still landed on a capital expenditure programme that represents 256% of the one we previously forecast. The proposed investment over the coming ten years has gone from \$380M to \$976M. The cost of growth alone makes up for 32% of that programme or \$317M.

More than a year ago when we started to prepare for this plan we realised that a dramatic shift in investment was crucial. As the fastest growing district in New Zealand and the country's premier

tourist destination, we knew we needed a hard look to the horizon and we knew we needed a great plan. An ambitious plan, with one obvious constraint, we have to be able to afford it.

The plan Council has proposed mirrors the complex needs of a district in a period of rapid growth. Many aspects of the plan are dependent on internal and external factors (such as Central Government funding) to progress. The assumptions have been provided throughout the plan, and a notable assumption is the Queenstown arterials programme. This \$148.8M roading development is based on an assumed NZTA contribution of \$119.0M (80%). The Council maintains this assumption is reasonable but the NZTA level of subsidy will not be confirmed until October 2018. It is important to understand that the Council will need to adapt its capital programme should the assumed external funding levels not materialise. If for example, the external funding is significantly less than assumed, the Council will be forced to defer elements of the programme. For the Queenstown arterials project, this would probably mean deferring Stage three (Man St to One Mile link) to beyond the ten-year period. The consequences of this are that traffic is not diverted out of the town centre effectively and congestion continues. Many of the town centre improvements included in the current programme will not be delivered. This will result in a delay in reaping the economic and amenity benefits of the Queenstown Town Centre Masterplan for both visitors and the local community.

If however, the external funding exceeds the assumed amounts, the Council would be in a position to consider advancing the timing of some elements of the capital programme. This could see the Drinking Water Treatment programme completed within five or six years as opposed to ten years, which would greatly improve the management of risk in this area. There may also be options to complete the Queenstown Town Centre Masterplan in a shorter timeframe (currently assumed to be delivered over 20 years).

To make sure all this remains affordable we have leveraged every possible tool we have available to us including a new credit rating, debt, land sales, government funding/subsidy and with such a comprehensive programme, inevitably a rates increase. The proposed average rates increase for 2018/19 is sitting at 6.95% (after allowing for growth of 3.5% in the rates database). This is above the 4.15% for 2017/18 but follows several years where increases were lower than forecast.

In addition to this we know that this community cannot and must not continue to carry the burden of tourism growth. We have made a strong and compelling case to Central Government to work with us on sharing this burden through existing and proposed funding mechanisms and we have committed to continuing this dialogue in the coming year.

Tourism is critical to the economic success of the Queenstown Lakes District and it is equally critical that we

hit the right balance between meeting the expectations of our community and visitors and ensuring this plan is affordable. The challenges of visitor growth faced by our ratepayers are disproportionately high compared to other tourism centres. The ratio of visitors to residents is 34 visitors to one resident, whereas the ratio in Auckland is one-to-one and Christchurch three-to-one.

The numbers are big and the dollars are big. The programme of delivery that this draft plan contains is three times bigger than anything this community and this Council have faced before, being just short of a billion dollars over the next ten years.

The draft plan clearly reflects the cost impact of growth which has been assessed at 33% or \$317 million over the next ten years. Of the total capital programme, 24% is required for renewal or replacement of existing assets and 43% for increasing level of service.

The Council is submitting an affordable plan but only after the rigorous prioritisation and scrutiny of all projects. You will find a plan that proposes a very different approach to investing heavily in a number of our challenges, including roading, transport, parking, waste minimisation and facilities that reflect growing recreational expectations.

Equally, a large number of projects have had to be deferred. These affect things like our ability to meet drinking water standards (spread from five to ten years), our ability to deliver the amenity that world-class resorts should reflect (e.g. ambitious town centre

¹ Source: QLDC Growth Projections to 2058, 25 May 2017

master-planning has had to adopt a staggered approach), our investment in our community in terms of providing enough recreation facilities (e.g. projects like extending Alpine Aqualand and Wanaka Recreation Centre have been pushed out) and the delivery of future infrastructure capacity and new schemes (e.g. waste water scheme upgrades and Glenorchy Wastewater Scheme have been pushed out).

The affordability of the plan relies on a significant investment from the New Zealand Transport Agency to fund \$242 million over ten years. This includes an assumption in the draft plan that NZTA will fund 80% of a critical Queenstown by-pass arterial (\$148 million) unlocking Queenstown traffic and 51% of the balance of district-wide transport infrastructure (See Queenstown Town Centre Masterplan). We will not know the outcome of our assumptions until October 2018 when NZTA will confirm its commitment but we have submitted robust business cases to underline the absolute requirement for investment. As we have outlined this project is not affordable for the community alone and if our bid is unsuccessful, traffic issues will continue to cause snarl-ups, delays and gridlock as we look to stagger the investment.

Given the big issues our communities face, Council started engaging last year with Central Government on the challenging cost of delivering tourism infrastructure that supports the NZ economy and has made a unique business case to Central Government to

enable the district to sustain projected visitor growth without any risk of eroding the experience. The previous government and the new government have both proved open to this conversation.

A compelling argument in the case is the contribution Queenstown in particular makes to New Zealand's overall GDP. International visitors who come to New Zealand because of Queenstown spend up to \$1.74 billion nationally, meaning Queenstown and its surrounds are critical to the ongoing health of New Zealand Inc. If the funding is not provided in some form (QLDC considers this funding could be achieved through some form of visitor tax or levy although at the moment it is not possible to do so under current legislation) then the Queenstown experience (in the first instance) will start to compromise the New Zealand visitor experience and worse, negatively impact our communities. Our communities and this Council cannot afford to continue to stay ahead of these challenges, alone. A fair balance must be struck.

As outlined, growth has seen the projected capital expenditure much higher than previously forecast. The 2015-2025 Ten Year Plan forecast \$380 million, the draft plan shows a 156% increase to \$976 million.

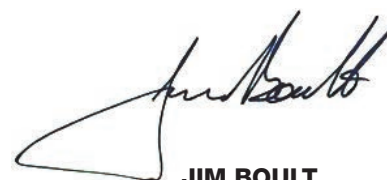
This reflects a major shift from a Council delivering 'just in time' reactive infrastructure to a Council that is planning strategically to manage growth.

It is important to highlight that despite the ambitious and challenging programme we have included in the draft plan that we as a community have options. We have the option to step away from projects. With the exception of continuing to provide a safe and healthy environment and meeting our legislative requirements we can minimise the investment in recreation and community, we can enable a continuous drop in our service and we can allow infrastructure to decline by 'sweating' the assets and failing to meet the demand of growth.

You have the option to tell us that you want this Council to do all, some or none of these projects. You will find a section at the back of the document to assist with your submission. Rather than try and channel this process through definitive questions we have opted to enable you to express any view on any matter you choose.

Please read this document and the consultation document online www.qldc.govt.nz. Your part is to consider our proposal and share your views and ideas. We look forward to hearing from you.

Jim and Mike



JIM BOULT

Mayor

Queenstown Lakes District Council



MIKE THEELEN

Chief Executive

Queenstown Lakes District Council

Our Draft Ten Year Plan consists of two volumes:

VOLUME 1

OUR STRATEGIC DIRECTION

is an overview of the ten year plan process. It sets out the significant assumptions used in setting this draft plan. We'll talk about the community outcomes we want to achieve and map out how we're going to get there. We will also explore prioritisation, the challenges we're facing and how we'll align the Financial and Infrastructure Asset Management Strategies.

OUR FUNDING

is a summary of the costs, funding sources and rating implications for the first year of this Draft Ten Year Plan (2018/19).

OUR ACTIVITIES IN DETAIL

gives a greater insight into what we deliver and why. We'll also cover what we're planning, what it costs, how it's paid for and how we measure success. This includes business as usual activities, operating costs and capital projects.

VOLUME 2

OUR DECISION MAKING PROCESS

covers the policies and strategies that influenced the creation of the Draft Ten Year Plan. This includes the Finance and Infrastructure Asset Management Strategies, the Development Contributions and Financial Contributions Policy and a summary of our Significance and Engagement Policy.

OUR COSTS IN DETAIL

throws a spotlight on the detailed financial management of the organisation. This section covers all the financial data required under legislation, including financial statements, policies and rates required for the first year of this Draft Ten Year Plan.



OUR PEOPLE | KĀ TĀKATA

Achieving great outcomes for our community is at the heart of everything we do. It's the people that give our work meaning, focus and a sense of community pride. Our residents, visitors, staff and elected members provide the inspiration, guidance, vision and motivation that keeps the pulse of the organisation strong.

Elected members

**CALUM
MACLEOD**
Deputy Mayor

**PENNY
CLARK**
Councillor

**CRAIG
FERGUSON**
Councillor

**JOHN
MACDONALD**
Councillor

TONY HILL
Councillor



SCOTT STEVENS
Councillor

JIM BOULT
Mayor

ALEXA FORBES
Councillor

QUENTIN SMITH
Councillor

VALERIE MILLER
Councillor

ROSS MCROBIE
Councillor

Management group



MEAGHAN MILLER
General Manager,
Corporate Services



PETER HANSBY
General Manager,
Property
& Infrastructure



THUNES CLOETE
General Manager,
Community Services



STEWART BURNS
General Manager,
Regulatory
& Finance



MIKE THEELEN
Chief Executive



TONY AVERY
GM, Planning
& Development

Tangata Whenua

Our district was important to Southern Māori as a source of various resources like eels, birds, ti kōuka (Cabbage Tree), mountain daisy leaves (used for cloaks) and taramea (Spaniard Grass) from which a fragrant oil was extracted.

There were important settlement sites at Tahuna (Queenstown), Oterotu (Frankton) and at Tititea (the junction of Kawarau and Shotover Rivers). Other village and camping sites in the Wakatipu area have been found at Glenorchy, Bob's Cove, Kingston, Kawarau Gorge, Lake Hayes, Pigeon Island and Mavora Lakes.

The Wakatipu and Wanaka region was typical of the whole of the interior of Te Waipounamu. There were some permanent settlements, but it was largely a seasonal resource base for highly mobile coastal communities. Whilst there weren't any specific settlements on Ben Lomond or Queenstown Hill, the latter was named Te Tapu-nui, a name which signifies it as an intensely sacred place.

It is important that the special position of mana whenua is acknowledged and reflected in the way we make decisions about the district and its resources. Engagement with the wider Māori community recognises the special provisions for Māori within our legislative framework and their unique position. The Council recognises that in our district, Ngāi Tahu are the Tangata Whenua.

Our engagement with Māori

Including a Māori perspective across Council activities contributes to creating vibrant communities.

Inside the Council, we aim to build our capacity to be more effective for Māori in the work that we do and how we can contribute to strengthening Māori communities. The Council values its relationships with Māori and always works within the principles of the Treaty of Waitangi. We are regularly encouraging our people to expand their cultural understanding and use of te reo at every opportunity.

Formal consultation is also an important part of our relationship with Māori. The Council understands the importance of this consultation in relation to kaitiakitanga, Māori culture, values and the relationship with ancestral lands, water, sites wahi tapu and other taonga. This is also emphasised within legislation by the Local Government Act 2002 and the Resource Management Act 1991.

Queenstown Lakes District is part of Ngāi Tahu Iwi, which straddles both the Murihiku and Ōtākou Rūnanga. Our relationship with Murihiku has been traditionally strong, but our relationship with Ōtākou was less developed. However, at the beginning of 2017, the Mayor, Chief Executive and executive team undertook a hīkoi to Dunedin. The visit symbolically expressed the Council's desire and intention to develop our relationship with the rūnanga of Ōtākou further. Subsequently, in August Mayor Boulton signed a Memorandum of Understanding with Ōtākou to join Te Rōpū Taiao Otago. This was a key milestone and a significant step forward.

Both of these relationships will form an important part of our consultation processes now and into the future. Further detail about the formal decision making process is included in the '**Our Decision Making Process**' section contained in Volume 2 of this Draft Ten Year Plan.

OUR PROCESS | TŌ TĀTOU HUANUI

Our planning process

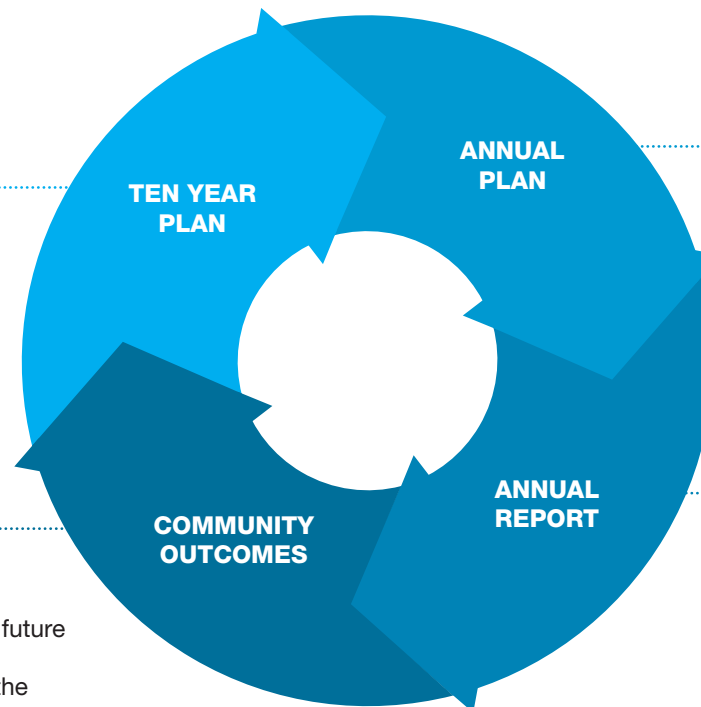
There is a robust planning process required by the Local Government Act 2002 (part 6). This model outlines the four parts of this process.

REVIEWED EVERY THREE YEARS

- > The Ten Year Plan sets the direction of the Council, providing a long term focus on our community outcomes, and explaining the purpose, direction and cost of each of our activities.

REVIEWED EVERY THREE YEARS

- > Outcomes that the Council aims to achieve in meeting the current and future needs of the community for quality infrastructure, public services and the performance of regulatory functions.



COMPLETED IN EACH OF THE TWO YEARS BETWEEN THE TEN YEAR PLAN

- > What the Council plans to do in the next 12 months to achieve the direction set in the Ten Year Plan.

PRODUCED EVERY YEAR

- > Reports back to the community on whether the Council has done what it planned to do.

Our Consultation Process

Community input is a vital part of developing this Draft Ten Year Plan.

We started talking to our communities back in September 2017. We attended 18 community meetings organised by

each of the Community Associations to discuss and hear what is important to each of these groups. The common themes were parking, roads, urban design, cycle and walk ways, water supply and wastewater. With these

themes in mind, the Council has provided a Draft Ten Year Plan to address these issues as much as possible, whilst ensuring continued prudent management of infrastructure and delivery of the levels of service you have come to expect.

Below we outline the next stages of consultation on this Draft Ten Year Plan.



9 MARCH 2018

Council adopts the Draft Ten Year Plan for consultation



10 MARCH – 13 APRIL 2018

Informal community engagement sessions



12 MARCH 2018

Submissions open



13 APRIL 2018

Submissions close



15 AND 16 MAY 2018

Hearing of Submissions (Wanaka and Queenstown)



28 JUNE 2018

Council adopts final Ten Year Plan

OUR VISION | TŌ TĀTOU MOEMOEĀ

Our strategic map

We have used a map to describe what we plan to achieve over the next ten years. The map represents the relationships and interactions we have with the community and our natural environment.

To understand this map and how it flows into the document, it's important to explain some of the terms we use.

Vision the ability to think about or plan the future with imagination or wisdom.

Our vision for the future is:

Vibrant Communities
Enduring Landscapes
Bold Leadership

These are represented by the three mountain peaks on the strategic map.

Outcome the way a thing turns out; a consequence

The vision is broken down further into specific community outcomes. These describe what difference we want to see and feel at the end of ten years. The outcomes are community driven, so it's really important for us to work with our partners to achieve them.

The community outcomes are shown as trails, leading from lakeside activities to the peaks of our strategic vision.

Activity /noun/ a thing that a person or group does

Each community outcome is linked to an activity. Activities are the services we provide to the community that help us achieve the community outcomes. Some community outcomes relate to a number of activities, but in the strategic map are linked to the predominant activity.

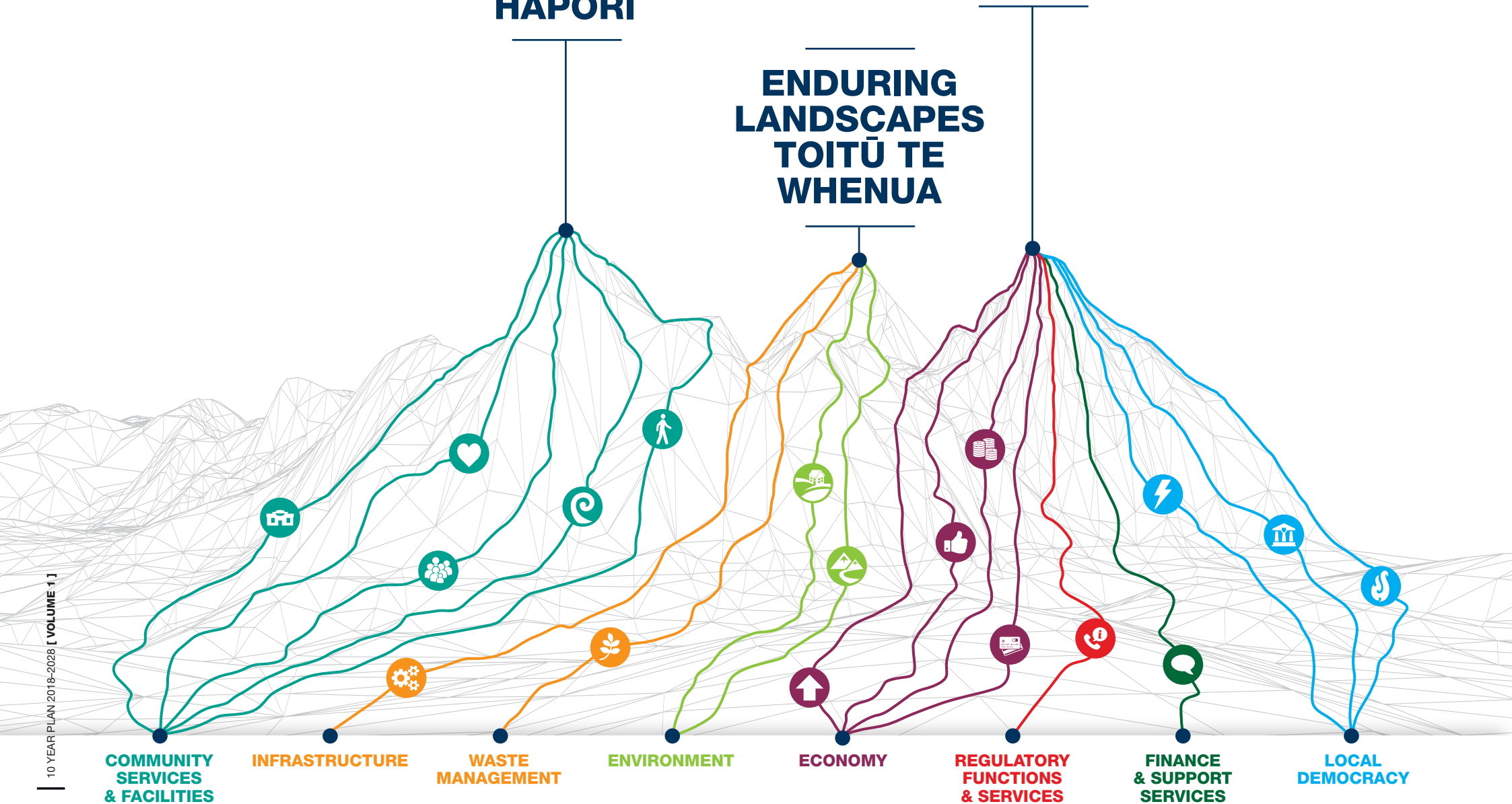
Measure/verb/ assess the importance, effect, or value of (something)

To complete the picture we'll tell you each year what we've achieved against the plan. For each community outcome we list a series of measures that we'll use to tell you how well we're tracking. Some of these relate to matters that are important to the community, where we are only part of the solution. These measures are balanced with those that still reflect how well we're delivering our core activities.

**VIBRANT
COMMUNITIES
TE ORAKA
HAPORI**






**BOLD
LEADERSHIP
TE AMORAKI**

**ENDURING
LANDSCAPES
TOITŪ TE
WHENUA**





OUR COMMUNITY OUTCOMES



COMMUNITY SERVICES & FACILITIES

-  Efficient and effective community facilities
-  Communities have a good standard of living and wellbeing
-  Communities are inclusive for all
-  Strong cultural landscape that inspires, preserves and celebrates our heritage, arts and culture
-  Appropriate public access

INFRASTRUCTURE AND WASTE MANAGEMENT

-  Efficient and effective infrastructure
-  Environmental sustainability and low impact living is highly valued

ENVIRONMENT

-  Quality built environments that meet local needs and respect the local character
-  World class landscapes are protected


ECONOMY

-  Sustainable growth management
-  Partnering for success
-  Investing strategically
-  Enabling diversification




REGULATORY FUNCTIONS & SERVICES

-  A responsive organisation

FINANCE & SUPPORT SERVICES

-  An organisation that consults effectively and makes sound decisions

LOCAL DEMOCRACY

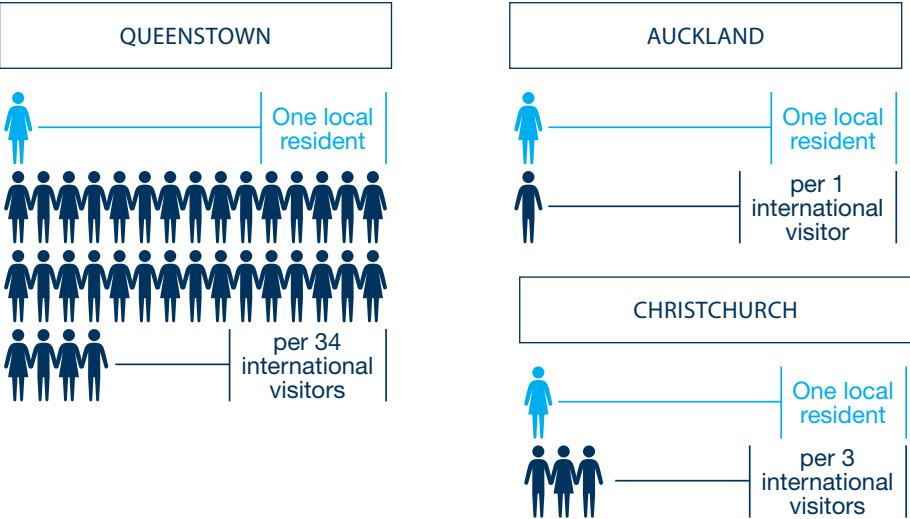
-  Communities are resilient and prepared for civil defence emergency events
-  An organisation that demonstrates leadership
-  An organisation that considers the district's partnership with Mana Whenua

Our Challenge and the Big Issues

Unprecedented growth in both resident and visitor numbers in our district has presented our communities with some significant challenges. As outlined, our peak day population in 2028 is estimated to be almost 150,000 (this will exceed the current population of Dunedin by more than 20,000)

Tourism is critical to the economic success of the Queenstown Lakes District and it is equally critical that we hit the right balance between meeting the expectations of our community and visitors and ensuring this plan is affordable. The challenges of visitor growth faced by our ratepayers are disproportionately high compared to other tourism centres. The ratio of visitors to residents is 34 visitors to one resident, whereas the ratio in Auckland is one-to-one and Christchurch three-to-one.

The numbers are big and the dollars are big. The programme of delivery that this draft plan contains is three times bigger than anything this community and this Council have faced before, being just short of a billion dollars over the next ten years.



The draft plan clearly reflects the cost impact of growth which has been assessed at \$317M over the next ten years. This represents 32.5% of the total capital programme, whilst 24.3% is required for renewal or replacement of existing assets and 43.2% for increasing level of service.

The Council is submitting an affordable plan but only after the rigorous prioritisation and scrutiny of all projects. You will find a plan that proposes a very different approach to investing heavily in a number of our challenges, including roading, transport, parking, waste minimisation and facilities that reflect growing recreational expectations (see Key Issues in the Consultation Document). To do this we have had to leverage every possible opportunity available to Council including land sales, debt and increasing rates (see Financial Affordability in the Consultation Document).

Equally a large number of projects have had to be scheduled over a long time-period. These affect things like the timing of our ability to meet drinking water standards (spread from five to ten years), our ability to deliver the amenity that world-class resorts should reflect (e.g. ambitious town centre master-planning has had to adopt a staggered approach), our investment in our community in terms of providing enough recreation facilities (e.g. projects like extending Alpine Aqualand and further phases of the Wanaka Recreation Centre have been pushed out of the draft plan horizon) and the delivery of future infrastructure capacity and new schemes (e.g. wastewater scheme upgrades and Glenorchy Wastewater Scheme have been pushed out of the draft plan horizon).

The quantum of investment proposed for the Queenstown Town Centre Masterplan is significant, totalling \$327.7M investment in increased levels of service over ten years. This draft Ten Year Plan contains programme options for our investment in this masterplan. Based on affordability there is no inclusion of proposed arts and culture facilities but a district-wide review has been included.

The options proposed under this Draft Ten Year Plan are:

Funding and Rates Impact	Option 1	Option 2	Option 3	Option 4
Council external debt	\$157.3m	\$131.3m	\$212.4m	\$28.7m
Additional annual rates	\$5.0m	\$3.9m	\$7.7m	\$0.4m
Roading rate increase	54.5%	44.9%	79.4%	4.8%
Recreation rate increase	24.1%	16.4%	44.8%	0.3%

	Option 1	Option 2	Option 3	Option 4
Parking buildings	\$48.0m	\$48.0m	\$48.1m	\$22.2m
Public transport improvements stage two, hubs	\$25.4m	\$25.4m	\$25.5m	
Public realm upgrades	\$6.2m		\$22.9m	
Town centre pedestrianisation	\$49.5m	\$38.5m	\$112.3m	
Queenstown workplace travel plans	\$0.5m	\$0.5m	\$0.5m	\$0.5m
New town centre arterials	\$148.8m	\$81.9m	\$148.8m	
Town Centre Masterplan	\$0.5m	\$0.5m	\$0.6m	\$0.1m
Travel management	\$8.3m	\$8.3m	\$9.2m	\$0.3m
Wakatipu active travel network	\$23.5m	\$23.5m	\$24.5m	\$8.3m
Water taxi / ferry infrastructure	\$6.1m	\$6.1m	\$6.1m	\$6.1m
Community heart business case and Memorial Hall replacement	\$10.9m	\$10.9m	\$10.9m	
Total	\$327.7m	\$243.6m	\$409.4m	\$37.5m

The affordability of the plan relies on a significant investment from the New Zealand Transport Agency to fund \$235M over ten years. This includes an assumption in the draft plan that NZTA will fund 80% of a critical Queenstown by-pass arterial (\$148.8M total cost of which \$119.0M is the proposed NZTA share) unlocking Queenstown traffic and 51% of the balance of district-wide roading (see Queenstown Town Centre Masterplan). We will not know the outcome of our assumptions until October 2018 when NZTA will confirm its commitment but we have submitted robust business cases to underline the absolute requirement for investment. As the Mayor and Chief Executive have outlined, this project is not affordable for the community alone. If our conversations with Central Government are unsuccessful, traffic issues will continue to cause snarl-ups, delays and gridlock as we look to stagger the investment.

Given the big issues our community faces, the Council started engaging last year with Central Government on the challenging cost of delivering tourism infrastructure that supports the NZ economy. We have made a specific business case to Central Government to enable the district to sustain projected visitor growth without any risk of eroding the experience. The previous government and the new government have both proved open to this conversation.

A compelling argument in the case is the contribution Queenstown in particular makes to New Zealand's overall GDP. International visitors who come to New Zealand because of Queenstown spend up to \$1.74 billion nationally, meaning Queenstown and its surrounds are critical to the ongoing health of New Zealand Inc. If the funding is not provided in some form then the Queenstown experience (in the first instance) will start to compromise the New Zealand visitor experience and worse, negatively impact our communities. Our communities and this Council cannot afford to continue to stay ahead of these challenges, alone. QLDC considers this funding could be achieved through some form of visitor tax or levy although at the moment it is not possible to do so under current legislation. A fair balance must be struck.

As outlined, growth has seen the projected capital expenditure much higher than previously forecast. The 2015-2025 Ten Year Plan forecast \$380M, the draft plan shows a 156% increase to \$976M.

This reflects a major shift from a Council delivering 'just in time' reactive infrastructure to a Council that is planning strategically to manage growth.

THE BIG ISSUES

- 1 Queenstown Town Centre Masterplan (scope and timing)
- 2 Funding the Queenstown Town Centre Masterplan
- 3 Project Connect and Libraries (changes to previous plans)
- 4 Wanaka Masterplan (shaping the town's future)
- 5 Water (major capital programme)
- 6 Funding small communities' water needs

Details of the options available for each of these issues, the Council preferred option, costs, rate impact and debt impact, are all outlined in the Consultation Document.

Key Support Strategies

The Financial Strategy and the Infrastructure Asset Management Strategy are key to this Draft Ten Year Plan. They are aligned to provide the strategic direction and context for our planning, and lay the foundations that support prudent financial management and efficient asset management over the long-term.

Both strategies contribute to a broad range of community outcomes, as they are integral to the way we work. However, they are most closely associated with the following community outcomes:



Demonstrates leadership



An organisation that consults effectively and makes sound decisions



Effective and efficient infrastructure

A summary of each strategy follows, the full versions of these strategies can be found in the '**Our Decision Making Process**' section of Volume 2.

Financial Strategy

The Financial Strategy describes the challenges that will impact the district over the next ten years, and how the Council will respond in a responsible and affordable way. The strategy aims to achieve the following:

- > a prioritised capital programme, delivering the 'right' projects at the optimum time with development supported in the appropriate areas; and
- > rates increase limit of 10.8% gross (7% net) per annum (subject to changes in growth forecasts) for the first three years and 9.0% gross (5.5% net) for years four to ten; and
- > debt levels maintained at prudent levels, within our borrowing limits; and
- > debt levels at the end of the ten year period stabilised with sufficient headroom to provide financing flexibility for future Councils.

Infrastructure Asset Management Strategy

The Infrastructure Asset Management Strategy details the challenges that will impact the district over the next 30 years (2018-2048), as they relate to transport, water, wastewater, stormwater and solid waste. By covering 30 years the strategy aims to accommodate both the needs of current and future generations by providing good quality, cost effective infrastructure that responds to the following:

- > a demanding natural environment; and
- > growth in population and visitor numbers; and
- > the complexity of our built environment; and
- > our challenging economy; and
- > legislative changes.

How we respond to these challenges has been translated into investment decisions for the first ten years, which are detailed in the capital programme for this Draft Ten Year Plan. By investing in the systems used to manage assets, the Council has been able to develop the data to support these decisions.

Our Assumptions

An important part of preparing the Draft Ten Year Plan is making assumptions about the future.

The Local Government Act 2002 requires that we identify the significant forecasting assumptions and risks underlying the financial estimates.

Where there is a high level of uncertainty, we must state the uncertainty and provide an estimate of the potential effects on the financial assumptions. Given the growth challenges we face as a district, some of our assumptions have such a high level of uncertainty, that the financial impact of changing assumptions cannot be quantified. Where that is the case, a description of the impact has been provided instead.

We have identified three assumption categories that will have the most significant impact on financial aspects of the Ten Year Plan:

- > **Growth and population**
- > **Funding**
- > **Inflation**

You can read more about these below. The full list of assumptions is contained in Volume 2. These should be read in conjunction with the financial statements.

GROWTH AND POPULATION ASSUMPTIONS

Growth is the key challenge we are facing as a district. To assist with future planning, the Council has spent considerable time and effort developing comprehensive growth projections. These have been estimated using the best information available.

Projections have been developed for:

- > The resident population
- > The number of visitors (day visitors, visitors in private residences and those in commercial accommodation)
- > The number of occupied and unoccupied dwellings that will be required in the future
- > The number of visitor units that will be required in the future

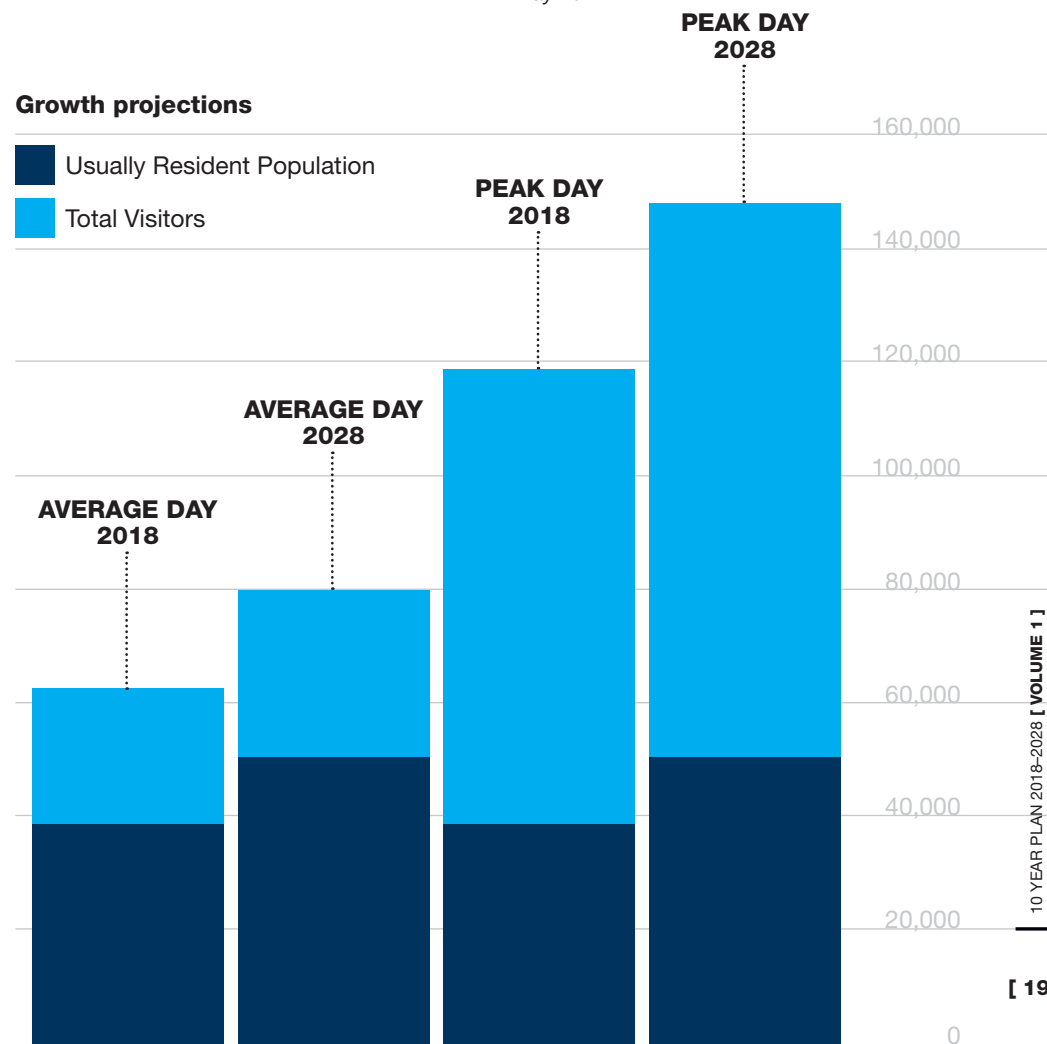
This information is analysed to compare numbers on an average day and on a peak day.

Because growth is a district-wide challenge our projections include all of our communities, urban, rural, large and small. The projections are

based on a 'business as usual' model and do not assume any constraints or intervention in the market.

All figures are as at 30 June of the year shown.

SOURCE: QLDC Growth Projections to 2058, May 2017



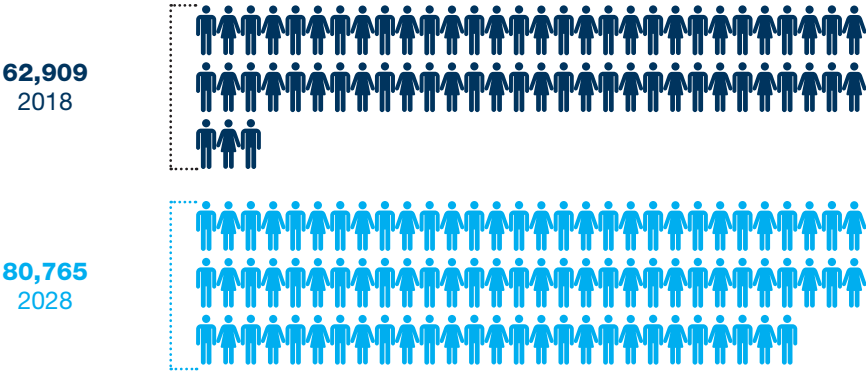
AVERAGE DAY POPULATION GROWTH

SOURCE: QLDC Growth Projections to 2058, May 2017

AVERAGE DAY POPULATION	2018	2028	2048	2058
Wanaka Ward	20,436	26,779	34,318	37,682
Wakatipu Ward	42,472	53,987	71,075	79,103
Whole District	62,909	80,765	105,392	116,786

The **average day population** for the district is expected to increase from an estimated 62,909 people in 2018 to an estimated 116,786 in 2058. This is a growth rate of 2.14% per annum. This consists of residents and visitors of all types.

Of the **average day population**, around 60% is the usually resident population. Approximately 67% of these residents will live in the Wakatipu Ward and the remainder in the Wanaka Ward.



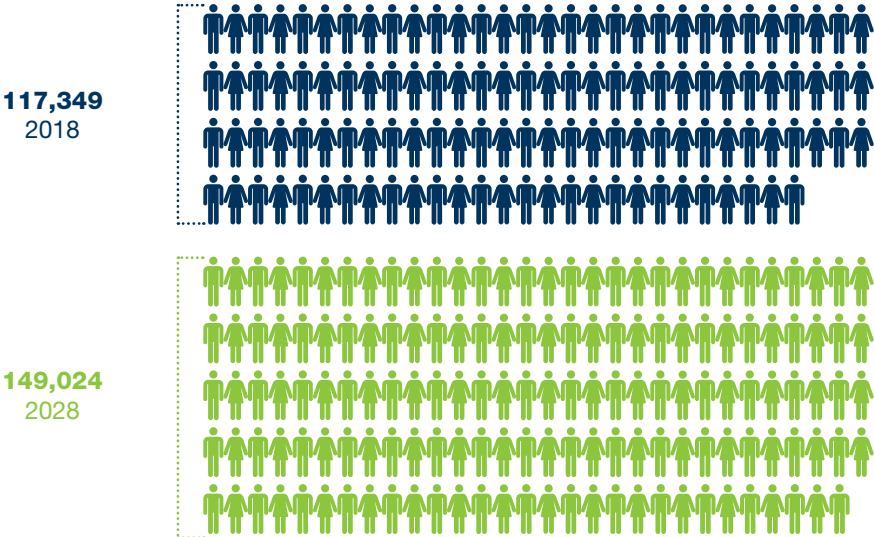
PEAK DAY POPULATION GROWTH

SOURCE: QLDC Growth Projections to 2058, May 2017

PEAK DAY POPULATION	2018	2028	2048	2058
Wanaka Ward	46,939	59,638	74,937	82,069
Wakatipu Ward	70,411	89,386	117,792	131,320
Whole District	117,349	149,024	192,729	213,389

The **peak day population** for the district is expected to increase from an estimated 117,349 in 2018 to an estimated 213,389 in 2058. This is a growth rate of 2.04% per annum. This consists of residents and visitors of all types.

The peak period typically falls over the New Year period (late December / early January) and is relatively short. The projection is particularly important for infrastructure planning, ensuring that roads, waste and 3 waters are able to cope with peak activity.



PROJECTED NUMBER OF RATING UNITS

SOURCE: QLDC Growth Projections to 2058, May 2017

NUMBER OF RATING UNITS	2018	2023	2028
Wanaka Ward	9,177	10,117	10,776
Wakatipu Ward	16,847	18,556	20,121
Whole District	26,024	28,673	30,897

FUNDING ASSUMPTIONS

In order to deliver the substantial capital programme included in this plan, the Council will need to rely on borrowing. The amount of borrowing required is significantly above the amount anticipated in the 2015-2025 Ten Year Plan. It is expected that by the end of year six, external debt will have risen to \$446m (2015: \$166m) and by the end of the ten year period it will have declined to \$339m (2015: \$134m). The graph following demonstrates the differences across these plans.

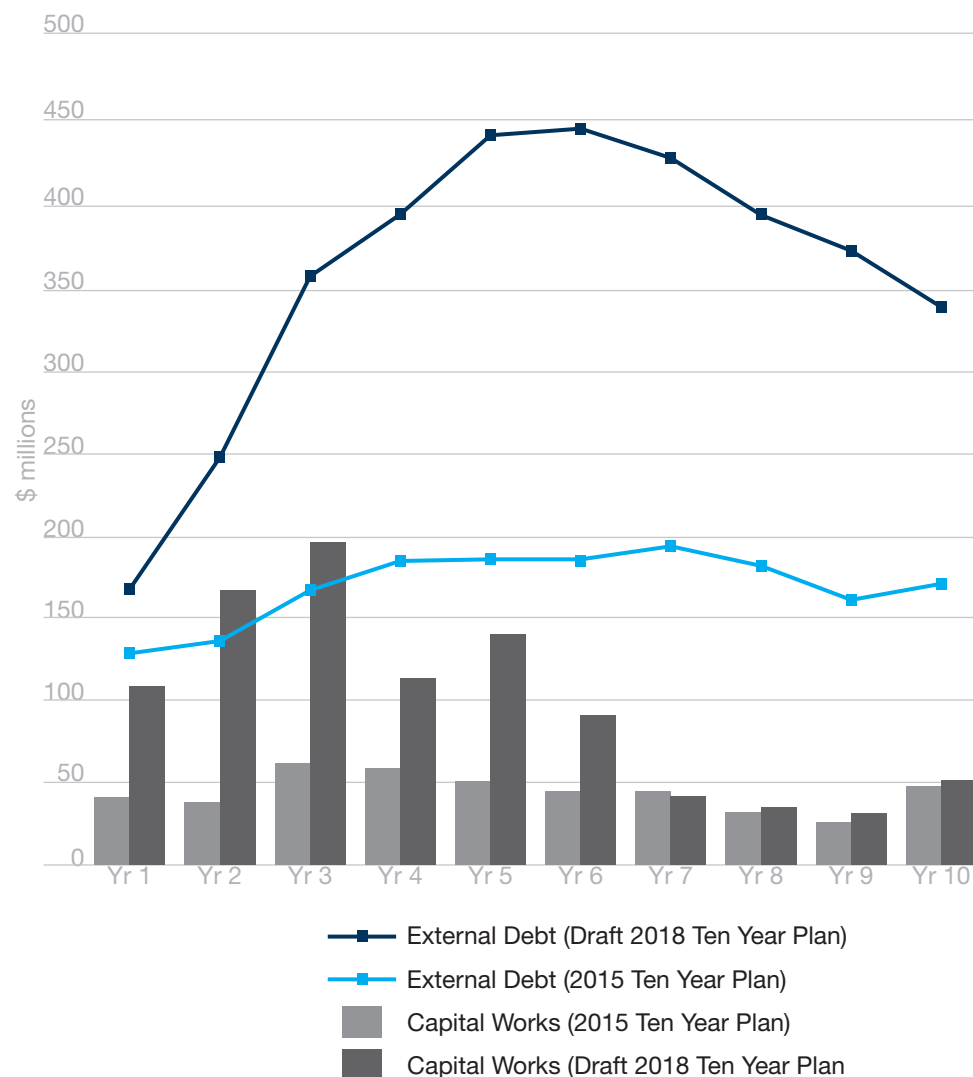
At the end of 2017 the Council applied for a credit rating from Fitch Ratings. This has been granted at AA-, the level of this rating enables the Council to access a higher debt limit. This Draft Ten Year Plan assumes that the Council retains a level of credit rating to allow this higher limit and has utilised this additional available debt to fund the draft capital programme. A considerable amount of time and effort has been made working through the capital programme to ensure that it is affordable, necessary and deliverable. This has meant that a number of projects have been deferred or omitted because of funding and financing constraints.

Included in our funding model for this Draft Ten Year Plan is significant investment from the New Zealand Transport Authority (NZTA) to fund \$242 million over ten years. This includes an assumption in this draft Ten Year Plan that NZTA will fund 80% of a critical Queenstown by-pass arterial (\$148 million) essential to the Queenstown Town Centre Masterplan and 51% of the balance of district-wide transport infrastructure. We will not know the outcome of our assumptions until October 2018 when NZTA will confirm its commitment, but we have submitted robust business cases to underline the absolute requirement for investment.

The plan the Council has proposed mirrors the complex needs of a district in a period of rapid growth. Many aspects of the plan are dependent on internal and external factors (such as Central Government funding) to progress. The assumptions have been provided throughout the plan, and a notable assumption is the Queenstown arterials programme. This \$148.8M roading development is based on an assumed NZTA contribution of \$119.0M (80%). If this funding is not forthcoming at that level, this affects the Council's ability to deliver the remainder of the Queenstown Town

Centre Masterplan, include parking, public transport, street upgrades, and walking/ cycling facilities. In this event, the Council would revert to a reduced overall budget of \$600M for the ten year period, and would be in a position to reconsider the timing of other projects, such as meeting Drinking Water Standards.

Ten Year Financial Analysis External Debt vs Capital Works



To further support the funding of this plan the Council has a number of surplus properties that will be sold in some form during the period. Properties identified as surplus to requirements by the Council include the Commonage and Lake View. A total net gain of \$68 million is reflected in this Draft Ten Year Plan and proceeds will be available for infrastructure investment.

We have outlined the risk and consequences aligned with the above assumptions and the Council’s approach to mitigation of these risks in the Assumptions section in ‘Our Decision Making Process’ in Volume Two of this Draft Ten Year Plan.

INFLATION ASSUMPTIONS

The Draft Ten Year Plan is based on the inflation rates assumed in the table below for periods beyond 2018/19. These inflation rates are based on the Local Government Cost Index (LGCI) prepared by Business and Economic Research Limited (BERL).

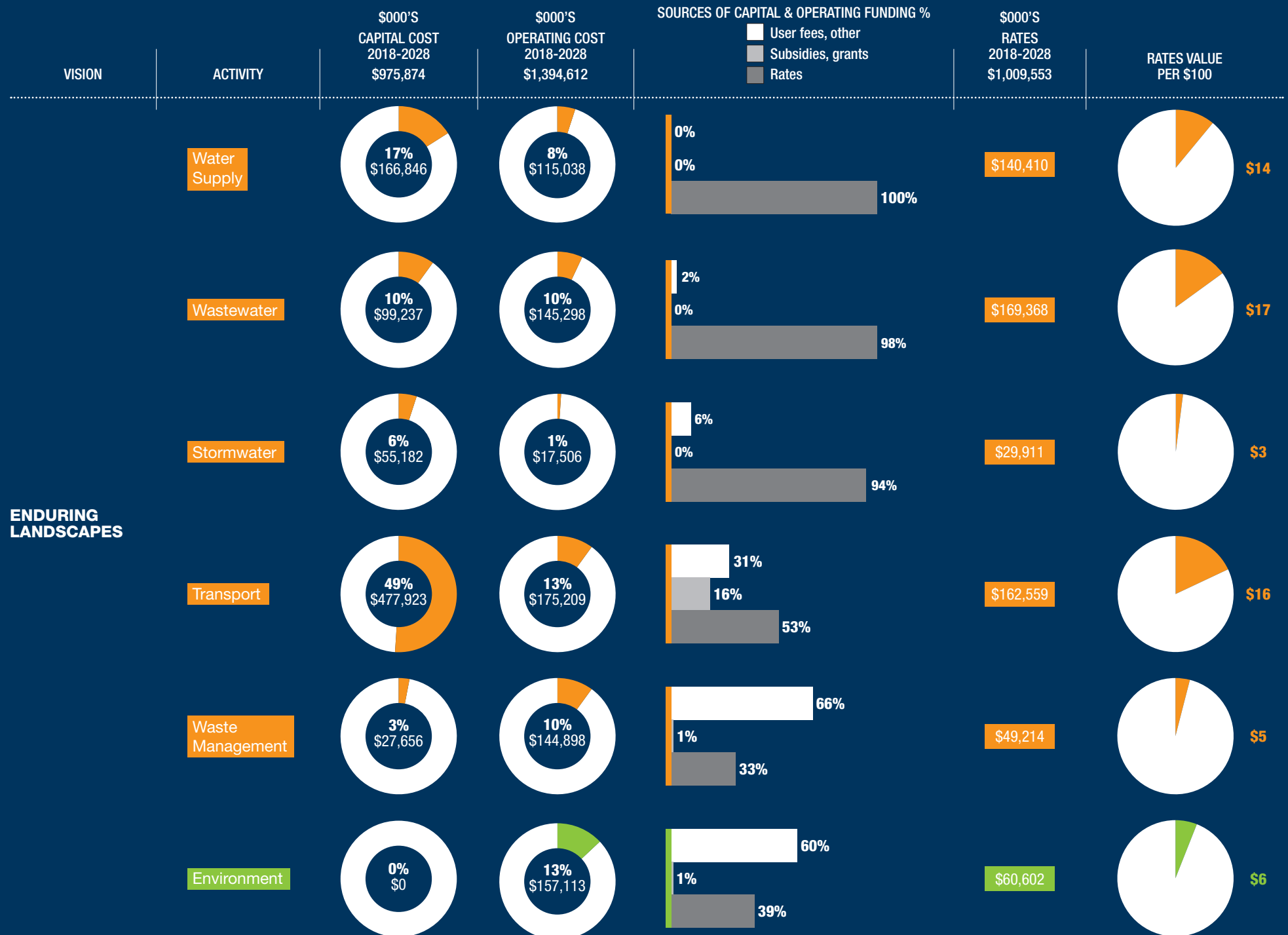
BERL INFLATION INDICES	PLANNING & REGULATION	ROADING	TRANSPORT	COMMUNITY ACTIVITIES	WATER AND ENVIRONMENTAL
2019	2.0%	2.0%	2.0%	1.7%	2.3%
2020	2.1%	2.2%	2.0%	2.0%	2.5%
2021	2.1%	2.2%	2.1%	2.1%	2.3%
2022	2.1%	2.3%	2.2%	2.1%	2.4%
2023	2.2%	2.4%	2.2%	2.2%	2.4%
2024	2.3%	2.4%	2.3%	2.3%	2.5%
2025	2.3%	2.5%	2.4%	2.3%	2.6%
2026	2.4%	2.6%	2.5%	2.4%	2.6%
2027	2.4%	2.7%	2.5%	2.4%	2.7%
2028	2.5%	2.8%	2.7%	2.6%	2.8%

SOURCE: BERL LOCAL GOVERNMENT COST INDEX 2017



OUR FUNDING | TE PUNA PŪTEA

Our funding snapshot



VISION	ACTIVITY	\$000'S CAPITAL COST 2018-2028 \$975,874	\$000'S OPERATING COST 2018-2028 \$1,394,612	SOURCES OF CAPITAL & OPERATING FUNDING % <div><div></div>User fees, other <div></div>Subsidies, grants <div></div>Rates</div>	\$000'S RATES 2018-2028 \$1,009,553	RATES VALUE PER \$100
VIBRANT COMMUNITIES	Community Services & Facilites	<div><div></div><div>9% \$86,799</div></div>	<div><div></div><div>23% \$324,523</div></div>	<div><div></div>27% <div></div>1% <div></div>72%</div>	<div>\$269,383</div>	<div><div></div><div>\$27</div></div>
	Economy	<div><div></div><div>1% \$9,096</div></div>	<div><div></div><div>7% \$101,389</div></div>	<div><div></div>26% <div></div>1% <div></div>73%</div>	<div>\$74,720</div>	<div><div></div><div>\$7</div></div>
BOLD LEADERSHIP	Regulatory Functions & Services	<div><div></div><div>0% \$836</div></div>	<div><div></div><div>11% \$155,091</div></div>	<div><div></div>100% <div></div>0% <div></div>0%</div>	<div>(\$1,832)</div>	<div><div></div><div>\$0</div></div>
	Local Democracy	<div><div></div><div>0% \$0</div></div>	<div><div></div><div>4% \$59,546</div></div>	<div><div></div>55% <div></div>0% <div></div>45%</div>	<div>\$59,400</div>	<div><div></div><div>\$6</div></div>
	Finance & Support Services	<div><div></div><div>5% \$52,299</div></div>	<div><div></div><div>0%</div></div>	<div>Costs are attributed to the activities above</div>	<div>(\$4,182)</div>	

The Funding Impact Statement

The Funding Impact Statement shows the sources of operating funding we will use to fund our activities over this Draft Ten Year Plan.

Funding Impact Statements for each of our activities can be found in the relevant activity sections in this document.

We will use a mix of revenue sources to meet operating expenses, with major sources being general rates, dividends, and fees and charges. Revenue from targeted rates is applied to specific activities.

More detailed information about the funding and rating mechanisms used are contained in the Revenue and Financing Policy. This policy can be found in the '**Our Decision Making Process**' section in Volume 2.

The total revenue sources expected are shown in the Prospective Statement of Comprehensive Revenue and Expense and information is also shown in each significant activity. We propose to apply the same funding and rating principles to each year of the Draft Ten Year Plan.

The statements are presented in thousands of dollars (\$000's). For example \$3,940 equates to \$3.9 million dollars.

FUNDING IMPACT STATEMENT - WHOLE COUNCIL (\$'000)

ANNUAL PLAN 2017/18	TEN YEAR PLAN									
	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Sources of operating funding										
General rates, uniform annual general										
3,460 charges, rates penalties	3,390	3,493	3,472	4,017	3,932	3,845	3,935	3,954	3,897	3,940
64,310 Targeted rates	71,450	78,064	82,653	89,809	95,094	101,115	107,009	111,184	115,728	119,572
27,149 Fees and charges	37,718	37,285	41,070	48,487	50,932	53,301	55,372	57,527	59,790	62,136
1,945 Subsidies & grants for operating purposes	4,846	5,313	5,588	5,424	5,463	5,667	5,875	6,091	6,317	6,552
3,822 Interest and dividends from investments	4,958	5,404	6,101	6,438	6,718	7,510	8,469	9,151	8,066	8,146
Fuel tax, fines, infringement fees & other										
9,891 receipts	7,127	8,204	7,954	7,028	7,228	7,439	7,603	7,769	7,943	8,119
110,577 Total sources of operating funding	129,489	137,764	146,837	161,203	169,368	178,876	188,263	195,677	201,741	208,465
Applications of operating funding										
88,853 Payments to staff and suppliers	104,583	105,535	110,561	115,398	120,927	125,225	129,770	133,853	138,255	142,759
7,566 Finance costs	7,406	10,661	15,011	18,211	20,029	21,199	20,896	19,641	18,090	16,603
- Other operating funding applications	-	-	-	-	-	-	-	-	-	-
96,419 Total applications of operating funding	111,989	116,196	125,572	133,609	140,956	146,424	150,666	153,494	156,345	159,362
14,158 Surplus/(deficit) of operating funding	17,500	21,568	21,265	27,594	28,412	32,452	37,597	42,183	45,396	49,103
Sources of capital funding										
10,446 Subsidies & grants for capital expenditure	11,887	32,511	45,161	30,317	49,176	36,419	11,738	5,647	5,403	7,444
6,616 Development & financial contributions	17,030	17,030	17,030	15,129	12,553	12,349	12,349	12,349	12,160	11,087
- Gross proceeds from sale of assets	24,800	7,153	-	3,316	-	3,316	-	3,316	-	3,316
29,660 Increase/(decrease) in debt	37,630	80,550	113,846	33,061	49,372	2,674	(19,478)	(31,798)	(31,922)	(23,815)
- Lump sum contributions	-	-	-	-	-	-	-	-	-	-
- Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
46,722 Total sources of capital funding	91,347	137,244	176,037	81,823	111,101	54,758	4,609	(10,486)	(14,359)	(1,968)
Applications of capital funding										
Capital expenditure										
27,972 - to meet additional demand	37,356	51,997	70,440	39,359	48,952	30,288	8,080	8,337	6,021	15,977
13,656 - to replace existing assets	26,697	29,719	31,031	28,708	28,436	23,013	20,326	16,860	15,752	17,754
22,488 - to improve the level of service	44,796	85,044	95,833	45,035	62,128	37,597	13,803	10,184	9,266	17,086
(3,236) Increase/(decrease) in reserves	(2)	(7,949)	(2)	(3,685)	(3)	(3,688)	(3)	(3,685)	(2)	(3,682)
- Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-
60,880 Total applications of capital funding	108,847	158,811	197,302	109,417	139,513	87,210	42,206	31,696	31,037	47,135
(14,158) Surplus/(deficit) of capital funding	(17,500)	(21,567)	(21,265)	(27,594)	(28,412)	(32,452)	(37,597)	(42,182)	(45,396)	(49,103)
- Funding balance	-	-	-	-	-	-	-	-	-	-

Managing our rates and debt

We have reviewed and updated our Financial Strategy, alongside the Infrastructure Asset Management Strategy, to underpin our Draft Ten Year Plan. The strategy considers the district's growth over the next decade and aims to meet the current and future needs of our communities in a responsible and affordable way.

We aim to manage rates levels by providing efficient services and managing our debt. The full Financial Strategy document can be viewed in Volume 2 of this Draft Ten Year Plan in the '**Our Decision Making Process**' section.

The table below sets out the amount of rates we will collect and our debt levels over the next ten years.

FINANCIAL YEAR ENDED 30 JUNE	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Rates requirement \$m	\$74	\$81	\$86	\$93	\$98	\$104	\$110	\$115	\$119	\$123
Rates increase (after growth)	6.9%	5.4%	2.1%	5.3%	2.0%	3.9%	3.6%	1.7%	1.8%	1.1%
Debt \$m	\$167	\$247	\$361	\$394	\$443	\$446	\$427	\$395	\$363	\$339
Net debt/total revenue ratio Limit 250%	100.3%	139.3%	188.0%	202.3%	202.9%	204.1%	213.3%	193.0%	175.2%	154.7%

SUMMARY OF RATES IMPACT

The proposed average rates increase for 2018/19 is sitting at 6.95% (after allowing for growth of 3.5% in the rates database). This is above the 4.15% for 2017/18 but follows several years where increases were lower than forecast. The higher increase this year reflects the need to fund the comprehensive programme of works as outlined within the draft plan. The average net annual increase over the ten years (after allowing for growth) is now 3.4% up from the 2.8% (forecast in 2015).

Rates are influenced by a number of factors including core recurring operating costs; growth in the district; inflation, the capital programme and can also be affected if the community demands, or Central Government requires, an improvement in levels of service for a particular activity. The capital expenditure in previous years will affect rates through the impact of depreciation and interest costs.

The impact of a 6.95% rates increase for 2018/19 will not be even across all property types and locations. This is because of the impact of targeted rates which are often ward or scheme based. The updated rating values from the 2017 revaluation of property values in the district can also impact rates increases for the 2018/19 year. The Council is proposing to minimise the impact of the change in values by adjusting the differentials (how costs are allocated by property type) that apply to some rating categories.

You can read about the rates impact in more detail, as well as indicative impacts for a range of properties, in the '**Rates Impact in Detail**' section in Volume Two of this Draft Ten Year Plan.

Rating charges for 2018/19 are:

Increases for:

- > Wastewater per connection per annum for Queenstown \$38.00, Wanaka \$60.00 and Arthurs Point \$30.00.
- > Water supply per connection per annum for Arrowtown \$20.00.
- > Sports, halls and libraries charge of \$45 per annum which impacts residential properties only.
- > Wanaka Pool of \$36 per annum, this is within forecast and impacts residential in the Wanaka ward.
- > Waste management rates of \$32 for residential properties and \$42 for non residential.

Decreases for:

- > Uniform annual general charge of \$3 per property.
- > Alpine Aqualand of \$6 per annum; this impacts residential in the Wakatipu/ Arrowtown wards.

Key changes to the rating policy are summarised below. For full details please refer to the **'Rates Impact in Detail'** section in Volume 2 of this Draft Ten Year Plan.

1. Reflecting the impact of the 2017 Rating Revaluation.
2. Funding of capital costs for new water or wastewater schemes for small communities.
3. Targeted rates for water supply, extending the current urban approach to Arthurs Point and other smaller schemes.
4. Proposal for new targeted rate for the cost recovery of Queenstown Town Centre Masterplan (QTCMP) – note this will not come into effect until 2022.

MANAGING OUR DEBT

The Draft Ten Year Plan has a total capital programme of \$976m, of which \$317m is required for expected growth. Around 24.3% of the total capital expenditure is required to renew or replace existing assets and around 43.2% is required to provide increased levels of services.

Debt is primarily driven by capital expenditure and in order to deliver this capital programme, we will need to rely on borrowing. We have carefully worked through the capital programme to ensure that it is affordable, necessary and deliverable.

It is expected that by the end of year six, external debt will have risen to \$446m reflecting progress on the delivery of major projects, including:

- > the pedestrianisation of the Queenstown Town Centre;
- > design and construction of the new Beacon Point water supply treatment plant;
- > a new treatment plant at Two Mile;
- > an improvement project for Wakatipu's walking and cycling trails;
- > a treatment upgrade for Project Pure;
- > a new water supply scheme for Kingston; and
- > improvements to Queenstown's public transport system.

Year ten will see debt levels reduce from \$446m in year six to \$339m. We have been able to include these major projects primarily due to the Fitch Ratings credit rating of AA- enabling the Council to access a higher debt limit within our Affordability Benchmarks.

The growth portion of the capital programme (\$317m) will be funded by development contributions in the long run, but must be funded largely by debt in the first instance. This allows us to spread the cost of large infrastructure projects over the expected life of the asset. Some of this debt will be through the Housing Infrastructure Fund to allow us to prepare for anticipated growth and to direct development activities in specific areas.

The proposed level of borrowing is within the debt parameters in our Liability Management Policy, with the net debt / total revenue limit increasing from 175% to 250% following our credit rating process.

FINANCIAL YEAR ENDED 30 JUNE	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Interest expense/total rates <30%	10.0%	13.2%	17.6%	19.5%	20.3%	20.3%	18.9%	17.1%	15.2%	13.5%
Interest expense/total revenue <20%	5.2%	6.0%	7.8%	9.3%	9.2%	9.7%	10.4%	9.6%	8.7%	7.6%
Net debt/total revenue <250%	100.3%	139.3%	188.0%	202.3%	202.9%	204.1%	213.3%	193.0%	175.2%	154.7%

MANAGING OUR OPERATIONAL EXPENDITURE AND REVENUE

Operating expenditure (excluding interest and depreciation) totals \$1,227m over the ten years and increases by an average of 3.7% per annum. The average increase in the 2015-25 Ten Year Plan was 5.1% per annum.

The forecasts include a provision for inflation after the first year, growth and an alignment with our capital programme. This means that expenditure is added when new capital projects become operational.

Operating revenue for the same period increases by an average of 6.3% per annum. The average increase in the 2015-25 Ten Year Plan was 3.5% per annum. As with expenditure the forecasts include a provision for inflation, growth and alignment with our capital programme.

User fees and charges have been evaluated in line with our Revenue and Financing Policy. The full policy document can be found in the **'Our Costs in Detail'** section in Volume Two of this Draft Ten Year Plan. This policy sets out which funding tools and targets are most appropriate for any given activity and the rate of private benefit share. There are a range of "user pays" services throughout the district that cover the private benefit of providing that activity. These include access to Sports &

Recreation facilities such as Queenstown Events Centre and venue hire, through to cemeteries and boat ramp permits. As a separate activity the Council will be consulting with the Queenstown Lakes District resident community regarding proposed increases to a range of user fees to align with our policy.



OUR ACTIVITIES IN DETAIL | Ā MĀTOU MAHI

This section provides information on our 11 Council activities. Each activity aligns with our vision and relates to one or more of our community outcomes.

VIBRANT COMMUNITIES TE ORAKA HAPORI

COMMUNITY
SERVICES &
FACILITIES

ENDURING LANDSCAPES TOITŪ TE WHENUA

ENVIRONMENT

WATER SUPPLY

WASTEWATER

STORMWATER

TRANSPORT
INCLUDING ROADING,
PARKING & FOOTPATHS

WASTE
MANAGEMENT

INFRASTRUCTURE

BOLD LEADERSHIP TE AMORAKI

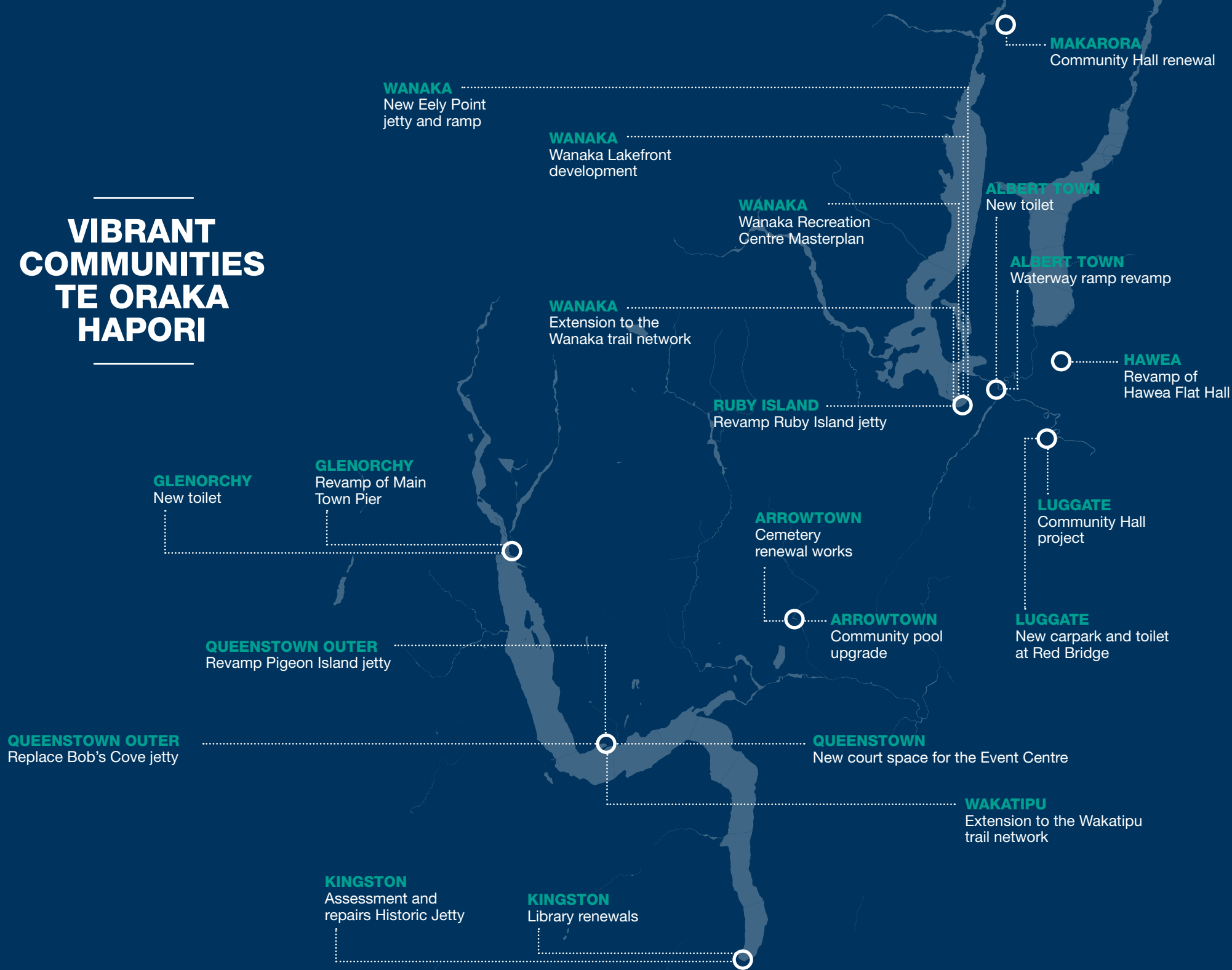
REGULATORY
FUNCTIONS &
SERVICES

ECONOMY

LOCAL
DEMOCRACY

FINANCE &
SUPPORT
SERVICES

VIBRANT COMMUNITIES TE ORAKA HAPORI



COMMUNITY SERVICES AND FACILITIES



Communities are inclusive for all



Communities have a good standard of living and wellbeing



Efficient and effective community facilities



Strong cultural landscape that inspires, preserves and celebrates our heritage, arts and culture



Appropriate public access

What we deliver for Community Services and Facilities

LIBRARY SERVICES

LEVEL OF SERVICE: *The Council provides library facilities for the community to access a wide range of resources for information, leisure and cultural enjoyment.*

There are seven libraries across the district, located in Queenstown, Wanaka, Arrowtown, Hawea, Glenorchy, Kingston and Makarora. We also run a pop-up library at the Queenstown Events Centre in Frankton.

Our libraries are an essential part of a vibrant community. They offer a wide range of books, e-resources, access to technology and a safe place for the community to connect. All of our libraries are free to visit and membership is free to Queenstown Lakes District residents.

PARKS AND RECREATION FACILITIES

LEVEL OF SERVICE: *The Council provides well maintained green space, trails and cycle ways for the community to enjoy sports and leisure activities.*

We manage over 2,084ha of parks and reserves from sports fields and neighbourhood playgrounds to natural areas, forests and lakefronts.

A good network of public open spaces and facilities play a vital role in making this area a great place to work and play. Open spaces, reserves and facilities provide opportunities for people to interact socially and improve their health, as well as providing cultural, landscape and ecological protection. It is also important to the district's tourism and events industries.

Council staff take primary care of all amenity horticulture work, while mowing, tree maintenance and building maintenance is undertaken by contractors.

SPORT AND RECREATION FACILITIES

LEVEL OF SERVICE: *The Council provides pools and gyms that are clean, safe and enjoyable places to visit.*

Pool facilities include Alpine Aqualand, Arrowtown Memorial Pool and the newly built Wanaka Aquatic Centre. We also support the Glenorchy and Hawea community pools via annual operating grants.

We operate out of the new Wanaka Recreation Centre and Queenstown Events Centre. Both facilities include indoor courts and outdoor sport fields. The Wanaka Recreation Centre features outdoor multi-sport artificial turf. At the Queenstown Events Centre, further facilities include a fitness centre and indoor climbing wall.

We provide a range of community programmes, including swim school, swim for life, climbing programmes, fitness classes and sports leagues. Our mantra is, "more people, more active, more often."

OTHER COMMUNITY FACILITIES (HALLS AND VENUES)

LEVEL OF SERVICE: *The Council provides facilities and venues for community activities and events.*

We manage a range of community facilities around the district. These include multi-purpose indoor facilities, event venues and wedding venues.

Our larger venues include Queenstown Memorial Centre, Lake Hayes Pavilion, Athenaeum Hall and Lake Wanaka Centre. Community halls in Kingston, Glenorchy, Hawea Flat, Cardrona and Luggate support local needs and are generally managed in association with local hall committees.

PUBLIC TOILETS

LEVEL OF SERVICE: *The Council provides clean, accessible and conveniently located toilets.*

We provide 50 public toilets around the district for the convenience of our local community and visitors. The goal is to provide clean, accessible and conveniently located toilets.

CEMETERIES

LEVEL OF SERVICE: *Maintain cemeteries that enable healthy grieving and memorialisation for the community.*

We operate 12 designated cemeteries at Makarora, Queenstown, Glenorchy, Frankton, Kingston, Cardrona, Wanaka, Lake Hawea, Skippers and Arrowtown.

All of our cemeteries are of major historical importance, including Skippers and Macetown Cemeteries. Of these only Macetown is 'closed'. A cemetery has been provided at Lower Shotover to meet future demand. Its development will continue, dependent on need.

COMMUNITY HOUSING

LEVEL OF SERVICE: *The Council advocates for affordable housing and currently holds a small amount of stock for elderly housing.*

We manage and maintain nine one-bedroom flats, five residential houses and six residential apartments for the retired community.

We are also implementing a range of ongoing actions and supporting the Queenstown Lakes Community Housing Trust to provide affordable housing in the district.

WANAKA AIRPORT

LEVEL OF SERVICE: *Ensure the airport is efficient, operationally robust and provides value for money.*

Wanaka Airport is located off the Wanaka - Luggate Highway (SH6) approximately 13km to the southeast of Wanaka and 2.5km west of the township of Luggate. The Airport occupies approximately 38ha of land.

The airport has two parallel runways, one sealed, one grass and a number of established commercial and private facilities on leased sites, including a range of aviation maintenance businesses, a skydive facility and a helicopter training establishment.

Wanaka Airport is also the location for the acclaimed Warbirds Over Wanaka International Airshow, held bi-annually. The Warbirds and Wheels museum includes Warbirds aircraft, vintage cars, other museum attractions and a diner-style café.

COMMUNITY GRANTS

LEVEL OF SERVICE: *Provide financial support to various community groups by offering community grants.*

Currently we fund a total of \$712,952 to 38 groups and activities in the district. Further funding is approved through the consultation process for one-off amounts towards specific projects and activities.

Most of the groups supported are either set up as trusts or registered incorporated societies. These groups apply for and use their grant to cover operational costs such as rent or for specific projects each year.

We also assist community groups to access funding available through other agencies.

WATERWAY FACILITIES

LEVEL OF SERVICE: *The Council manages and maintains boat ramps and jetties to enable public enjoyment of the district's lakes.*

We provide public boat ramps and associated structures at Glenorchy, Sunshine Bay, St Omer Park, Bay View (Kelvin Peninsula), Frankton Marina, Kingston, Hawea foreshore, Glendhu Bay and Roys Bay (Wanaka).

To ensure safety, we maintain a register of all waterway structures and foreshore licences. This includes the maintenance and development of council-owned waterway facilities.

What we are planning for our Community Services and Facilities

LIBRARY

- > Consultation on the provision of a leased Frankton Library space to serve the Frankton community and to help inform longer-term investment decisions.
- > Included in this plan is funding for a one Council building in Queenstown. Future needs have identified capacity requirement for an 'interim' library space within this building. This will enable continuity of service, once Gorge Road is sold, and prior to a proposed dedicated library space being developed in the town centre.
- > A new mobile library/community partnership bus to service the district.

SPORT AND RECREATION FACILITIES

- > Implement the Regional Facility Strategy starting with QLDC, CODC and Sport Otago developing a scope and setting up a Governance Group that will work together. This will inform future planning for the two mentioned Councils' sport and recreation facilities.
- > Development of a masterplan for the Wanaka Recreation Centre. This will help identify the best use of the recreation centre to meet the needs of the sporting community.

- > Extension of the Wanaka Recreation Centre to include a health and fitness centre.
- > Extension of the health and fitness area at Queenstown Events Centre to service growth and maintain levels of service.
- > Two new courts to be built onto the Queenstown Events Centre. Due to growth in the district, Queenstown Events Centre has reached a point where there are not enough courts for the demand during the winter months, and this is only likely to worsen as the population grows.
- > An artificial turf programme, which will deliver a new 'all-weather' pitch at the Queenstown Events Centre.
- > A placeholder budget has been included for enhancement of the Arrowtown Pool. The work will be prioritised after consultation with the community.

WATERWAY FACILITIES

- > A new jetty and ramp at Eely Point, Wanaka. The current launching facility is at capacity.
- > Major refurbishment of the Glenorchy Main Town Pier to begin 2021/22.
- > Structural assessment and repairs of the Kingston Historic Jetty including re-decking the wharf and adding new buffers throughout.

CORONET FOREST

- > In August, the Council approved the early harvesting of the Coronet Peak Forest as part of the Coronet Forest Management Plan 2017. This plan was updated from a previous plan adopted as part of the Ten Year Plan 2015-2025. The new 2017 management plan included a revegetation plan replanting the area with a combination of grasses and indigenous beech and shrub, following the timber being harvested. This budget for the revegetation programme is included in the plan at a total cost of \$10.0 million (increase to level of service). The programme will also include eradicating pests in the area, ongoing maintenance and construction of tracks which may be available for walking, bikes and horse-trekking to create a valuable community asset.

PARKS AND RESERVES

- > Implementation of the Wanaka Lakefront Development Plan. Including an extension to the Yacht Club car park and a board walk and floating jetty at the boat ramp. Existing jetty and pier renewals are also included.
- > Sports field upgrades across the district.
- > Implementation of the Queenstown Gardens Development Plan, including renewal of pathways and lighting.

- > Review of the Ben Lomond and Queenstown Hill Reserve Management Plan.

PUBLIC TOILETS

- > New public toilets are planned for the Lake Hayes Pavilion, Luggate's Red Bridge, Glenorchy and Albert Town.

COMMUNITY FACILITIES

- > Initial engagement has been undertaken with Luggate residents via the Luggate Community Association on the Luggate Hall. Investigations have been ongoing to understand the best option for providing a hall facility, and whether that is a new hall or seismic strengthening works to the existing one.

Although a final conclusion has yet to be identified, the Council acknowledges that this is a priority for the Luggate community and \$1million has been allocated in the first two years of this draft Ten Year Plan.

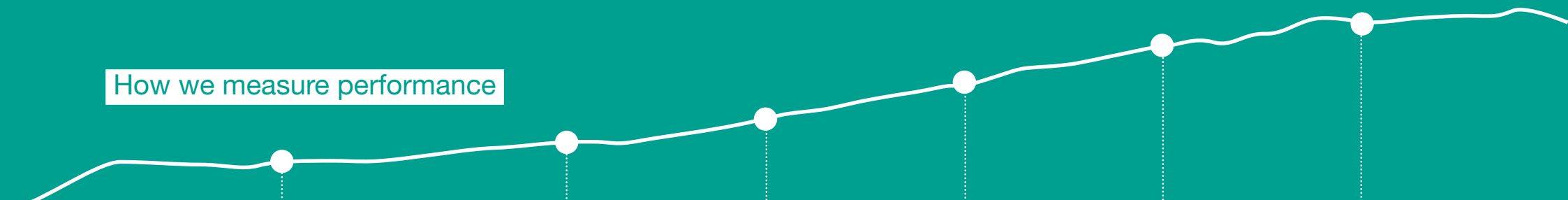
- > Extension of Hawea Flat Hall to include a storage area. Kitchen, toilets and heating will also be upgraded.
- > Continued renewal works across all community facilities in the district.

What significant negative impact this activity might have

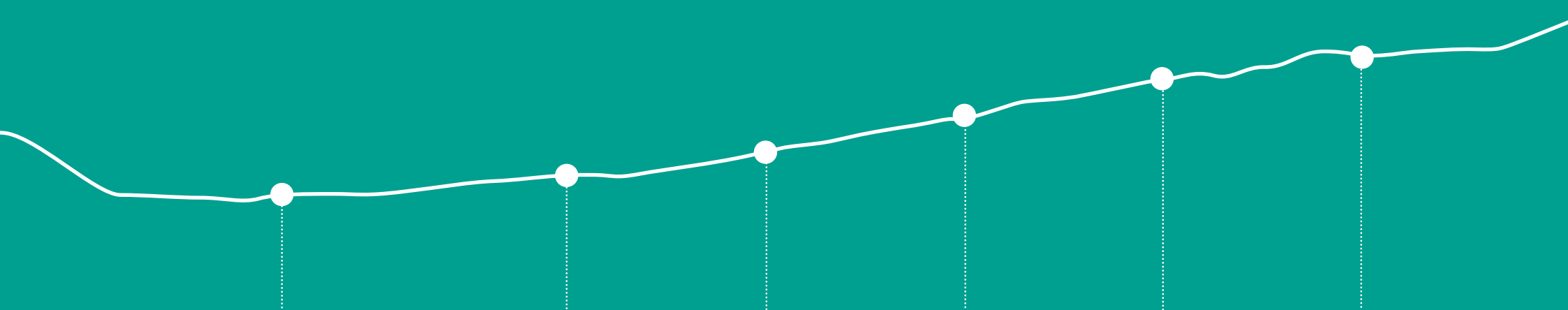
Sometimes the activities that we do can have a negative impact. While we strive to ensure that we operate in a way that provides the most positive outcomes, we have to acknowledge that sometimes there is a trade-off. This table summarises those negative effects that we consider significant for this activity and what we are doing to minimise these effects.

SIGNIFICANT NEGATIVE EFFECT	SUSTAINABLE SOLUTION
Carbon generated through the use of petrochemical-driven maintenance operations for our Parks and Reserves.	We have annual planting programmes and we encourage alternative maintenance techniques when tendering for maintenance works.
Use of agrichemicals in our Parks and Reserves presents a risk to public health.	Where possible we apply alternative means of vegetation management and we comply with legislation and standards around advertising, signage and safety equipment when using agrichemicals.
Aircraft noise negatively impacting the local community.	Ensuring that we comply with the noise control boundaries set in our District Plan.

How we measure performance



KEY PERFORMANCE INDICATOR	BASELINE (how we performed at 30 June 2017)	TARGET YEAR 1 2018-2019	TARGET YEAR 2 2019-2020	TARGET YEAR 3 2020-2021	TARGET YEAR 10 2027-2028
Percentage hours of community use for our venues and facilities.	Lake Hayes Pav 23% Lake Wanaka Ctr 37% QEC (indoor) 85% QEC (rooms) 24% Qtn Mmrl. Ctr 27% Artwn Ath. Hall 23% Artwn Cmty Rm 12%	maintain/increase	maintain/increase	maintain/increase	maintain/increase
Percentage of capital works completed annually, including renewals, against the annual budget adopted by the Council for community facilities.	78%	>80%	>80%	>80%	>80%
Percentage of ratepayers who are satisfied with Community Services; pools, gyms, community halls, libraries and parks, as measured by a satisfaction vs. need for improvement index.	Pools - 65% vs 35% Library - 89% vs 7% Parks - 95% vs 26% Halls - 85% vs 15%	maintain/increase	maintain/increase	maintain/increase	maintain/increase
Percentage of residents who have attended or performed in arts and cultural events or groups in the district.	new measure	>70%	>70%	>70%	>70%



KEY PERFORMANCE INDICATOR	BASELINE (how we performed at 30 June 2017)	TARGET YEAR 1 2018-2019	TARGET YEAR 2 2019-2020	TARGET YEAR 3 2020-2021	TARGET YEAR 10 2027-2028
Percentage of residents and ratepayers who rate their quality of life as average or better, based on a series of quality of life indicators.	new measure	>70%	>70%	>70%	>70%
Active sport and recreation participants per capita (based on usual resident population).	30,637	maintain/increase	maintain/increase	maintain/increase	maintain/increase
Percentage of RFS resolved within specified timeframe for parks, reserves, trails, gardens and playgrounds.	65%	>70%	>75%	>80%	>95%
Average daily use of trails.	1,803	>1,800	>1,800	>1,800	>1,800
Number of community association scheduled meetings attended by staff and/or elected members.	new measure	>80%	>80%	>80%	>80%
Percentage of total community grants to operating cost, excluding salaries and wages.	1.65%	maintain	maintain	maintain	maintain
Percentage of residents and ratepayers who are satisfied with the support the Council provides for the community.	new measure	>80%	>80%	>80%	>80%

What does our Community Services and Facilities cost, how is it paid for

FUNDING IMPACT STATEMENT BY ACTIVITY GROUP (\$'000)

ANNUAL PLAN	TEN YEAR PLAN										
2017/18	Community	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Sources of operating funding											
	General rates, uniform annual general										
2,403	charges, rates penalties	2,216	2,104	2,061	2,656	2,556	2,496	2,543	2,534	2,578	2,610
16,041	Targeted rates	18,822	19,876	21,658	23,624	25,256	24,710	26,607	27,193	28,013	29,270
8,420	Fees and charges	8,766	7,122	5,939	6,185	6,437	6,702	6,923	7,149	7,390	7,626
1,626	Subsidies & grants for operating purposes	314	327	343	357	371	386	398	411	424	438
-	- Interest and dividends from investments	-	-	-	-	-	-	-	-	-	-
	Fuel tax, fines, infringement fees & other										
2,723	receipts	3,077	3,104	3,121	3,175	3,304	3,383	3,397	3,382	3,374	3,382
-	- Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-
31,213	Total sources of operating funding	33,195	32,533	33,122	35,997	37,924	37,677	39,868	40,669	41,779	43,326
Applications of operating funding											
20,410	Payments to staff and suppliers	24,717	22,096	22,096	23,639	24,699	25,271	25,903	26,680	27,464	28,432
2,026	Finance costs	1,691	2,101	2,099	3,001	3,126	3,247	3,191	3,032	2,849	2,616
3,971	Internal charges and overheads applied	3,998	4,091	4,091	4,771	4,802	4,861	4,923	4,957	5,012	5,067
-	- Other operating funding applications	-	-	-	-	-	-	-	-	-	-
26,407	Total applications of operating funding	30,406	28,288	28,286	31,411	32,627	33,379	34,017	34,669	35,325	36,115
4,806	Surplus/(deficit) of operating funding	2,789	4,245	4,836	4,586	5,297	4,298	5,851	6,000	6,454	7,211
Sources of capital funding											
-	- Subsidies & grants for capital expenditure	31	47	482	-	-	-	-	-	-	-
1,912	Development & financial contributions	1,964	1,964	1,964	1,964	1,140	1,140	1,140	1,140	1,140	1,034
-	- Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
4,081	Increase/(decrease) in debt	809	9,329	12,269	1,257	3,319	1,108	(3,707)	(2,980)	(4,620)	(4,910)
-	- Lump sum contributions	-	-	-	-	-	-	-	-	-	-
-	- Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
5,993	Total sources of capital funding	2,804	11,340	14,715	3,221	4,459	2,248	(2,567)	(1,840)	(3,480)	(3,876)
Applications of capital funding											
	Capital expenditure										
6,214	- to meet additional demand	1,890	3,098	4,319	828	778	419	170	268	184	183
3,220	- to replace existing assets	5,876	4,746	2,976	3,632	3,114	2,750	2,144	3,025	2,026	2,476
4,612	- to improve the level of service	4,926	8,247	11,018	3,769	5,606	3,607	1,184	1,287	1,069	1,184
(3,247)	Increase/(decrease) in reserves	(7,099)	(506)	1,238	(422)	258	(230)	(214)	(420)	(305)	(508)
-	- Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-
10,799	Total applications of capital funding	5,593	15,585	19,551	7,807	9,756	6,546	3,284	4,160	2,974	3,335
(4,806)	Surplus/(deficit) of capital funding	(2,789)	(4,245)	(4,836)	(4,586)	(5,297)	(4,298)	(5,851)	(6,000)	(6,454)	(7,211)
-	Funding balance	-	-	-	-	-	-	-	-	-	-

Proposed Community Services and Facilities capital works

SUM OF CAPITAL WORKS (\$000)	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	GRAND TOTAL
Arrowtown											
Pool plant and equipment	20	9	8	22	27	75				157	318
Community hall renewals	36	9	9	26	10	10	10	18	11	83	222
Asset management improvements for buildings	25	3	21	16	27	22	17	23	18	12	184
Arrowtown hall renewals	9	11	16	23	17	27	19	40	8	12	182
Pool building renewals	7	7	37	7	7	10	7	21	8	18	129
6 Merioneth St renewals	45	10	15		11		8				89
Library property renewals	5	10	26								41
Arrowtown hall flooring upgrade	35										35
Arrowtown hall LED lighting upgrade			26								26
Grannies historic cottage renewals		15								6	21
Romans historic cottage renewals		15								6	21
Adams historic cottage renewals									12	6	18
Arrowtown hall alarm panel	10										10
Historic old church										6	6
Arrowtown hall supper room		5									5
Arrowtown hall exterior woodwork		5									5
Arrowtown community pool refurbishment	500										500
Athenaeum hall public toilet upgrade	250										250
Arrowtown skate park renewal	200										200
Arrowtown cemetery renewals	30										30
District Wide											
Asset management improvements for community facilities	22			25		28					75
Library mobile facility	275										275
Library collection renewals	307	314	319	325	332	339	346	354	363	371	3,370

(CONTINUED)

SUM OF CAPITAL WORKS (\$000)	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	GRAND TOTAL
Glenorchy											
Main town pier refurbishment	230			422	22				23		697
Hall renewals	20	10			11	11	22				74
Library building renewals	5	15			11		11				42
New toilet	250										250
Marina, dredging and fall protection fencing	35				22				23		80
Hawea											
Hawea Flat Hall, extension and renewals	160	8				44				36	248
Lake Hawea jetty and ramp renewals	10			11			11			12	44
Kingston											
Historic jetty refurbishment	150										150
Library property renewals	5	41				6					52
Community building and St John's building renewals					11	11					22
Kingston jetty and ramp renewals					22						22
Lake Hayes											
Pavilion renewals priority one	7	7	7	38	8	7	8	8	42	8	140
Lake Hayes Pavilion renewals priority two	10		3	21		11	6	50		4	105
Pavilion public toilet		31									31
Pavilion LED upgrade	5										5
Lake Hayes Estate park improvements				106	1,077						1,183
Lake Hayes north reserve upgrade	30	254									284
Luggate											
Community Hall project	450	509									959
Red Bridge car park and toilet	20	356									376

(CONTINUED)

SUM OF CAPITAL WORKS (\$000)	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	GRAND TOTAL
Queenstown											
Events Centre two new courts	920	3,508	3,805								8,233
Wakatipu library service update	250	1,002	3,815								5,067
Alpine Fitness extension	69	211	1,375								1,655
Alpine Aqualand building renewals	265	126	158	239	58	45	27	63	31	49	1,061
Queenstown Memorial Hall event renewals	15	6	8	78	5	99	105	8	6	8	338
Events Centre resurface outdoor courts	200										200
Asset management improvements for libraries	24	31	19	13	24	20	12	22	16	13	194
Library information technology costs for new services			156								156
Events Centre new security and emergency lighting	112										112
Events Centre accessibility changing room	100										100
Queenstown Memorial Hall building renewals	14	14	12	12	12						64
Old High School block B renewals	15	31	10								56
Queenstown Memorial Hall upgrade to LED lighting		46									46
71 Ballarat Street flats, renewals			16		11		9			7	43
Alpine Aqualand sauna		31									31
Queenstown Memorial Hall replacement of soft furnishings				30							30
Queenstown Bay ramp renewals	5			5			6			6	22
Queenstown Memorial Hall replacement of stage drapes				15							15
Old High School block A renewals		10									10

(CONTINUED)

SUM OF CAPITAL WORKS (\$000)	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	GRAND TOTAL
Makarora											
Makarora community building renewals	5		21				6		12		44
Wakatipu											
Coronet Forest revegetation	70	664	675	1,183	3,543	2,290	454	386	395	404	10,064
Playground renewals	300	305	310	317	323	330	337	345	353	362	3,282
Artificial turf programme	150	2,389									2,539
Queenstown Event Centre facility maintenance and renewals	151	48	136	249	122	206	85	811	202	44	2,054
Queenstown gardens development	550	782	310								1,642
Alpine Aqualand plant and equipment	152	297	617	297		73	31	6	26		1,499
Queenstown Events Centre renewals	190	34	63	53	415	477	26	26	27	29	1,340
Tracks and trails renewals	150	153	155	95	97	99	101	103	106	109	1,168
Existing toilets refurbishment				263		275		287		301	1,126
Wakatipu trail development	100	102	103	106	108	110	112	115	118	121	1,095
Tennis court renewals	120	305	103	178	108	110	112				1,036
Jacks Point sports fields					65	660					725
Parks open spaces renewals	60	61	62	63	65	66	67	69	71	72	656
New street sweeper		193			205			218			616
High profile turf and gardens renewals	54	55	56	57	58	59	61	62	64	65	591
Parks open spaces minor improvements	40	41	41	42	43	44	45	46	47	48	437
Shotover Country sports field upgrades			414								414
Parks roading renewals	30	61	62	32	32	33	34	34	35	36	389
Parks plant and equipment	30	31	31	32	32	33	34	34	35	36	328

(CONTINUED)

SUM OF CAPITAL WORKS (\$000)	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	GRAND TOTAL
Wakatipu											
Street tree replacement programme	30	31	31	32	32	33	33	35	35	36	328
Millbrook corner field improvements								323			323
Library furniture and equipment	25	25	26	26	27	28	28	29	29	30	273
Jack Reid field improvements	230										230
Glutton (urban and industrial waste vacuum) replacement	50			53			55			60	218
Asset management improvements for parks	24	31	19	13	24	20	12	21	16	13	193
Frankton Beach upgrade	20	153									173
Queenstown Events Centre field improvements	170										170
Queenstown Events Centre sports field floodlights replacement	150										150
Bob's Cove jetty replacement	10		83						12		105
Lower Shotover cemetery improvements	100										100
McBride Park car parking improvements	100										100
Asset management improvements for waterways		20			16				14		50
Queenstown Bay lake wall	50										50
Pigeon Island hut and jetty				11	38						49
Frankton Beach jetty and ramp	15				22						37
Bayview jetty and ramp					22						22
Sunshine Bay jetty and ramp					22						22
Alpine Health and Fitness equipment replacement	59	58	59	240	167	48	16	2	5	184	838

(CONTINUED)

SUM OF CAPITAL WORKS (\$000)	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	GRAND TOTAL
Wanaka											
Wanaka lakefront development plan (Consultation Issue 4)	2,529	1,992	993	243	247	253					6,257
Wanaka Recreation Centre Masterplan implementation	138	314	3,214								3,666
Playground renewals	200	203	207	211	214	220	225	230	235	241	2,186
Eely Point jetty and ramp				1,161	861						2,022
New sports fields provision			103	1,055							1,158
Existing toilets refurbishment					269		281		294		844
New street sweeper	190			200			214			229	833
Tracks development (Consultation Issue 4)	75	76	78	79	81	83	84	86	88	90	820
Tracks and trails renewals	100	102	102	63	65	66	67	69	71	72	777
Parks open spaces renewals	50	51	52	53	54	55	56	57	59	60	547
High profile turf and gardens renewals	36	37	37	38	39	39	40	41	42	43	392
Parks roading renewals	30	61	61	32	32	33	34	34	35	36	388
Lake Wanaka Centre renewals external asset renewals	65	39	36	17	12	12	25	31	130	13	380
Parks plant and equipment	30	31	31	32	32	33	34	34	35	36	328
Parks open spaces minor improvements	30	31	31	32	32	33	34	34	35	36	328
Street tree replacement programme	30	31	31	32	32	32	34	34	35	36	327
Wanaka swimming pool renewals	50				108					120	278
Upper Clutha library furniture and equipment	25	25	26	26	27	28	28	29	29	30	273
Lake Wanaka Centre internal asset renewals	52	98	54	23	4	1	16		12		260
Library building renewals	30	13		16		109		57			225
Tennis court renewals								207			207
Skate Park stage three		203									203
Asset management improvements for parks	24	31	19	13	24	20	11	21	16	13	192

(CONTINUED)

SUM OF CAPITAL WORKS (\$000)	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	GRAND TOTAL
Wanaka											
Glutton (urban and industrial waste vacuum) replacement		51			54			57			162
Wanaka Recreation Centre sports field floodlights	150										150
Wanaka show grounds field development		132									132
Wanaka Pool scoreboards	124										124
22 Brownston St, Wanaka Arts Centre		41		37							78
MacKay St jetty				74							74
Wanaka Pool security	65										65
Lake Wanaka Centre carpet replacement	58										58
Wanaka Pool building and storage	50										50
Wanaka Recreation Centre building and storage	44										44
46 Connor St, Wanaka minor works	25	10					8				43
48 Connor St, Wanaka minor works	25	10					8				43
198 Warren St, Wanaka minor works	25	10					8				43
Lake Wanaka Centre painting	30										30
Glendhu Bay rotary park ramp	5			5			6			6	22
Glendhu Bay Camp ramp	5			5			6			6	22
Albert Town ramp	5			5			6			6	22
Ruby Island jetty	20										20
Wanaka Recreation Centre scoreboards	16										16
Albert Town new toilet	15										15
Wanaka Recreation Centre equipment	9										9
Community Total	12,692	16,091	18,313	8,229	9,498	6,776	3,498	4,580	3,279	3,843	86,799

ENDURING LANDSCAPES TOITŪ TE WHENUA



ENVIRONMENTAL MANAGEMENT



Quality built environments
that meet local needs and
respect the local character



World class landscapes are protected

What we deliver for Environmental Management

DISTRICT PLAN

LEVEL OF SERVICE: *The Council takes all practicable steps to protect the environment.*

The District Plan explains how we will manage the environment, in accordance with the requirements of the Resource Management Act. It sets out what activities you can do as of right, what you need resource consent for, and how certain activities may be carried out. It also sets out a strategic direction for the district in terms of where and how development should occur.

A review of the District Plan is being completed in stages. This will restructure the District Plan into a document that is more concise, streamlined and easy to interpret. It will also deliver a policy and rule framework that is more direct and less ambiguous, providing for greater direction and certainty.

RESOURCE CONSENTS

LEVEL OF SERVICE: *The Council provides efficient and cost effective processing of resource applications that are considered for environmental impact.*

A resource consent is written approval from the Council to undertake an activity that is not permitted as of right in the District Plan (a permitted activity). The process for granting a resource consent is governed by the Resource Management Act 1991 and the District Plan. The types of resource consent issued by Council include:

- > Land use consents - this term applies to most resource consents and includes things like constructing a building, undertaking an activity, running an event, carrying out earthworks, clearance of large areas of vegetation and commercial activities such as jet boat operating, fishing guiding, kayak hire and guiding.
- > Subdivision consents - subdividing land to create one or more additional lots or unit titles or altering a boundary.

We play an important role as one of the guardians of our unique environment, working in partnership with the Otago Regional Council, the Department of Conservation and a number of valued interest groups. Part of this includes contracting services that relate to the swift management of pollution discharges to land and water.

What we are planning for Environmental Management

DISTRICT PLAN

Implement the recommendations of the Mayoral Housing Affordability Taskforce to tackle housing supply and housing affordability issues, including:

- > Developing and promoting suitable Special Housing Area proposals;
- > Promoting opportunities for intensification of development within existing urban areas;
- > Establishing a framework for securing and retaining affordable housing through the Queenstown Lakes Community Housing Trust; and
- > Promoting a framework for inclusionary zoning in the Proposed District Plan.

- > Stage two of the District Plan review was notified on the 23rd November 2017. This stage encompasses visitor accommodation, transport, Wakatipu Basin, signs, earthworks, open space and recreation. Hearings on submissions to this notification will commence mid to late 2018.
- > Prepare and consult on a future development strategy that sets out a strategic spatial plan for providing for urban growth and protecting the special features of our rural areas and settlements.
- > Work towards making the majority of the zones and zoning in the Proposed District Plan operative.

RESOURCE CONSENTS

- > The Resource Management Act amendments in October 2017 have further streamlined the resource consent process. We will continue to respond to this change by adapting our systems, processes and forms to become more efficient in our consenting function, while retaining the quality of decision-making.
- > Improvements to guidance material will continue to assist people to understand and better respond to the requirements of the District Plan documentation and resource consenting processes generally. This is of particular importance as increasing assessment weight transfers from the current Operative District Plan to the new Proposed District Plan.
- > As work volumes continue to increase, we will be enhancing our contractor management system to ensure that overflow work undertaken by contract planners is efficient, cost effective and of a high quality.

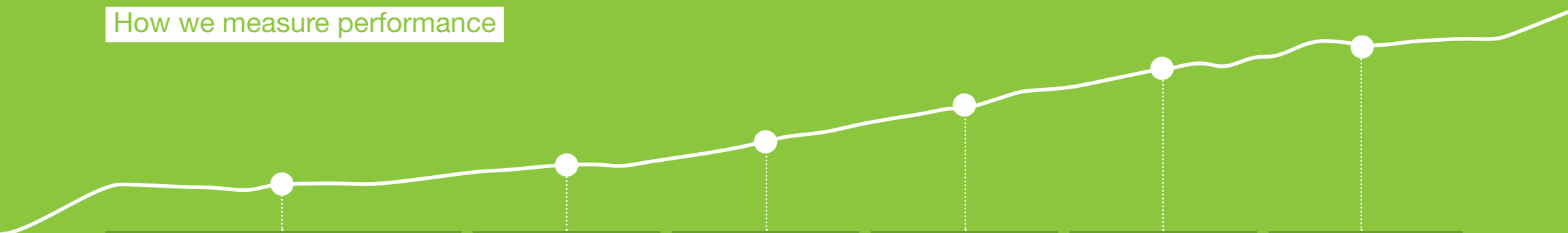
- > We will be implementing an enhanced approach to environmental management in resource consenting. This will ensure that the increasing levels of development reduce both natural and built environmental impacts associated with sediment-laden stormwater and dust.
- > The Resource Consents team will continue to provide planning leadership and assistance on inter-disciplinary QLDC projects and taskforce groups.
- > We will undertake the process to renew resource consents with Otago Regional Council for discharge to the environment.

What significant negative impact this activity might have

Sometimes the activities that we do can have a negative impact. While we strive to ensure that we operate in a way that provides the most positive outcomes, we have to acknowledge that sometimes there is a trade-off. This table summarises those negative effects that we consider significant for this activity and also what we are going to do to try and minimise these effects.

SIGNIFICANT NEGATIVE EFFECT	SUSTAINABLE SOLUTION
Resource consent decisions and delivery of information on the District Plan and development matters can have a significant effect on the social, cultural, economic and environmental wellbeing of the community.	We address this by ensuring that staff have adequate access to all relevant information and are appropriately trained and qualified to make robust decisions to ensure that these effects are kept to a minimum.
The cumulative effects of subdivision, land use and development can have significant negative environmental and social effects.	Our Proposed District Plan is progressing towards being operative through the Resource Management Act 1991 process. This plan includes appropriate objectives, policies and rules to promote sustainable management of our natural and physical resources. We monitor growth trends and resource management issues regularly and respond to those issues as appropriate.
The Resource Consent team is not able to control the incoming work load, this may result in consents not being issued within the statutory time frames. This can have a negative effect on businesses and rate payers.	The short fall in processing capacity is compensated for by utilising external contractors to assist with our workload.

How we measure performance



KEY PERFORMANCE INDICATOR	BASELINE (how we performed at 30 June 2017)	TARGET YEAR 1 2018-2019	TARGET YEAR 2 2019-2020	TARGET YEAR 3 2020-2021	TARGET YEAR 10 2027-2028
Percentage of resource consents processed within statutory timeframes.	88%	100%	100%	100%	100%
Percentage of residents and ratepayers who are satisfied with the steps Council is taking to protect the environment.	42%	>45%	>50%	>55%	>60%

What does our Environmental Management cost, how is it paid for

FUNDING IMPACT STATEMENT BY ACTIVITY GROUP (\$'000)

ANNUAL PLAN 2017/18	Environmental Management	TEN YEAR PLAN 2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Sources of operating funding											
	General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-
4,372	Targeted rates	4,628	5,609	5,683	5,935	6,326	6,394	6,420	6,457	6,535	6,615
5,603	Fees and charges	6,975	7,353	7,843	8,276	8,741	9,125	9,525	9,943	10,389	10,854
100	Subsidies & grants for operating purposes	100	100	100	100	100	100	100	100	100	100
	- Interest and dividends from investments	-	-	-	-	-	-	-	-	-	-
	Fuel tax, fines, infringement fees & other receipts	100	106	111	117	123	130	135	140	145	151
	- Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-
10,179	Total sources of operating funding	11,803	13,168	13,737	14,428	15,290	15,749	16,180	16,640	17,169	17,720
Applications of operating funding											
8,931	Payments to staff and suppliers	12,196	11,670	11,670	12,580	12,492	12,984	13,452	13,932	14,432	14,945
216	Finance costs	288	311	311	256	203	125	48	5	-	-
2,132	Internal charges and overheads applied	2,301	2,168	2,168	2,573	2,576	2,619	2,660	2,681	2,715	2,752
	- Other operating funding applications	-	-	-	-	-	-	-	-	-	-
11,279	Total applications of operating funding	14,785	14,149	14,149	15,409	15,271	15,728	16,160	16,618	17,147	17,697
(1,100)	Surplus/(deficit) of operating funding	(2,982)	(981)	(412)	(981)	19	21	20	22	22	23
Sources of capital funding											
	- Subsidies & grants for capital expenditure	-	-	-	-	-	-	-	-	-	-
	- Development & financial contributions	-	-	-	-	-	-	-	-	-	-
	- Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
(451)	Increase/(decrease) in debt	1,449	(551)	(551)	(551)	(1,551)	(1,551)	(1,551)	(181)	-	-
	- Lump sum contributions	-	-	-	-	-	-	-	-	-	-
	- Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
(451)	Total sources of capital funding	1,449	(551)	(551)	(551)	(1,551)	(1,551)	(1,551)	(181)	-	-
Applications of capital funding											
	Capital expenditure										
	- to meet additional demand	-	-	-	-	-	-	-	-	-	-
	- to replace existing assets	-	-	-	-	-	-	-	-	-	-
	- to improve the level of service	-	-	-	-	-	-	-	-	-	-
(1,551)	Increase/(decrease) in reserves	(1,533)	(1,532)	(963)	(1,532)	(1,532)	(1,530)	(1,531)	(159)	22	23
	- Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-
(1,551)	Total applications of capital funding	(1,533)	(1,532)	(963)	(1,532)	(1,532)	(1,530)	(1,531)	(159)	22	23
1,100	Surplus/(deficit) of capital funding	2,982	981	412	981	(19)	(21)	(20)	(22)	(22)	(23)
	- Funding balance	-	-	-	-	-	-	-	-	-	-

INFRASTRUCTURE



Efficient and effective infrastructure

Infrastructure encompasses the following activities:

- > Water Supply
- > Stormwater
- > Wastewater
- > Transport, including roading, parking and footpaths

A new initiative is underway to better capture, scope and programme systems and technology requirements of the infrastructure department. This project is known as Project Horizon and aims to ensure that key infrastructure services are not unduly delayed or compromised by failure to understand and resource systems and technology components of these investments.

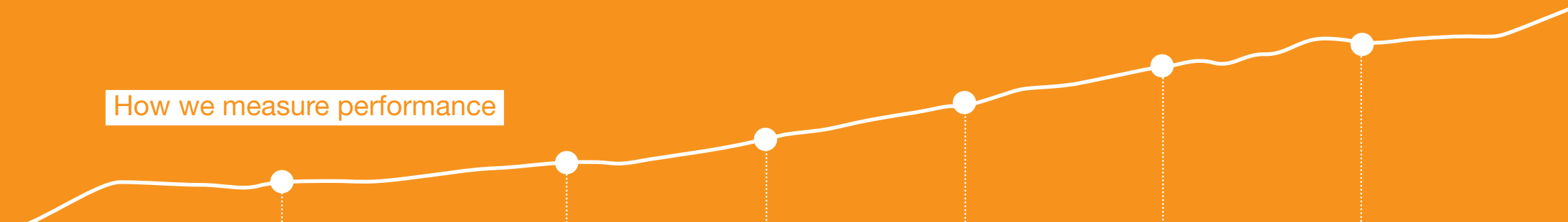
We are continuing to progressively align with the requirements of the International Standard ISO55000 for Asset Management (ISO55000).

What we are planning for Infrastructure

The following strategic priorities have been identified for the infrastructure activity:

- > Replacement of existing assets, with the exception of critical assets (as identified under our Risk Management Framework) all assets will be operated under a run to fail model. This is because they can generally be replaced with off the shelf replacement parts causing only minor disruption to customers.
- > Response to growth (or decline) in the demand for services. We will measure, update and confirm demand for services on an annual basis to ensure future projections for services are based on best available information.
- > Allowance for planned increases (or decreases) in service levels. We will ensure that service levels are set to best balance efficiency, effectiveness, customer expectations, legal requirements and affordability. We'll consult the community on any significant change to service levels.
- > Maintain or improve public health and environmental outcomes or mitigate adverse effects.
- > Ensure resilience of infrastructure assets by identifying and managing risks.
- > As much as practicable, optimise and extend the effective life / capacity of existing infrastructure to reduce investment in new infrastructure.
- > Reduce the effects of wastewater by progressively rationalising and refining wastewater improvement.
- > Keeping our key recreation areas safe by reducing the likelihood of wastewater pollution.

How we measure performance



KEY PERFORMANCE INDICATOR	BASELINE (how we performed at 30 June 2017)	TARGET YEAR 1 2018-2019	TARGET YEAR 2 2019-2020	TARGET YEAR 3 2020-2021	TARGET YEAR 10 2027-2028
Percentage of capital works completed annually, including renewals, against the annual budget adopted by the Council for three waters and roading.	Overall 60%, Water total - 65% Water renewals - 119% Wastewater total - 97% Wastewater renewals - 223% Stormwater total - 55% Stormwater renewal - 22% Roading total - 81% Roading renewal - 148%	>80%	>80%	>80%	>80%
Percentage of external contractor and internal RFS resolved within specified timeframe (three waters, solid waste, roading).	Three waters - 99%, Solid Waste - 86%, Roading - 74%	>95%	>95%	>95%	>95%

WATER SUPPLY

LEVEL OF SERVICE: *The Council provides reliable drinking water that is safe to drink.*

What we deliver for Water Supply

There are eight public water supply schemes (Queenstown, Wanaka, Lake Hawea, Arrowtown, Luggate, Arthurs Point, Lake Hayes and Glenorchy). Corebridge Downs and Wanaka Airport are managed as part of the Wanaka scheme. There are also a number of private rural schemes at Cardrona, Gibbston and Kingston.

Queenstown, Wanaka and Lake Hawea communities take their water from Lake Wakatipu, Lake Wanaka and Lake Hawea respectively, while the remaining public schemes take water from local bores.

We own and manage 469km of water pipes, 23 water storage facilities, 35 water pump stations, 13 water treatment facilities and other infrastructure assets (meters, hydrants, valves).

Over 80% of the dwellings in the district get their water from Council run schemes. Our water assets are operated and maintained under contract.

As the primary water supplier to the district, we are required to provide a supply of water to homes and businesses that is safe for human consumption. Safe and reliable drinking water supplies are recognised as being crucial to the wellbeing and prosperity of our district.

What we are planning for Water Supply

The Council is taking an approach that focuses on optimising the existing network, as well as investing in new supply and treatment facilities. Significant investment will be made in filtration to address the problem of algae in the water supply system and further investment made to ensure existing facilities meet the New Zealand Drinking Water Standards (NZDWS) by 2028.

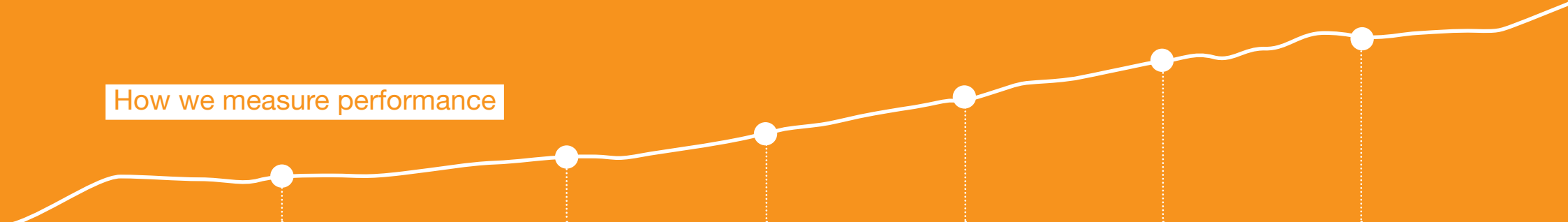
- > New water treatment plants at Beacon Point, Two Mile and Shotover Country to facilitate meeting the NZDWS.
- > New reservoirs for Quail Rise and Beacon Point are planned to meet growth.
- > A combined and upgraded water supply intake, treatment and storage service for Luggate and Wanaka Airport.
- > Using the Housing Infrastructure Fund of \$13.9m to allow growth of new subdivisions in Kingston, Ladies Mile, Quail Rise and a new water scheme for Kingston.

What significant negative impact this activity might have

Sometimes the activities that we do can have a negative impact. While we strive to ensure that we operate in a way that provides the most positive outcomes, we have to acknowledge that sometimes there is a trade-off. This table summarises those negative effects that we consider significant for this activity and also what we are going to do to try and minimise these effects.

SIGNIFICANT NEGATIVE EFFECT	SUSTAINABLE SOLUTION
Over extraction of water	We comply with our resource consent conditions on maximum abstraction by monitoring our water take and water availability. We implement demand management and other water use restrictions if required.
Potential delivery of contaminated water through our water schemes.	We have online monitoring systems to ensure water quality is maintained, in addition we have been progressively reviewing and upgrading our Water Safety Plans with the Ministry of Health. There is also a significant programme of water upgrades to improve water quality throughout the district.
Insufficient water supplies during times of drought or emergency.	Demand management, through water conservation education, water restrictions and other methods, is used to reduce water demands during drought or emergency.
Installation and maintenance of water supply infrastructure may cause disruption to the community and businesses. The works may cause impacts such as service interruption, noise, dust, nuisance and visual impact on traffic flow, business activities and community activities.	We notify the public and businesses located near any planned works through various media channels and communication options. In addition, we have a target goal of responding to emergency water supply issues within one hour of notification.

How we measure performance



KEY PERFORMANCE INDICATOR	BASELINE (how we performed at 30 June 2017)	TARGET YEAR 1 2018-2019	TARGET YEAR 2 2019-2020	TARGET YEAR 3 2020-2021	TARGET YEAR 10 2027-2028
Percentage of water lost from each municipal water reticulation network.	31%	<30% overall	<30% overall	<30% overall	<15% overall
Compliance of each municipal water supply with the NZ Drinking Water Standards for protecting public health, specifically: *a) bacteriological compliance; and *b) protozoal compliance.	Full compliance combined - 55% (2015/16 result), a) 75% b) 14%	Full compliance by 2027	Full compliance by 2027	Full compliance by 2027	Full compliance by 2027
Median response time to attend to urgent and non urgent issues resulting from municipal water reticulation network faults and unplanned interruptions *a) between the time of notification and the time when service personnel reach the site.	a) 34 mins	urgent <60mins non urgent <1,440mins (1 day)	urgent <60mins non urgent <1,440mins (1 day)	urgent <60mins non urgent <1,440mins (1 day)	urgent <60mins non urgent <1,440mins (1 day)
Median response time to attend to urgent and non urgent issues resulting from municipal water reticulation network faults and unplanned interruptions *b) between the time of notification and resolution of the blockage or other fault.	b) 688mins	urgent <1,440mins (1day) non urgent <10,080mins (7 days)	urgent <1,440mins (1day) non urgent <10,080mins (7 days)	urgent <1,440mins (1day) non urgent <10,080mins (7 days)	urgent <1,440mins (1day) non urgent <10,080mins (7 days)



KEY PERFORMANCE INDICATOR	BASELINE (how we performed at 30 June 2017)	TARGET YEAR 1 2018-2019	TARGET YEAR 2 2019-2020	TARGET YEAR 3 2020-2021	TARGET YEAR 10 2027-2028
Number of complaints per 1,000 connections to a public water reticulation network about *a) the clarity of drinking water.	1.1 per 1,000 connections	<4 per 1,000 connections	<4 per 1,000 connections	<4 per 1,000 connections	<1 per 1,000 connections
Number of complaints per 1,000 connections to a public water reticulation network about *b) the taste of drinking water.	0.1 per 1,000 connections	<4 per 1,000 connections	<4 per 1,000 connections	<4 per 1,000 connections	<4 per 1,000 connections
Number of complaints per 1,000 connections to a public water reticulation network about *c) the odour of drinking water.	0.1 per 1,000 connections	<4 per 1,000 connections	<4 per 1,000 connections	<4 per 1,000 connections	<4 per 1,000 connections
Number of complaints per 1,000 connections to a public water reticulation network about *d) the pressure or flow of drinking water.	10.0 per 1,000 connections	<4 per 1,000 connections	<4 per 1,000 connections	<4 per 1,000 connections	<1 per 1,000 connections
Number of complaints per 1,000 connections to a public water reticulation network about *e) the continuity of supply of drinking water.	0.1 per 1,000 connections	<4 per 1,000 connections	<4 per 1,000 connections	<4 per 1,000 connections	<1 per 1,000 connections
Number of complaints per 1,000 connections to a public water reticulation network about *f) the way in which a local government organisation responds to issues with a water supply.	0.0 per 1,000 connections	<2 per 1,000 connections	<2 per 1,000 connections	<2 per 1,000 connections	<1 per 1,000 connections
Average consumption of water per connection per day.	529.42L	<510 L per connection per day	<500 L per connection per day	<480 L per connection per day	< 450L per connection per day

What does Water Supply cost, how is it paid for

FUNDING IMPACT STATEMENT BY ACTIVITY GROUP (\$'000)

ANNUAL PLAN 2017/18	Water Supply	TEN YEAR PLAN 2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Sources of operating funding											
	General rates, uniform annual general										
12	charges, rates penalties	8	13	13	13	14	16	28	54	83	86
7,560	Targeted rates	8,268	9,126	10,051	11,796	14,258	15,021	16,366	17,750	18,616	18,830
45	Fees and charges	45	47	48	50	52	54	55	57	58	60
	- Subsidies & grants for operating purposes	-	-	-	-	-	-	-	-	-	-
	- Interest and dividends from investments	-	-	-	-	-	-	-	-	-	-
	Fuel tax, fines, infringement fees & other										
	- receipts	-	-	-	-	-	-	-	-	-	-
	- Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-
7,617	Total sources of operating funding	8,321	9,186	10,112	11,859	14,324	15,091	16,449	17,861	18,757	18,976
Applications of operating funding											
4,207	Payments to staff and suppliers	4,291	4,625	4,625	5,189	6,415	6,653	7,557	7,922	8,189	8,486
1,466	Finance costs	1,630	2,015	2,350	4,319	5,121	5,456	5,496	5,433	5,422	5,563
644	Internal charges and overheads applied	753	741	741	818	829	845	862	879	897	916
	- Other operating funding applications	-	-	-	-	-	-	-	-	-	-
6,317	Total applications of operating funding	6,674	7,381	7,716	10,326	12,365	12,954	13,915	14,234	14,508	14,965
1,300	Surplus/(deficit) of operating funding	1,647	1,805	2,396	1,533	1,959	2,137	2,534	3,627	4,249	4,011
Sources of capital funding											
	- Subsidies & grants for capital expenditure	-	-	-	-	-	-	-	-	-	-
907	Development & financial contributions	3,451	3,451	3,451	2,702	2,520	2,393	2,393	2,393	2,130	2,030
	- Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
8,029	Increase/(decrease) in debt	14,357	18,752	24,278	22,896	9,250	3,641	(2,611)	(421)	(520)	5,687
	- Lump sum contributions	-	-	-	-	-	-	-	-	-	-
	- Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
8,936	Total sources of capital funding	17,808	22,203	27,729	25,598	11,770	6,034	(218)	1,972	1,610	7,717
Applications of capital funding											
	Capital expenditure										
4,327	- to meet additional demand	8,722	13,638	15,177	11,871	3,941	1,673	724	1,536	1,840	5,607
2,785	- to replace existing assets	4,504	4,121	6,945	7,455	4,959	5,078	2,659	3,518	3,629	2,829
3,765	- to improve the level of service	7,666	7,187	8,523	9,853	7,079	3,712	1,218	2,910	2,628	5,644
(641)	Increase/(decrease) in reserves	(1,437)	(938)	(520)	(2,047)	(2,249)	(2,293)	(2,285)	(2,365)	(2,239)	(2,352)
	- Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-
10,236	Total applications of capital funding	19,455	24,008	30,125	27,131	13,729	8,171	2,316	5,599	5,859	11,728
(1,300)	Surplus/(deficit) of capital funding	(1,647)	(1,805)	(2,396)	(1,533)	(1,959)	(2,137)	(2,534)	(3,627)	(4,249)	(4,011)
	- Funding balance	-	-	-	-	-	-	-	-	-	-

Proposed Water Supply capital works

SUM OF CAPITAL WORKS (\$000)	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	GRAND TOTAL
Arrowtown											
New reservoir (Consultation Issue 5)		1,239	2,563								3,802
Renewals	152	155	159	163	166	170	174	179	183	188	1,689
Water pump station, installation of new bore (Consultation Issue 5)	1,544										1,544
Water pump station, upgrade to existing bore								564			564
Water demand management				175	179	152					506
Asset management improvements	25	20	20	27	20	28	23	22	31	22	238
Radiological monitoring	25					28					53
Development of business case for new infrastructure requirements		5			22					25	52
Arthurs Point											
Bore upgrades, stage one (Consultation Issue 5)							115	610			725
Renewals	46	47	48	49	51	52	53	54	56	57	513
Treatment facility upgrades (Consultation Issue 5)	130	336									466
Asset management improvements	8	6	6	8	6	8	7	7	10	7	73
Crypto monitoring	25					28					53
Development of business case for new infrastructure requirements	25					28					53
Renewal of resource consents							23				23
Bulk and commercial metering					11						11

(CONTINUED)

SUM OF CAPITAL WORKS (\$000)	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	GRAND TOTAL
Cardrona											
New water supply scheme (Consultation Issue 6)	125	25					487	499			1,136
Renewals								37	38	39	114
Development of business case for new infrastructure requirements	10				27					31	68
Radiological and crypto monitoring	25					28					53
Gibbston											
Development of business case for new infrastructure requirements		5			22					25	52
Renewals								9	10	10	29
Glenorchy											
Bore upgrades (Consultation Issue 5)	300	611									911
New water reservoir (Consultation Issue 5)	800										800
Treatment upgrades (Consultation Issue 5)			781								781
Upgrades to existing water supply plant to meet growth							57	610			667
Renewals	29	30	30	31	32	33	33	34	35	36	323
Crypto monitoring					27					31	58
Development of business case for new infrastructure requirements		10			22					25	57
Asset management improvements	5	4	4	6	4	6	5	5	7	5	51
Renewal of resource consent	20										20

(CONTINUED)

SUM OF CAPITAL WORKS (\$000)	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/8	GRAND TOTAL
Hawea											
Optimisation of existing scheme (Consultation Issue 5)	250	255									505
Renewals	44	45	46	47	48	49	50	51	53	54	487
Treatment upgrades (Consultation Issue 5)	210										210
Demand management							172				172
Upgrades to existing water supply plant to meet growth										164	164
Asset management improvements	14	11	11	15	11	15	13	13	17	12	132
Development of business case for new infrastructure requirements		25			27					31	83
Caples Avenue and Cemetery Road upgrades (Consultation Issue 5)	65										65
Crypto monitoring	25					28					53
Kingston											
New water scheme, housing infrastructure funding (Consultation Issue 5 and 6)	341	2,036	4,168								6,545
Renewals								38	39	41	118
Radiological and crypto monitoring	25					28					53
Development of business case for new infrastructure requirements		5			22					25	52
Lake Hayes											
Renewals	96	98	100	103	105	108	110	113	116	119	1,068
Ladies Mile and Lake Hayes new reservoir (Consultation Issue 5)	200		1,186	2,221	3,363						6,970

(CONTINUED)

SUM OF CAPITAL WORKS (\$000)	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	GRAND TOTAL
Lake Hayes (continued)											
Water metering					229	223					452
Asset management improvements	29	24	23	31	24	32	27	26	35	25	276
Development of business case for new infrastructure requirements		25			5					30	60
Radiological monitoring	25					28					53
Renewal of resource consent								38			38
Luggate											
Treatment upgrade (Consultation Issue 5)	1,841	1,944									3,785
Renewals	27	27	27	29	29	30	31	31	32	32	295
Development of business case for new infrastructure requirements					22					25	47
Asset management improvements	3	3	3	4	3	4	3	3	4	3	33
Renewal of resource consent	30										30
Queenstown											
New Two Mile water treatment plant (Consultation Issue 5)	500		499	1,527	6,508	6,663					15,697
Renewals	1,148	1,149	1,174	1,205	1,232	1,261	1,292	1,326	1,358	1,393	12,538
New Shotover Country water treatment plant (Consultation Issue 5)	1,790							505	1,457	6,266	10,018
New Quail Rise reservoir (Consultation Issue 5)		713	3,958								4,671
Hanley's Farm reservoir two (Consultation Issue 5)									590	3,794	4,384
Hanley's Farm reservoir one (Consultation Issue 5)	500		499	3,247							4,246

(CONTINUED)

SUM OF CAPITAL WORKS (\$000)	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	GRAND TOTAL
<i>Queenstown (continued)</i>											
Frankton flats supply water main section one <i>(Consultation Issue 5)</i>			405	2,617							3,022
Frankton flats supply water main section two <i>(Consultation Issue 5)</i>			468	2,990							3,458
Shotover Country bores, Quail Rise rising main <i>(Consultation Issue 5)</i>	500	2,952									3,452
Frankton flats supply water main section three <i>(Consultation Issue 5)</i>	400	2,565									2,965
Ladies Mile new scheme, housing infrastructure funding <i>(Consultation Issue 5)</i>	1,600	204		641							2,445
Kelvin Peninsula new reservoir <i>(Consultation Issue 5)</i>		1,018	1,040								2,058
Hanley's Farm supply line <i>(Consultation Issue 5)</i>			231	1,528							1,759
Asset management improvements	179	144	138	189	145	195	165	159	217	157	1,688
Quail Rise south development, housing infrastructure funding	220	448	457								1,125
Kawarau Bridge to Frankton Flats ring main <i>(Consultation Issue 5)</i>	849										849
Shotover Country borefield and pump station upgrades <i>(Consultation Issue 5)</i>							80	517			597
Lakeview development, infrastructure <i>(Consultation Issue 5)</i>	376	164									540

(CONTINUED)

SUM OF CAPITAL WORKS (\$000)	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	GRAND TOTAL
Queenstown (continued)											
Pressure zones management in Queenstown (Consultation Issue 5)	500										500
Pressure relief valves for Frankton								47	385		432
Water quality information technology systems				283	55					17	355
Upper Commonage and Larchwood reticulation (Consultation Issue 5)			267								267
Decommission and isolate Kelvin Heights water treatment plant										246	246
Demand management Queenstown						224					224
Water metering information technology system				139	33						172
Drinking water minor capex	47	14	13	13	13	13	13	13	13	13	165
Development of business case for new infrastructure requirements	20	10			27					31	88
Cryptosporidium monitoring, Kelvin Heights intake					27					31	58
Wanaka											
Design and construct new Beacon Point water treatment plant (Consultation Issue 5)	660	2,026	8,659	8,875							20,220
Design and construction new (second) Beacon Point reservoir (Consultation Issue 5)	3,110	4,734									7,844

(CONTINUED)

SUM OF CAPITAL WORKS (\$000)	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	GRAND TOTAL
<i>Wanaka (continued)</i>											
Renewals	702	714	730	750	767	785	804	824	845	866	7,787
Transmission pipeline, stage one (Consultation Issue 5)		977	2,832	1,709							5,518
Beacon Point pump station upgrade							229	729	2,384		3,342
Transmission Pipeline, stage two				394	2,545						2,939
Asset management improvements	115	94	88	122	93	125	107	102	139	100	1,085
Construct new booster pump station for far horizon zone						78	515				593
Decommission western intake, reservoir and associated facilities								528			528
Pressure zone reconfiguration								258			258
Drinking water minor capex	37	14	14	14	13	13	13	13	13	13	157
Development of business case for new infrastructure requirements		15			44					49	108
Radiological monitoring				27					30		57
Demand management										42	42
Water Supply Total	19,774	24,946	30,669	29,179	15,979	10,462	4,600	7,964	8,096	14,089	165,759

WASTEWATER

LEVEL OF SERVICE: *The Council provides wastewater collection and treatment services that protect public health and the environment.*

What we deliver for Wastewater

There are four wastewater collection and treatment schemes with a total of 421km of wastewater mains pipework. The four schemes service Queenstown, Arthurs Point, Lake Hayes, Arrowtown, Wanaka, Albert Town, Lake Hawea and part of Cardrona. We also own the wastewater collection network in Luggate, however the treatment plant is in private ownership. There are a total of 62 wastewater pump stations.

Around 74% of the population in the district use Council-run wastewater schemes. The remainder use septic tanks, package treatment plants and private community schemes.

We also provide reticulated wastewater services which allow cost effective treatment and disposal of wastewater, helping to support improved environmental outcomes.

Our key objectives for managing wastewater are:

- > no contamination of public water supplies by three waters infrastructure;
- > adverse effects on the environment from three waters infrastructure are managed/mitigated; and
- > all resource consents are complied with.

What we are planning for Wastewater

- > New reticulation from the central business district in Queenstown to Frankton.
- > Construction of a new pump station at Rata Street.
- > Connection of the Hawea community to Project Pure.
- > A new wastewater pump station and pipeline to connect the Luggate community to Project Pure.
- > Complete the disposal fields at Project Shotover and decommission and remove the oxidation ponds.

We have completed the Wastewater Masterplans for both Queenstown and Wanaka. This work has identified the following focus areas:

QUEENSTOWN WASTEWATER MASTERPLAN

- > Upgrade the Willow Place pump station rising main.
- > A new pump station at the Recreation Ground.
- > A new wastewater rising main at Kawarau Bridge will convey sewerage from the Hanley's Farm and Kelvin Heights catchment to the Shotover treatment plant through a new large diameter gravity main on Hawthorne Drive. This will bypass the Frankton Beach pump station.

WANAKA WASTEWATER MASTERPLAN

- > A capacity upgrade of the pump station at Gordon Road.
- > A treatment upgrade for Project Pure to cater for additional future flows from the Hawea and Luggate communities.

What significant negative impact this activity might have

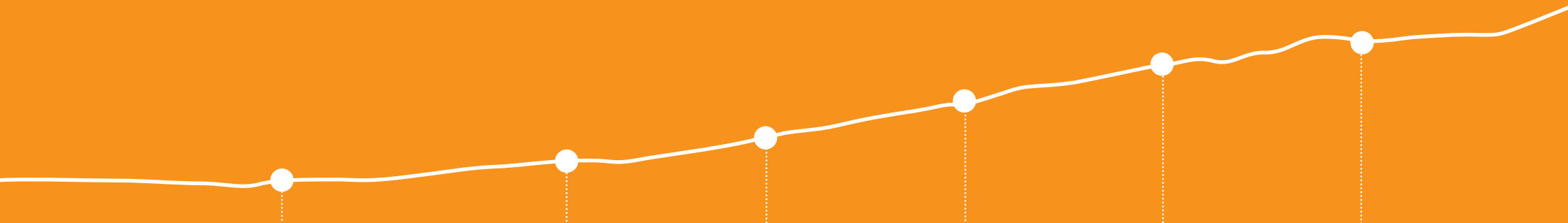
Sometimes the activities that we do can have a negative impact. While we strive to ensure that we operate in a way that provides the most positive outcomes, we have to acknowledge that sometimes there is a trade-off. This table summarises those negative effects that we consider significant for this activity and also what we are going to do to try and minimise these effects.

SIGNIFICANT NEGATIVE EFFECT	SUSTAINABLE SOLUTION
Uncontrolled discharges of untreated sewage from the sewerage network due to blockages, pump station or other plant malfunction, inflow/ infiltration of stormwater into the sewerage network and/or insufficient capacity.	<p>Our telemetry and customer contact systems are linked with the maintenance contractor's workflow and dispatch system to ensure prompt response. Response times and job priorities are defined in our maintenance contracts to ensure urgent tasks are given immediate attention.</p> <p>Continued inspections through CCTV are used to identify blockages and root intrusion in pipes. CCTV condition monitoring also identifies structural defects that may lead to blockages or overflows and enable renewals planning to be prioritised.</p>
The discharge from treatment plants does not meet consent conditions and may result in pollution to the receiving environment and public health risks.	We continually upgrade our wastewater treatment plants and have included capital works to improve the treatment capacity to meet resource consents.
Odour from operational failures at treatment plants, pipelines or pump stations may be offensive and a nuisance to the public.	Chemical dosing and carbon filters are used to reduce production of hydrogen sulphide within our waste water infrastructure.

How we measure performance



KEY PERFORMANCE INDICATOR	BASELINE (how we performed at 30 June 2017)	TARGET YEAR 1 2018-2019	TARGET YEAR 2 2019-2020	TARGET YEAR 3 2020-2021	TARGET YEAR 10 2027-2028
Median response time to attend to sewerage overflows resulting from blockages or other faults of a municipal sewerage system* a) between the time of notification and the time when service personnel reach the site.	9 min	<60 min	<60 min	<60 min	<60 min
Median response time to attend to sewerage overflows resulting from blockages or other faults of a municipal sewerage system*b) between the time of notification and resolution of the blockage or other fault.	142 min	<240 min (4 hours)	<240 min (4 hours)	<240 min (4 hours)	<240 min (4 hours)
Annual number of dry weather overflows from a municipal sewerage system per 1,000 sewerage connections.	2.1	<3 per 1,000 connections	<3 per 1,000 connections	<3 per 1,000 connections	<3 per 1,000 connections
Compliance with resource consents for discharge to air, land, or water from a municipal sewerage system, measured by the number of: *a) abatement notices *b) infringement notices *c) enforcement orders *d) successful prosecutions.	100%	100%	100%	100%	100%



KEY PERFORMANCE INDICATOR	BASELINE (how we performed at 30 June 2017)	TARGET YEAR 1 2018-2019	TARGET YEAR 2 2019-2020	TARGET YEAR 3 2020-2021	TARGET YEAR 10 2027-2028
Number of complaints per 1,000 properties connected to a municipal sewerage system about: *a) odour.	1.6 per 1,000 connections	<5 per 1,000 connections	<5 per 1,000 connections	<5 per 1,000 connections	<5 per 1,000 connections
Number of complaints per 1,000 properties connected to a municipal sewerage system about: *b) faults.	4.5 per 1,000 connections	<5 per 1,000 connections	<5 per 1,000 connections	<5 per 1,000 connections	<5 per 1,000 connections
Number of complaints per 1,000 properties connected to a municipal sewerage system about: *c) blockages.	1.6 per 1,000 connections	<5 per 1,000 connections	<5 per 1,000 connections	<5 per 1,000 connections	<5 per 1,000 connections
Number of complaints per 1,000 properties connected to a municipal sewerage system about: *d) the territorial authority's response to issues with its sewerage system.	0.0 per 1,000 connections	<5 per 1,000 connections	<5 per 1,000 connections	<5 per 1,000 connections	<5 per 1,000 connections

What does Wastewater cost, how is it paid for

FUNDING IMPACT STATEMENT BY ACTIVITY GROUP (\$'000)

ANNUAL PLAN 2017/18	Waste Water	TEN YEAR PLAN 2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Sources of operating funding											
	General rates, uniform annual general										
371	charges, rates penalties	239	230	222	213	204	196	187	178	22	-
10,793	Targeted rates	11,942	12,656	13,732	16,479	14,915	18,241	18,690	19,958	20,525	20,539
64	Fees and charges	249	252	256	259	263	267	270	273	276	279
	- Subsidies & grants for operating purposes	-	-	-	-	-	-	-	-	-	-
	- Interest and dividends from investments	-	-	-	-	-	-	-	-	-	-
	Fuel tax, fines, infringement fees & other										
	- receipts	-	-	-	-	-	-	-	-	-	-
	- Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-
11,228	Total sources of operating funding	12,430	13,138	14,210	16,951	15,382	18,704	19,147	20,409	20,823	20,818
Applications of operating funding											
6,055	Payments to staff and suppliers	6,403	6,742	6,742	9,286	10,313	10,717	11,044	11,580	11,888	12,256
3,025	Finance costs	2,734	2,786	3,062	3,551	3,747	3,890	3,877	3,737	3,513	3,278
957	Internal charges and overheads applied	1,287	1,266	1,266	1,398	1,417	1,444	1,474	1,502	1,533	1,565
	- Other operating funding applications	-	-	-	-	-	-	-	-	-	-
10,037	Total applications of operating funding	10,424	10,794	11,070	14,235	15,477	16,051	16,395	16,819	16,934	17,099
1,191	Surplus/(deficit) of operating funding	2,006	2,344	3,140	2,716	(95)	2,653	2,752	3,590	3,889	3,719
Sources of capital funding											
	- Subsidies & grants for capital expenditure	-	-	-	-	-	-	-	-	-	-
1,864	Development & financial contributions	4,806	4,806	4,806	3,905	3,579	3,503	3,503	3,503	3,642	3,024
	- Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
9,076	Increase/(decrease) in debt	8,606	7,306	9,929	1,474	9,170	(625)	(2,517)	(3,668)	(5,727)	(794)
	- Lump sum contributions	-	-	-	-	-	-	-	-	-	-
	- Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
10,940	Total sources of capital funding	13,412	12,112	14,735	5,379	12,749	2,878	986	(165)	(2,085)	2,230
Applications of capital funding											
	Capital expenditure										
5,684	- to meet additional demand	6,566	5,334	8,384	2,804	10,373	2,367	1,074	890	172	3,664
3,011	- to replace existing assets	1,470	1,079	902	1,489	3,907	3,805	1,274	1,854	1,913	1,975
5,540	- to improve the level of service	8,159	8,673	8,599	4,411	1,734	669	2,294	920	835	1,648
(2,104)	Increase/(decrease) in reserves	(777)	(630)	(11)	(609)	(3,360)	(1,311)	(903)	(239)	(1,117)	(1,338)
	- Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-
12,131	Total applications of capital funding	15,418	14,456	17,875	8,095	12,654	5,531	3,738	3,425	1,804	5,949
(1,191)	Surplus/(deficit) of capital funding	(2,006)	(2,344)	(3,140)	(2,716)	95	(2,653)	(2,752)	(3,590)	(3,889)	(3,719)
	- Funding balance	-	-	-	-	-	-	-	-	-	-

Proposed Wastewater capital works

SUM OF CAPITAL WORKS (\$000)	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	GRAND TOTAL
Arrowtown											
Renewals	119	121	124	127	130	133	136	222	227	233	1,572
Asset management improvements	30	24	19	20	24	33	28	23	23	27	251
Scheme design, review of masterplan	30				22					25	77
Arthurs Point											
Renewals	2	2	2	2	2	2	2	44	45	46	149
Asset management improvements	12	10	8	8	10	14	11	9	10	11	103
Scheme design, review of masterplan	30					22					52
Edith Cavell Bridge to Arthurs Point pump station survey	10										10
Cardrona											
New wastewater scheme (Consultation Issue 6)	150					314	2,892				3,356
Renewals								69	71	72	212
Renewal of resource consent		111									111
Scheme design, review of masterplan	10	20					23				53
District Wide											
Trade waste information technology system	112		18						17		147
Glenorchy											
Renewals								72	73	75	220
Scheme design, review of masterplan	10	20					23				53

(CONTINUED)

SUM OF CAPITAL WORKS (\$000)	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	GRAND TOTAL
Hawea											
Treatment upgrade, connection to Project Pure	705	1,832	1,875								4,412
Renewals	31	32	32	33	34	35	35	125	128	131	616
Nichol St pump station upgrade	37				135						172
Asset management improvements	12	10	8	8	10	14	11	9	10	11	103
Scheme design, review of masterplan	30					22					52
Kingston											
Treatment plant and reticulation, design and construction, housing infrastructure funding (Consultation Issue 6)	2,000		6,252		5,460			888		4,251	18,851
New resource consent for treatment plant and reticulation	212							587	602	618	2,019
Renewals								61	63	64	188
Lake Hayes											
Ladies Mile development, housing infrastructure funding	1,600		417				23				2,040
Renewals	6	6	6	6	6	7	7	107	110	113	374
Asset management improvements	24	20	16	16	20	27	23	19	19	22	206
Luggate											
Upgrade treatment plant and connect to Project Pure (Consultation Issue 6)	2,413										2,413
Reticulation extension (Consultation Issue 6)		382	652	454							1,488
Renewals	12	12	12	13	13	13	13	38	39	40	205

(CONTINUED)

SUM OF CAPITAL WORKS (\$000)	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	GRAND TOTAL
Luggate (continued)											
Scheme design, review of masterplan	5			21					24		50
Asset management improvements	2	1	1	1	1	1	1	1	1	1	11
Queenstown											
Reticulation, central business district to Frankton				820	4,659	4,770					10,249
Renewals	377	428	526	629	735	760	786	814	844	875	6,774
Project Shotover upgrade, stage three	300	1,629	2,084								4,013
Project Shotover, disposal field	1,915	1,949									3,864
Reticulation, Frankton to disposal pond				436	2,971						3,407
Recreation ground pump station, stage one	429	2,473									2,902
Rising main Kawarau Bridge to Remarkables Park	1,981										1,981
Quail Rise south development, housing infrastructure funding	600	1,018									1,618
Remarkables Park pump station upgrade				68	464						532
Willow Place pump station rising main upgrade	518										518
Marine Parade pump station, stage two			448								448
Lakeview development, infrastructure	201	88									289
Scheme design, masterplan review	45			21					24		90
Minor improvements	9	9	9	9	9	9	9	9	9	8	89
Decommission events centre pump station	60										60

(CONTINUED)

SUM OF CAPITAL WORKS (\$000)	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	GRAND TOTAL
Wakatipu											
Network consent programme	245	214	162								621
Asset management improvements	225	181	146	151	184	252	214	175	177	207	1,912
Fats, oil and grease treatment facility	500	509									1,009
Wanaka											
Rata Street, construction of new pump station		863	1,626	2,999	668						6,156
Project Pure treatment upgrade	416	540	2,485	2,547							5,988
Renewals	122	155	190	227	266	275	284	294	305	316	2,434
Fats, oil and grease treatment facility		509	521								1,030
Asset management improvements	115	93	75	77	95	130	110	90	91	106	982
Gordon Road, pump station upgrade	175	633									808
Wanaka Airport, connection to Project Pure		741									741
Network consent programme	200	178	162								540
Ballantyne Road south, pump station, rising main and reticulation upgrades	70	255									325
Minor improvements	8	9	9	9	9	9	9	9	9	9	89
Ballantyne Road, disposal site upgrades	80										80
Dungarvon pump station					66						66
Scheme design, review of masterplan		10			22					25	57
Wastewater Total	16,195	15,086	17,885	8,704	16,014	6,841	4,642	3,664	2,920	7,287	99,238

STORMWATER

LEVEL OF SERVICE: *The Council provides stormwater drainage services that protect public health and private properties.*

What we deliver for Stormwater

There are approximately 224.9km of stormwater mains, servicing a total of 23,907 properties (residential and non-residential). The system caters for an average ten year flood event (i.e. the scale of a flood that is predicted to occur once a decade.)

Stormwater systems are provided to protect private properties and buildings from rainwater and groundwater. Effective management of rainwater within these systems is vital to controlling erosion and land stability, as well as ensuring amenity of open spaces and protection of the environment.

What we are planning for Stormwater

To integrate the new stormwater quality standards and environmental policies that are being introduced. These seek to progressively reduce any adverse effects of stormwater discharges to the environment. Other plans include:

- > A new stormwater culvert to convey overland flow from the Three Parks catchment area.
- > A new discharge outlet from the intersection of Beaumont Road and Wiley Road down to the lake to divert mainly overland flow from Wiley Road.
- > An upgrade to the drainage discharge in the vicinity of Mt Aspiring College to accommodate growth and resolve existing issues.

- > Replace the existing pipe along Bills Way and the lake (between Mill End and Sargood Drive) with a bigger diameter pipe.
- > Resolve the surface flooding and capacity issues in the upper reaches of Bullock Creek in the vicinity of Stone and Tenby Streets.

In addition to these major capital projects, we accept there is a need to further our understanding of some of the stormwater systems and catchments in Wanaka so there is funding allocated for 'on the ground' investigative works, which will be needed to direct our capital investment.

FRANKTON FLATS STORMWATER

Significant analysis has been completed on the Frankton flats stormwater catchment, our strategy in mitigating the potential risk of high rainfall events and the increased run off that will occur as development continues in the Frankton Flats area.

A primary stormwater flow path has already been designed and built along Hawthorne Drive but there is currently no stormwater flow path for the south-western areas of the Frankton Flats development. A combination of swales and a large diameter pipeline from Frankton golf course would serve to convey stormwater flows from this catchment to Lake Wakatipu. Given the size of the infrastructure involved and its design to cater for a 1 in 100 year storm event, plus the requirement to cross the state highway, the construction costs have been estimated at \$7 million.

This project will shortly be proceeding into detailed design phase with construction planned for 2018/19 prior to the state highway widening between BP roundabout and Lucas Place.

What significant negative impact this activity might have

Sometimes the activities that we do can have a negative impact. While we strive to ensure that we operate in a way that provides the most positive outcomes, we have to acknowledge that sometimes there is a trade-off. The table below summarises those negative effects that we consider significant for this activity and also what we are going to do to try and minimise these effects.

SIGNIFICANT NEGATIVE EFFECT	SUSTAINABLE SOLUTION
Discharge of contaminated stormwater impacting on public or environmental health, cultural and aesthetic values.	<p>We will ensure that the new stormwater quality standards and environmental policies introduced throughout this Ten Year Plan are implemented.</p> <p>Our Catchment Management Plans are implemented and maintained to minimise the possibility of discharge of contaminated stormwater. Monitoring will identify any future mitigation requirements, which will be reported on and addressed in the relevant catchment management plans.</p>
Inadequacy of existing stormwater assets to cope with large rainfall events causing flooding, which could result in social and economic hardship.	<p>We will ensure that the new stormwater assets are built to address latest planning requirements, giving consideration to climate change throughout this Ten Year Plan are implemented.</p> <p>Our computer models are used to target improvements in areas of potential network overflow, over-land flow paths and properties at risk.</p>

How we measure performance



KEY PERFORMANCE INDICATOR	BASELINE (how we performed at 30 June 2017)	TARGET YEAR 1 2018-2019	TARGET YEAR 2 2019-2020	TARGET YEAR 3 2020-2021	TARGET YEAR 10 2027-2028
Number of flooding events each year to (consented) habitable floors per 1,000 properties resulting from overflows from a municipal stormwater system.	0	<2 per 1,000 properties	<2 per 1,000 properties	<2 per 1,000 properties	<2 per 1,000 properties
Compliance with resource consents for discharge from a municipal stormwater system, measured by the number of: *a) abatement notices *b) infringement notices *c) enforcement orders *d) successful prosecutions.	100%	100%	100%	100%	100%
Median response time between the time of notification and the time when service personnel reach the site when habitable floors are affected by flooding resulting from faults in a municipal stormwater system.	0 hours	<3 hours	<3 hours	<3 hours	<3 hours
Number of complaints per 1,000 properties connected to a municipal sewerage system about: *a) faults (including blockages) with a municipal stormwater system.	7.83 *includes issues raised by contractors	<5 per 1,000 properties	<5 per 1,000 properties	<5 per 1,000 properties	<5 per 1,000 properties

What does Stormwater cost, how is it paid for

FUNDING IMPACT STATEMENT BY ACTIVITY GROUP (\$'000)

ANNUAL PLAN 2017/18 Stormwater	TEN YEAR PLAN 2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Sources of operating funding										
General rates, uniform annual general										
- charges, rates penalties	-	-	-	-	-	-	-	-	-	-
1,503 Targeted rates	1,728	2,003	2,054	2,278	2,671	2,874	3,038	4,174	4,261	4,830
- Fees and charges	-	-	-	-	-	-	-	-	-	-
- Subsidies & grants for operating purposes	-	-	-	-	-	-	-	-	-	-
- Interest and dividends from investments	-	-	-	-	-	-	-	-	-	-
Fuel tax, fines, infringement fees & other										
49 receipts	278	232	265	227	135	91	106	155	198	224
- Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-
1,552 Total sources of operating funding	2,006	2,235	2,319	2,505	2,806	2,965	3,144	4,329	4,459	5,054
Applications of operating funding										
316 Payments to staff and suppliers	449	500	500	512	554	533	550	599	587	607
603 Finance costs	696	887	882	1,027	1,155	1,273	1,331	1,277	1,274	1,439
50 Internal charges and overheads applied	79	78	78	86	88	89	91	93	95	97
- Other operating funding applications	-	-	-	-	-	-	-	-	-	-
969 Total applications of operating funding	1,224	1,465	1,460	1,625	1,797	1,895	1,972	1,969	1,956	2,143
583 Surplus/(deficit) of operating funding	782	770	859	880	1,009	1,070	1,172	2,360	2,503	2,911
Sources of capital funding										
- Subsidies & grants for capital expenditure	-	-	-	-	-	-	-	-	-	-
313 Development & financial contributions	1,538	1,538	1,538	1,288	1,288	1,288	1,288	1,288	1,222	1,027
- Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
2,688 Increase/(decrease) in debt	7,528	1,385	224	2,551	1,908	2,182	(1,968)	751	101	4,662
- Lump sum contributions	-	-	-	-	-	-	-	-	-	-
- Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
3,001 Total sources of capital funding	9,066	2,923	1,762	3,839	3,196	3,470	(680)	2,039	1,323	5,689
Applications of capital funding										
Capital expenditure										
3,874 - to meet additional demand	9,197	3,142	1,165	1,641	1,937	1,261	83	2,954	1,426	3,153
274 - to replace existing assets	539	548	617	690	709	848	751	1,027	1,352	926
529 - to improve the level of service	801	862	1,651	3,236	2,444	3,365	434	1,218	1,845	5,360
(1,093) Increase/(decrease) in reserves	(689)	(859)	(812)	(848)	(885)	(934)	(776)	(800)	(797)	(839)
- Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-
3,584 Total applications of capital funding	9,848	3,693	2,621	4,719	4,205	4,540	492	4,399	3,826	8,600
(583) Surplus/(deficit) of capital funding	(782)	(770)	(859)	(880)	(1,009)	(1,070)	(1,172)	(2,360)	(2,503)	(2,911)
- Funding balance	-	-	-	-	-	-	-	-	-	-

Proposed Stormwater capital works

SUM OF CAPITAL WORKS (\$000)	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	GRAND TOTAL
Arrowtown											
Wiltshire Street, flooding alleviation	7										7
Kingston											
New development (housing infrastructure funding)	189	1,206			1,485			2,947			5,827
Minor works									89	654	743
Luggate											
Channel widening and stop bank works, Luggate Creek					11	498					509
Hopkins Street upgrade										39	39
Reticulation south of Main Street to Luggate Creek										20	20
Queenstown											
Recreational ground improvements, Shotover Street	20	458	2,023	2,073							4,574
Design and minor works to existing network	78							129	396	2,167	2,770
Belfast Terrace, new pipe system			21	267	1,822						2,110
Asset management improvements	189	218	160	148	164	203	251	161	162	182	1,838
Lakeview development, stormwater	1,128	492									1,620
Brecon Street, new pipe system								23	181	806	1,010
Anderson Heights, new pipe system		20	89	890							999
Maxwell Place to Lake Wakatipu, new supplementary pipe system									24	752	776
Wakatipu Heights to Peregrine Place, new supplementary pipe system										404	404

(CONTINUED)

SUM OF CAPITAL WORKS (\$000)	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	GRAND TOTAL
New development Ladies Mile (housing infrastructure funding)	630	1,390	109								2,129
Greenstone Place to Sunshine Bay, new duplicate pipe system									24	185	209
Development of business case for new infrastructure requirements	15	15	28	28	29	30	30				175
Windsor Place to Edinburgh Drive, new supplementary pipe system					132						132
Remarkables Park Shopping Centre, new duplicate pipe system										118	118
Kawarau Place, new duplicate pipe system	101										101
O'Leary's Paddock, capacity upgrade										88	88
Magnolia Place, new duplicate pipe system	79										79
Upper Belfast Road, new pipe system	58										58
Investigations Horn Creek	30										30
Thompson Street, new supplementary pipe system										25	25
Fryer Street, new pipe system										25	25
North East Frankton Flats, new pipe system	7,000										7,000
Frankton Flats, construction of reticulation						88					88
Wakatipu											
Renewals	376	417	471	518	529	542	555	577	599	623	5,207

(CONTINUED)

SUM OF CAPITAL WORKS (\$000)	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	GRAND TOTAL
Wanaka											
Upper Stone Creek / Tenby Street, address ponding issues								29	722	3,002	3,753
Mt Aspiring College, upgrade to drainage discharge				27	382	2,737					3,146
Renewals	119	132	146	173	176	181	185	192	200	208	1,712
Wiley Road, new discharge outlet			208	1,289							1,497
Bills Way, pipe replacement				27	218	1,027					1,272
Asset management improvements	128	148	108	100	111	138	171	111	111	122	1,248
Anderson Road upgrade							23	176	897		1,096
Bremner Park upgrade, Hunter Crescent south							23	774			797
Bremner Park upgrade, Hunter Crescent north								23	678		701
Ragan Lane upgrade								23	540		563
Development of business case for new infrastructure requirements	55	56	70	27	31	30	30				299
Three Parks stormwater outlet	214										214
Bremner Park Road and Beacon Point Road, interim diversion	61										61
Bullock Creek investigations	30										30
Aubrey Road, detention pond	30										30
Stoney Creek and Middle Creek upgrade										19	19
Bullock Creek property protection measures								17			17
Ardmore Street increase to discharge capacity								17			17
Stormwater Total	10,537	4,552	3,433	5,567	5,090	5,474	1,268	5,199	4,623	9,439	55,182



TRANSPORT, INCLUDING ROADING, PARKING AND FOOTPATHS

LEVEL OF SERVICE: *Parking facilities - The Council provides appropriate parking facilities.*

LEVEL OF SERVICE: *Roading and footpaths, transport - The Council provides a road and footpath network that accommodates seasonal and future growth.*

What we deliver for Transport

ROADING AND FOOTPATHS

We manage over 800km of local roading. This includes maintaining street lights and signage. In addition, there are 232km of state highways within the district, managed by New Zealand Transport Agency (NZTA). Transport activities are funded from a combination of local and Central Government funding sources.

PARKING FACILITIES

We are responsible for public car parks located in Arrowtown, Queenstown, and Wanaka.

What we are planning for Transport

TOWN CENTRE MASTERPLANS

A masterplan for the Wanaka Town Centre is included in this Draft Ten Year Plan. The masterplan will align with and build on the work already done in the Wanaka Lakefront Development Plan. The masterplan work will take a holistic view of the town centre and consider a shared community / transport area, improved parking facilities and accessibility.

Work continues on the Queenstown Town Centre Masterplan. Included in this draft Ten Year Plan is the detailed investigation and construction of new arterial routes totaling \$148.8 million, upgrades to the Queenstown Lakefront and a public transport hub \$25.4 million.

Extensive work totaling \$23.5 million is also planned to pedestrianise the Queenstown Town Centre, targeting important connections such as the gondola to gardens and access to the Public Transport Hub.

HOUSING INFRASTRUCTURE FUND (HIF)

In a response to the growing issue of housing affordability throughout the district (particularly in Queenstown) the Council made an application to Central Government's Housing Infrastructure Fund (HIF) which was confirmed in July 2017. The Council is able to draw on

up to \$50M in loans from the fund to support investment in the community.

PUBLIC TRANSPORT

In addition to the public transport work included in both of the Queenstown and Wanaka's Masterplans, investigation, scoping and implementation is planned for water based infrastructure of \$6.1 million, which will support water transport at four locations; the Queenstown Town Centre, Park Street, Kelvin Heights and Frankton.

PARKING IMPROVEMENTS

Pressure on parking in both the Queenstown and Wanaka central business districts has increased in recent years. In this Draft Ten Year Plan we've included two new parking buildings in Queenstown. The first is a new 242-space parking building at the current Boundary Street car park; due for completion by June 2020. The second is a 350-space parking facility on the current Ballarat Street parking site; due for completion by June 2021. Also included is a parking management system for the parking buildings. With the possibility of subsidising construction cost through private partnership, \$11.2 million has been allocated to parking improvements for Wanaka.

To improve the overall parking experience for both commuters and

visitors, the plan also includes \$8.3 million of technology investment, such as real-time parking information, variable pricing controls, way-finding, and bike parks.

WALK/CYCLING IMPROVEMENTS

Active Transport is a key part of the Queenstown Integrated Transport Strategy and is a key focus of future travel planning in Wanaka.

Currently there is \$14m allocated to Wakatipu Active Travel. This includes projects to improve the on/off road cycle/pedestrian network across the Wakatipu, additional crossing of the Shotover river, a cycle hire scheme, marketing, promotion and education, cycle storage facilities, lockers and showers.

Wanaka is now subject to a business case around its alternative travel (community-led) innovation to commence in 2018, and \$1.5 million has been allocated across the draft plan to enable Wanaka active transport, using methods such as cycling. In addition to this, \$4.1 million has been included for "shared mode spaces" as part of the Wanaka Masterplan programme, and \$820k for tracks development.

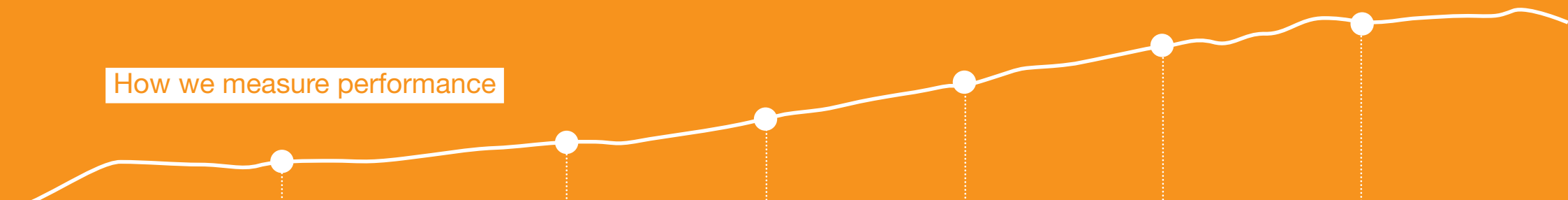
Outside of the Town Centres, we'll investigate and implement improved pedestrian and cycle connections for both towns.

What significant negative impact this activity might have

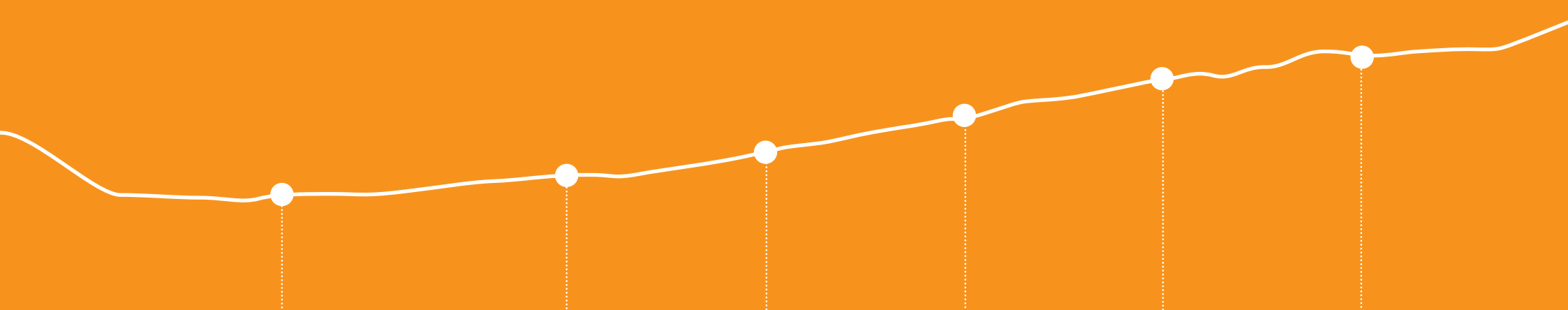
Sometimes the activities that we do can have a negative impact. While we strive to ensure that we operate in a way that provides the most positive outcomes, we have to acknowledge that sometimes there is a trade-off. This table summarises those negative effects that we consider significant for this activity and also what we are going to do to try and minimise these effects.

SIGNIFICANT NEGATIVE EFFECT	SUSTAINABLE SOLUTION
Construction of roads can have a significant negative effect on the environment and community, such as congestion and delays, air pollution, safety and stormwater issues and disturbance of cultural sites during earthworks.	We address this by putting in place strong contractual and resource consent conditions to ensure that effects are kept to a minimum.
The provision of a roading network may not provide sufficient or adequate infrastructure for the changing volume and needs of our community.	<p>We integrate transport infrastructure planning with land uses, and behavioural change through our current transport strategies: Queenstown Town Centre Transport Strategy, Queenstown Masterplan and future master-planning for Wanaka.</p> <p>Also we will optimise our existing services with increased travel mode options, including bus services and active transport.</p>
Funding shortfalls for road maintenance such as reseals and rehabilitations could lead to the premature deterioration of very costly assets, which will result in poor and unsafe roads that will require a significant investment to restore the level of service.	Our asset management plans are implemented and maintained to forecast the pavement reseal and rehabilitation needs of the roading network for future years based on tested and accepted scientific practices. This allows us to budget according to these future identified needs.

How we measure performance



KEY PERFORMANCE INDICATOR	BASELINE (how we performed at 30 June 2017)	TARGET YEAR 1 2018-2019	TARGET YEAR 2 2019-2020	TARGET YEAR 3 2020-2021	TARGET YEAR 10 2027-2028
Annual change in number of fatalities and serious injury crashes on the local road network OR the number of deaths and serious injuries per million vehicle km travelled on local roads.	1,915,002 kms travelled per fatality or serious injury	maintain/decrease	maintain/decrease	maintain/decrease	maintain/decrease
Average quality of ride on a sealed local road network, as measured by the Smooth Travel Exposure Index.	89%	>80%	>80%	>80%	>80%
Percentage of sealed network that is resurfaced annually.	6.7%	<10%	<10%	<10%	<10%
Percentage of local footpath network that is part of the local road network that falls within the Level of Service (LOS) or service standards for the condition of footpaths.	not reported	95%	95%	95%	95%
Increased use of alternative modes of transport.	New measure	increase on the previous year	increase on the previous year	increase on the previous year	increase on the previous year



KEY PERFORMANCE INDICATOR	BASELINE (how we performed at 30 June 2017)	TARGET YEAR 1 2018-2019	TARGET YEAR 2 2019-2020	TARGET YEAR 3 2020-2021	TARGET YEAR 10 2027-2028
Improved traffic flows on arterial routes.	New measure	maintain/improve	maintain/improve	maintain/improve	maintain/improve
Percentage of residents and ratepayers who are satisfied with the bus service (cost, reliability accessibility).	New measure	40%	45%	50%	60%

What does Transport cost, how is it paid for

FUNDING IMPACT STATEMENT BY ACTIVITY GROUP (\$'000)

ANNUAL PLAN 2017/18	Transport	TEN YEAR PLAN 2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Sources of operating funding											
	General rates, uniform annual general										
	- charges, rates penalties	-	-	-	-	-	-	-	-	-	-
11,852	Targeted rates	12,435	13,228	13,097	13,955	15,544	16,383	18,154	18,293	19,928	21,542
1,689	Fees and charges	2,903	3,049	6,724	12,411	13,053	13,725	14,262	14,823	15,409	16,022
3,594	Subsidies & grants for operating purposes	4,239	4,685	4,935	4,749	4,763	4,942	5,129	5,324	5,528	5,742
	- Interest and dividends from investments	-	-	-	-	-	-	-	-	-	-
	Fuel tax, fines, infringement fees & other										
234	receipts	129	136	(665)	(1,879)	(1,975)	(2,074)	(2,156)	(2,242)	(2,332)	(2,425)
	- Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-
17,369	Total sources of operating funding	19,706	21,098	24,091	29,236	31,385	32,976	35,389	36,198	38,533	40,881
Applications of operating funding											
7,940	Payments to staff and suppliers	9,280	9,624	9,624	10,985	11,423	11,771	12,131	12,508	12,902	13,315
415	Finance costs	1,306	2,245	2,187	5,111	5,678	6,262	6,283	5,810	5,036	4,080
1,123	Internal charges and overheads applied	1,605	1,579	1,579	1,744	1,767	1,800	1,838	1,872	1,912	1,952
	- Other operating funding applications	-	-	-	-	-	-	-	-	-	-
9,478	Total applications of operating funding	12,191	13,448	13,390	17,840	18,868	19,833	20,252	20,190	19,850	19,347
7,891	Surplus/(deficit) of operating funding	7,515	7,650	10,701	11,396	12,517	13,143	15,137	16,008	18,683	21,534
Sources of capital funding											
6,850	Subsidies & grants for capital expenditure	11,856	32,463	44,679	30,317	49,176	36,419	11,738	5,647	5,403	7,444
1,619	Development & financial contributions	5,270	5,270	5,270	5,270	4,026	4,026	4,026	4,026	4,026	3,972
	- Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
2,574	Increase/(decrease) in debt	11,821	25,139	47,776	4,897	15,900	5,048	(6,982)	(14,683)	(18,877)	(21,724)
	- Lump sum contributions	-	-	-	-	-	-	-	-	-	-
	- Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
11,043	Total sources of capital funding	28,947	62,873	97,725	40,484	69,102	45,494	8,782	(5,011)	(9,447)	(10,309)
Applications of capital funding											
	Capital expenditure										
9,121	- to meet additional demand	9,533	23,972	39,836	20,586	29,690	24,325	5,928	2,443	2,294	3,262
3,584	- to replace existing assets	12,491	16,703	17,841	13,393	13,081	9,939	12,513	6,770	6,222	8,923
7,064	- to improve the level of service	13,355	31,777	48,033	21,472	42,098	25,453	8,094	2,980	2,290	2,627
(835)	Increase/(decrease) in reserves	1,083	(1,929)	2,716	(3,571)	(3,250)	(1,080)	(2,616)	(1,195)	(1,570)	(3,587)
	- Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-
18,934	Total applications of capital funding	36,462	70,523	108,426	51,880	81,619	58,637	23,919	10,997	9,236	11,225
(7,891)	Surplus/(deficit) of capital funding	(7,515)	(7,650)	(10,701)	(11,396)	(12,517)	(13,143)	(15,137)	(16,008)	(18,683)	(21,534)
	- Funding balance	-	-	-	-	-	-	-	-	-	-

Proposed Transport capital works

SUM OF CAPITAL WORKS (\$000)	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	GRAND TOTAL
Crown Range											
Sealed road resurfacing	342	359	383	391	400	409	419	429	439	451	4,022
Environmental renewals	120	122	125	128	130	133	136	140	143	147	1,324
Resilience, land stabilisation	50	306		53	326		57	350		61	1,203
Minor improvements	229	193	209	95	89	83	77	71	64	57	1,167
Sealed road pavement rehabilitation		306			326			350			982
Drainage renewals	62	65	69	71	72	74	76	78	79	82	728
Structures component replacements	62	65	69	71	72	74	76	78	79	82	728
Traffic services renewals	7	7	8	8	8	8	8	9	9	9	81
Glenorchy											
Resilience, land stabilisation	300		52	319		56	341		60	368	1,496
Crown estate access, Greenstone		102								1,226	1,328
Crown estate access, Paradise		102								1,226	1,328
Sealed road pavement rehabilitation	300			319			341			368	1,328
Environmental renewals	120	122	125	128	130	133	136	140	143	147	1,324
Resilience, Rees River Bridge		207		216		226		237		249	1,135
Minor improvements	149	140	135	64	60	56	52	47	43	38	784
Precipice Creek bridge renewal	715										715
Drainage renewals	52	54	58	59	60	62	63	65	66	68	607
Unsealed road metaling		204							239		443
Resilience, dangerous trees on Glenorchy Road	65		16	69		17	74		18	80	339
Sealed road resurfacing			104			111			119		334
Structures component replacements	16	17	18	19	19	20	20	21	21	22	193
Traffic services renewals	15	16	17	17	17	18	18	19	19	20	176

(CONTINUED)

SUM OF CAPITAL WORKS (\$000)	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	GRAND TOTAL
Queenstown											
Queenstown town centre arterial (Consultation Issue 1)	250	19,044	35,822	25,560	35,483	32,643					148,802
Queenstown town centre pedestrianisation (Consultation Issue 1)	3,896	1,064	9,559	1,001	12,258	1,803	16,650	3,248			49,479
Queenstown parking improvements (Consultation Issue 1)	10,249	11,870	24,187	544	690	454					47,994
Public transport improvements, Stage 2, public transport hubs (Consultation Issue 1)		5,324		1,474	18,652						25,450
Wakatipu walking and cycling improvements (Consultation Issue 1)	842	6,785	285	2,584	3,800	9,248					23,544
Civic heart development (Consultation Issue 1)	500	2,792	7,634								10,926
Public realm upgrades (Consultation Issue 1)			797	5,427							6,224
Water taxi/ferry network infrastructure (Consultation Issue 1)	359	1,003	317	1,837	272	1,338	988				6,114
Travel management Queenstown (Consultation Issue 1)	1,931	1,808	703	352	360	368					5,522
Traffic operations centre (Consultation Issue 1)				2,764							2,764
Quail Rise to Hawthorne Drive development (Housing infrastructure funding)	1,000	1,630	5,200								7,830
Ladies Mile development (Housing infrastructure funding)	500	1,427	4,368								6,295
Park and ride transport services	300	1,019	1,040	744							3,103

(CONTINUED)

SUM OF CAPITAL WORKS (\$000)	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	GRAND TOTAL
Wakatipu											
Lakeview development, road and public realm	391	2,178	2,223	1,136							5,928
Lakeview development, market square	191	1,600	1,089								2,880
Lakeview development, transportation	184	1,022	1,043	533							2,782
Sealed road resurfacing	952	999	1,065	1,089	1,112	1,138	1,165	1,193	1,223	1,256	11,192
Unsealed road metalling	748	785	837	856	874	894	915	938	961	987	8,794
Minor improvements	787	828	899	478	509	542	576	613	651	692	6,575
Sealed road pavement rehabilitation	464	487	519	530	542	554	567	581	596	611	5,451
Drainage renewals	278	292	311	318	325	333	340	349	357	367	3,270
Traffic services renewals	116	122	130	133	135	139	142	145	149	153	1,364
Crown estate access, Routeburn		102								1,226	1,328
CCTV network upgrades and expansion	153	136	205	74	117	141	120	64	146	98	1,254
Shotover Bridge (Arthurs Point) business case, intermediary works			520	532							1,052
Resilience, dangerous trees	120		42	128		44	136		48	147	665
Environmental renewals	60	61	62	64	65	67	68	70	72	74	663
Improved access Lake Hayes reserve (Widgeon Place)									597		597
Structures component replacements	45	48	51	52	53	54	55	57	58	60	533
Wanaka											
Parking improvements (Consultation Issue 4)		102	208	532	4,887	5,555					11,284
Minor improvements	937	1,949	1,783	807	787	433	461	490	521	554	8,722

(CONTINUED)

SUM OF CAPITAL WORKS (\$000)	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	GRAND TOTAL
Wanaka											
Sealed road resurfacing	634	666	710	726	742	759	776	796	815	837	7,461
Unsealed road metaling	499	523	558	570	583	596	610	625	641	658	5,863
Mt Aspiring Road widening and drainage	2,500	2,548									5,048
Town centre shared space	1,000	1,019	1,040	1,063							4,122
Sealed road pavement rehabilitation	309	324	346	354	361	370	378	387	397	408	3,634
Crown estate access, Mt Aspiring		102							1,194	1,226	2,522
Drainage renewals	185	194	208	211	217	221	229	231	239	244	2,179
Ballantyne Road design	2,100										2,100
Biking facilities (Consultation Issue 4)			312			167			179		658
Active travel network (Consultation Issue 4)				96	102	108	115	123	130	138	812
Traffic services renewals	77	80	85	88	90	92	97	96	100	102	907
Structures component replacements	68	71	76	77	79	81	83	84	88	90	797
Environmental renewals	60	61	62	63	65	67	68	69	73	73	661
Town Centre Masterplan (Consultation Issue 4)				531							531
Dangerous trees removal	90		26	96		28	102		30	110	482
Transport Total	35,377	72,452	105,710	55,451	84,869	59,717	26,535	12,193	10,806	14,812	477,924

WASTE MANAGEMENT



Environmental sustainability and
low impact living is highly valued

What we deliver for Waste Management

LEVEL OF SERVICE:

The Council provides waste and recycling services that protect public health and the environment.

Waste Management is managed in three sub-activities: waste management and minimisation and recycling, refuse collection and landfill provision.

Waste management and recycling services include weekly kerbside refuse and recycling collection, public recycling and litterbins, a resource recovery park, green waste drop off sites, composting facilities and promoting waste minimisation initiatives. Rural areas are serviced by rural drop off points where economically viable. A landfill facility at Victoria Flats, and transfer stations in Queenstown and Wanaka, process waste and manage the safe disposal of hazardous materials.

We have recently reviewed the Waste Management and Minimisation Plan (WMMP). The current plan will remain in place until the new one is adopted prior to the Ten Year Plan being completed. The WMMP identifies our vision, goals, objectives, targets and methods for achieving effective and efficient waste management and minimisation.

To develop this WMMP, we completed a waste assessment which details:

- > existing waste services provided in the district (Council and non-council);
- > waste quantities, composition and flows;
- > identification of issues;
- > future demand for services;
- > vision, goals, objectives and targets for waste management and minimisation;
- > guiding principles to direct how to get to where the Council wants to be; and
- > an options assessment/statement of proposals for waste services and identified district issues through the Waste Management and Minimisation Programme Business Case.

What we are planning for Waste Management

- > Consultation, adoption and implementation of the improved WMMP, which has a preferred programme focusing on organics and glass. This plan sets out how rubbish and recycling will be dealt with across the deistrict, covering everything from household refuse through to organic waste.
- > With the increased demand on our facilities we are also undertaking a review of our existing transfer stations and the recycling centre. The first step in this process will be the development of a business case that identifies long term options.
- > Continue to provide educational information to customers, to promote our waste services and advise how customers can responsibly dispose of organic and recyclable materials, including using private waste collection services.
- > Investigate options for the diversion of organic material from landfill.

What significant negative impact this activity might have

Sometimes the activities that we do can have a negative impact. While we strive to ensure that we operate in a way that provides the most positive outcomes, we have to acknowledge that sometimes there is a trade-off. This table summarises those negative effects that we consider significant for this activity and also what we are going to do to try and minimise these effects.

SIGNIFICANT NEGATIVE EFFECT	SUSTAINABLE SOLUTION
<p>During the collection of waste the following may occur:</p> <ul style="list-style-type: none"> > water and/or land pollution (loose waste blown into private properties or waterways or illegally dumped) > odour emissions > spread of disease and water/land contamination > vermin > obstruction of footpaths 	<p>We will continue to educate residents on the collection days/times and we will monitor the services (rubbish/recycling/organics collections) provided by the private sector to ensure contractor requirements are complied with.</p>
<p>Environmental impacts caused by the discharge of contaminants to land and water from landfills.</p>	<p>We will continue to aim to reduce the quantity of waste going to landfill through proven minimisation strategies and programmes for waste streams that we can control/influence.</p> <p>Compliance with resource consent and regular monitoring.</p>
<p>The user-pays policy on collection and disposal of waste and kerbside recycling means that private companies have significant control over the waste stream. This can impact on the Council's ability to minimise waste.</p>	<p>The implementation of our Waste Management and Minimisation Plan 2017 mitigates the impact of this effect.</p>

How we measure performance



KEY PERFORMANCE INDICATOR	BASELINE (how we performed at 30 June 2017)	TARGET YEAR 1 2018-2019	TARGET YEAR 2 2019-2020	TARGET YEAR 3 2020-2021	TARGET YEAR 10 2027-2028
Total waste diverted from landfill.	4,800 tonnes	5,100	8,500	11,000	23,000
Total waste to landfill.	35,110 tonnes	40,000	40,000	41,000	59,000
Reduction of carbon emission units purchased per head of population (based on average day population).	37,530 @ 100% obligation	<37,530	<37,530	<37,530	<37,530

What does Waste Management cost, how is it paid for

FUNDING IMPACT STATEMENT BY ACTIVITY GROUP (\$'000)

ANNUAL PLAN	TEN YEAR PLAN										
2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	
Waste Management											
Sources of operating funding											
General rates, uniform annual general											
- charges, rates penalties	-	-	-	-	-	-	-	-	-	-	-
2,542 Targeted rates	3,410	3,722	4,119	4,590	4,800	5,707	5,528	5,585	5,796	5,957	
6,732 Fees and charges	7,797	8,268	8,748	9,227	9,728	10,245	10,650	11,074	11,507	11,960	
116 Subsidies & grants for operating purposes	118	122	127	132	137	142	146	151	155	160	
- Interest and dividends from investments	-	-	-	-	-	-	-	-	-	-	
Fuel tax, fines, infringement fees & other											
19 receipts	54	54	54	54	54	54	54	54	54	54	
- Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-	
9,409 Total sources of operating funding	11,379	12,166	13,048	14,003	14,719	16,148	16,378	16,864	17,512	18,131	
Applications of operating funding											
7,985 Payments to staff and suppliers	9,459	10,066	10,066	11,280	11,776	12,682	12,888	13,398	13,959	14,597	
139 Finance costs	123	265	265	599	830	963	934	895	853	788	
1,156 Internal charges and overheads applied	1,656	1,629	1,630	1,799	1,824	1,858	1,897	1,932	1,973	2,014	
- Other operating funding applications	-	-	-	-	-	-	-	-	-	-	
9,280 Total applications of operating funding	11,238	11,960	11,961	13,678	14,430	15,503	15,719	16,225	16,785	17,399	
129 Surplus/(deficit) of operating funding	141	206	1,087	325	289	645	659	639	727	732	
Sources of capital funding											
- Subsidies & grants for capital expenditure	-	-	-	-	-	-	-	-	-	-	
- Development & financial contributions	-	-	-	-	-	-	-	-	-	-	
- Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	
(641) Increase/(decrease) in debt	1,149	4,522	2,587	3,692	5,531	(215)	(948)	(603)	(1,072)	(1,537)	
- Lump sum contributions	-	-	-	-	-	-	-	-	-	-	
- Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-	
(641) Total sources of capital funding	1,149	4,522	2,587	3,692	5,531	(215)	(948)	(603)	(1,072)	(1,537)	
Applications of capital funding											
Capital expenditure											
81 - to meet additional demand	620	1,801	1,261	1,621	2,233	243	101	232	105	108	
90 - to replace existing assets	481	1,355	1,085	1,508	2,210	44	445	45	45	46	
381 - to improve the level of service	1,270	2,656	1,548	1,972	2,463	605	309	587	324	333	
(1,064) Increase/(decrease) in reserves	(1,081)	(1,084)	(220)	(1,084)	(1,086)	(462)	(1,144)	(828)	(819)	(1,292)	
- Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-	
(512) Total applications of capital funding	1,290	4,728	3,674	4,017	5,820	430	(289)	36	(345)	(805)	
(129) Surplus/(deficit) of capital funding	(141)	(206)	(1,087)	(325)	(289)	(645)	(659)	(639)	(727)	(732)	
- Funding balance	-	-	-	-	-	-	-	-	-	-	

Proposed Waste Management capital works

SUM OF CAPITAL WORKS (\$000)	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	GRAND TOTAL
District Wide											
Sludge disposal options trials	100	102									202
Waste minimisation implementation	100	102	104	107	109	112	115	117	120	124	1,110
Freedom camping waste facilities		51	52								103
Queenstown											
Underground waste facilities		61	188	320		358		399			1,326
New central business district waste collection stations			83			89					172
Wakatipu											
Recycle centre plant upgrade	150	1,018	2,970								4,138
Gas capture facility	350	1,476	229	235	240	246	252	259	265	272	3,824
Public litter bin upgrades	50	51	52	53	55	56	57	59	60	62	555
Asset management improvements	51	51	51	23	22	22	22	21	21	21	304
Waste diversion project	100	204									304
Weighbridge renewal		67									67
Solid waste asset renewals	5	5	4	5	4	4	4	4	5	4	44
Transfer station upgrades	500	2,545		3,285	3,359						9,689
Recycling crate upgrades	600										600
Landfill consent renewal							401				401
Wanaka											
Transfer station upgrades		51	157	1,068	3,112						4,388
Recycling new bins	360										360
Asset management improvements	5	4	4	5	5	5	4	5	3	4	44
Weighbridge renewal		24									24
Waste Management Total	2,371	5,812	3,894	5,101	6,906	892	855	864	474	487	27,656

BOLD LEADERSHIP TE AMORAKI

DISTRICT WIDE

Revamp of our library and sport & recreation websites

DISTRICT WIDE

Continued investment in our enterprise technology solution

DISTRICT WIDE

Contestable economic development fund

DISTRICT WIDE

Events contestable fund

DISTRICT WIDE

Contributor to Film Otago Southland

DISTRICT WIDE

Completion of all Community Emergency Response Plans

QUEENSTOWN

Lakeview development

QUEENSTOWN

One Queenstown Council office

QUEENSTOWN

Support development of Destination Queenstown

WANAKA

Council office refurbishment

WANAKA

Glendhu Bay campground renewals

ALBERT TOWN

Campground renewals

WANAKA

Support development of Lake Wanaka Tourism

WANAKA

Body cameras for the dog and parking wardens

ARROWTOWN

Support development of Arrowtown Promotion Board

ARROWTOWN

Arrowtown campground renewals

QUEENSTOWN

New dog pound

QUEENSTOWN

Campground renewals

ECONOMY



Partnering for success



Sustainable growth management



Investing strategically



Enabling diversification

LEVEL OF SERVICE: *The Council facilitates economic growth in the district.*

What we deliver for the Economy

COMMERCIAL PROPERTY

There are eight Council owned public camping grounds and holiday parks across the district. This type of quality short-term camping accommodation is available to support the district's economy and growth. These are all managed on behalf of the Council by private operators under various commercial lease arrangements.

ECONOMIC DEVELOPMENT

We aim to achieve a high quality of life for all residents.

This district faces a range of economic strengths and challenges, which need to be taken into account. With a vibrant entrepreneurial spirit and a highly skilled workforce, it's unsurprising that the visitor economy has thrived amongst the incredible natural amenities available. However, our size and location, the cost of living and the pressure of visitor numbers on infrastructure has challenged the growth of a diverse and sustainable economy.

We are currently implementing our Economic Development Strategy which proposes four clear objectives:

- > enhance the quality of our natural business and living environments.
- > facilitate the growth of the knowledge based sector that reflect the district's advantages.
- > attract higher contributing visitors and generate a proportionately higher level of expenditure from visitors.
- > develop a long-term, sustainable approach to investing in infrastructure, which will support and enable future growth.

FILM AND EVENTS STRATEGY

Film Otago Southland works with other stakeholders to stimulate economic growth for the region through screen production attraction and marketing, sector development initiatives for businesses, internal sector and policy development, screen facilitation and permitting. The film office facilitates the relationship between the screen sector, government, community and others impacted or benefited by its activity.

We are committed to providing significant investment to support both commercial and community events in the district. Our vision is to promote and support a balanced portfolio of sporting, arts and cultural events that meet community objectives for the district in respect of recreational activities, community infrastructure and economic growth.

TOURISM PROMOTION

We actively encourage tourist operations that not only share our natural environment with visitors from around the globe, but also treat it with the respect and care it deserves.

We support Destination Queenstown, Lake Wanaka Tourism and the Arrowtown Promotion Board through a mixture of levies and rates. The Council collects levies from local businesses on behalf of each of these regional tourism organisations, and also contributes 5% of their total funding by way of rates, so all ratepayers contribute towards the international promotion of our district.

What we are planning for the Economy

ECONOMIC DEVELOPMENT

- > Supporting business innovation through the newly established Contestable Economic Development Fund.

EVENTS STRATEGY

- > Supporting our local community through the management of the Events Contestable Fund. This draft Ten Year Plan includes an annual commitment of \$618,800, which is then adjusted for growth and inflation after year one.

COMMERCIAL PROPERTY

- > Development of the Lakeview site, as agreed in October 2017 by the Council. This will enable investment in Lakeview to implement one of the key initiatives identified as a means to address specific opportunities and challenges faced by the district. The development of the Lakeview land will unlock significant funds.

FILM

- > Raise awareness of our world class locations, crews and infrastructure.
- > Become a trusted source of data collection to effect policy, investment and business strategy.
- > Continue to maintain our inter-regional approach and shared services to provide value for money across the Otago and Southland regions.
- > Work towards enabling environmentally sustainable film practices.

TOURISM PROMOTION

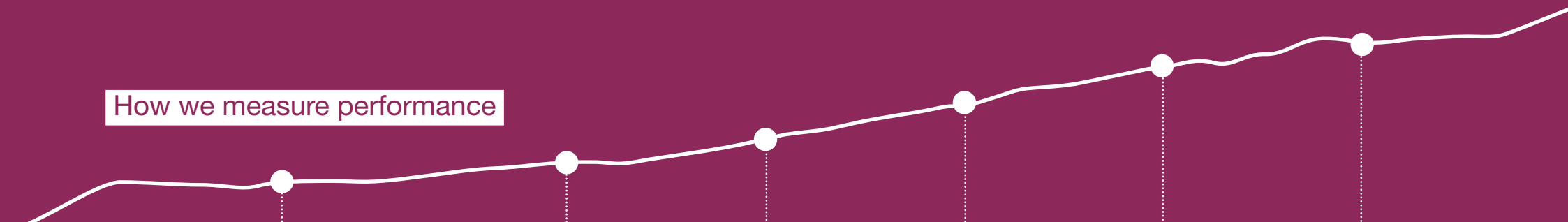
- > Continue to support the development of the Regional Tourism Organisations.

What significant negative impact this activity might have

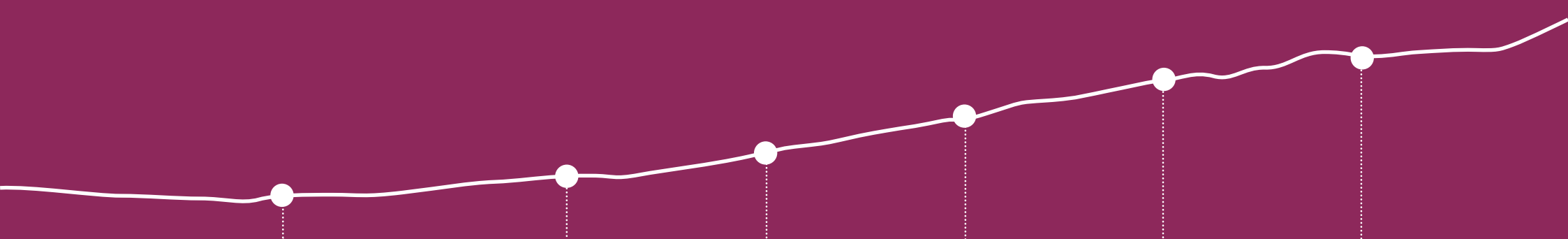
Sometimes the activities that we do can have a negative impact. While we strive to ensure that we operate in a way that provides the most positive outcomes, we have to acknowledge that sometimes there is a trade-off. The table below summarises those negative effects that we consider significant for this activity and also what we are going to do to try and minimise these effects.

SIGNIFICANT NEGATIVE EFFECT	SUSTAINABLE SOLUTION
Events managed, facilitated or assisted by the Council may have significant negative effects on the environmental wellbeing of non-participants. Such negative effects include increased noise, traffic congestion and restricted access to public facilities.	<p>We work with event managers and affected parties to minimise these negative effects wherever possible and in line with our Events Strategy 2015. We have an Events Facilitation Team that meets regularly with event organisers to discuss and educate.</p> <p>The Council cannot mitigate all of the impact of events traffic. However, traffic management plans can be required for events and activities that will result in a certain number of vehicle movements.</p>

How we measure performance



KEY PERFORMANCE INDICATOR	BASELINE (how we performed at 30 June 2017)	TARGET YEAR 1 2018-2019	TARGET YEAR 2 2019-2020	TARGET YEAR 3 2020-2021	TARGET YEAR 10 2027-2028
Indicators of housing affordability (Four measures are used to ensure accuracy):					
Housing Affordability Measure (HAM): Share of first time buyer households with below average income after housing costs.	74.3%	maintain/increase	maintain/increase	maintain/increase	maintain/increase
Housing Affordability Measure (HAM): Share of renting households with below average income after housing costs.	44.7%	maintain/increase	maintain/increase	maintain/increase	maintain/increase
Reduction in the Rental Affordability Index (ratio of the average weekly rent to average weekly earnings).	0.44	<0.44	<0.44	<0.44	<0.44
Reduction in the Housing Affordability Index (ratio of the average current house value to average annual earnings).	16.1	maintain/decrease	maintain/decrease	maintain/decrease	maintain/decrease



KEY PERFORMANCE INDICATOR	BASELINE (how we performed at 30 June 2017)	TARGET YEAR 1 2018-2019	TARGET YEAR 2 2019-2020	TARGET YEAR 3 2020-2021	TARGET YEAR 10 2027-2028
Return on cost of commercial property, excluding revaluation gains/losses.	170.5%	maintain/increase	maintain/increase	maintain/increase	maintain/increase
Percentage of commercial ratepayers who are satisfied with a) the information they receive, b) their ability to have a say, c) satisfaction with RTOs, d) services essential for their business operations (response/resolution, clarity of process and timeframes, staff knowledge and professionalism, fairness and consistency.	new measure	>50%	>55%	>60%	>60%

What does supporting the Economy cost, how is it paid for

FUNDING IMPACT STATEMENT BY ACTIVITY GROUP (\$'000)

ANNUAL PLAN 2017/18 Economy	TEN YEAR PLAN 2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Sources of operating funding										
General rates, uniform annual general										
181 charges, rates penalties	138	219	226	172	185	165	188	192	208	227
5,509 Targeted rates	5,165	6,368	6,664	6,804	7,019	7,366	8,171	8,010	8,400	8,833
2,823 Fees and charges	2,626	2,179	1,919	1,959	2,001	2,045	2,092	2,140	2,191	2,244
104 Subsidies & grants for operating purposes	75	79	83	88	92	97	101	105	109	113
- Interest and dividends from investments	-	-	-	-	-	-	-	-	-	-
Fuel tax, fines, infringement fees & other										
465 receipts	483	483	483	483	483	483	483	483	483	483
- Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-
9,082 Total sources of operating funding	8,487	9,328	9,375	9,506	9,780	10,156	11,035	10,930	11,391	11,900
Applications of operating funding										
7,024 Payments to staff and suppliers	7,194	7,602	7,602	7,959	8,304	8,676	9,573	9,493	9,945	10,423
667 Finance costs	566	577	577	241	165	115	65	20	-	-
481 Internal charges and overheads applied	711	1,121	1,121	1,270	1,285	1,310	1,335	1,355	1,379	1,405
- Other operating funding applications	-	-	-	-	-	-	-	-	-	-
8,172 Total applications of operating funding	8,471	9,300	9,300	9,470	9,754	10,101	10,973	10,868	11,324	11,828
910 Surplus/(deficit) of operating funding	16	28	75	36	26	55	62	62	67	72
Sources of capital funding										
- Subsidies & grants for capital expenditure	-	-	-	-	-	-	-	-	-	-
- Development & financial contributions	-	-	-	-	-	-	-	-	-	-
- Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
(1,885) Increase/(decrease) in debt	2,108	(1,657)	(4,873)	(2,043)	(1,000)	(1,000)	(1,000)	(793)	-	-
- Lump sum contributions	-	-	-	-	-	-	-	-	-	-
- Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
(1,885) Total sources of capital funding	2,108	(1,657)	(4,873)	(2,043)	(1,000)	(1,000)	(1,000)	(793)	-	-
Applications of capital funding										
Capital expenditure										
- to meet additional demand	707	868	298	-	-	-	-	-	-	-
121 - to replace existing assets	49	50	50	51	53	54	55	56	57	59
- to improve the level of service	2,356	3,440	797	13	13	13	14	14	14	15
(1,096) Increase/(decrease) in reserves	(988)	(5,987)	(5,943)	(2,071)	(1,040)	(1,012)	(1,007)	(801)	(4)	(2)
- Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-
(975) Total applications of capital funding	2,124	(1,629)	(4,798)	(2,007)	(974)	(945)	(938)	(731)	67	72
(910) Surplus/(deficit) of capital funding	(16)	(28)	(75)	(36)	(26)	(55)	(62)	(62)	(67)	(72)
- Funding balance	-	0	-	-	-	-	-	-	-	-

Proposed Economy capital works

SUM OF CAPITAL WORKS (\$000)	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	GRAND TOTAL
Arrowtown											
Arrowtown campground minor capex	13	13	13	12	13	13	13	13	14	14	131
Queenstown											
Lakeview development, land	750	1,780									2,530
Lakeview development, infrastructure upgrades	2,109	919									3,028
Lakeview development, market square	191	1,597	1,082								2,870
Queenstown campground minor capex	25	25	26	26	27	28	28	29	29	30	273
Wanaka											
Glendhu Bay campground minor capex	12	12	12	13	13	13	14	14	14	15	132
Wanaka campground minor capex	12	12	12	13	13	13	14	14	14	15	132
Grand Total	3,112	4,358	1,145	64	66	67	69	70	71	74	9,096

REGULATORY FUNCTIONS AND SERVICES



A responsive organisation

What we deliver for Regulatory Functions and Services

LEVEL OF SERVICE: *Building consents - The Council provides efficient and cost effective processing of building applications that are considered for environmental impact.*

LEVEL OF SERVICE: *Enforcement - The Council provides effective and appropriate enforcement and control of activities to minimise the potential harm to the public.*

BUILDING CONSENTS

The Building Services Team is responsible for ensuring buildings are constructed in a safe manner and all aspects of the building code and the Building Act 2004 are complied with. This is achieved through the consenting and compliance process.

We employ adequate staff and external contractors to ensure the above is delivered efficiently and effectively. This includes processing approximately 2,000 building consents (with a built value of approximately \$800m) and undertaking 12,000 inspections annually.

The Building Services team is also responsible for ensuring all public buildings are safe and sanitary for occupancy. This is achieved by administering and ensuring compliance with the Building Warrant of Fitness scheme. Building work is regulated to ensure the health and safety of people and sustainability in design and construction methods.

LIQUOR LICENSING

This includes enforcement and monitoring of licensed premises and events to ensure compliance with the Sale and Supply of Alcohol Act 2012.

BYLAW ENFORCEMENT

The Animal Control service includes responding to complaints of wandering dogs, stock on roads, barking dogs, lost and found services, registration information, patrolling and education programmes. This ensures residents are safe, whilst the welfare of animals is protected.

Noise control operates 24 hours a day, seven days a week. Contractors respond to complaints of antisocial behaviour regarding noise. The majority of complaints are regarding stereo noise and associated people noise. People noise is a police matter.

We also work with the community to reduce littering.

ENVIRONMENTAL HEALTH

We promote, protect and improve the health of our community, through the application of various legislative requirements regarding premises such as food businesses, hairdressers, camping grounds and offensive trades.

LEGAL ROAD CLOSURES

The temporary road closure application process is managed by APL Property Ltd on behalf of the Council, with final approval through the Chief Executive of QLDC.

These requests are normally associated with events including filming, sports events, and community activities. All temporary road closure requests are considered as per the legislative requirements in the Local Government Act 1974.

PARKING ENFORCEMENT

Patrols occur seven days a week across the district to ensure compliance with national legislation and local regulation.

WATERWAYS ENFORCEMENT

We provide a range of recreational boating facilities so that the community can safely use waterways for recreation and commercial activity. This includes a harbourmaster to enforce bylaws and regulations to promote water safety. Harbourmaster services are provided 365 days a year.

What we are planning for Regulatory Functions and Services

BUILDING SERVICES

- > Continuing to consistently improve the time it takes to process building consents.
- > Consistently have building inspections at two days or less.
- > Consistently process building consents at 15 days or less.
- > More engagement and communication with the building industry through targeted meetings and written media.
- > Consistency in decision making for 'requests for information'.
- > Continue to build our in-house staff resources and reduce our reliance on external contractors.
- > Ensure all earthquake prone buildings captured by the new legislation have been identified in the district and notices issued to owners of timeframes advising when their buildings need to be strengthened or demolished.

BYLAW ENFORCEMENT

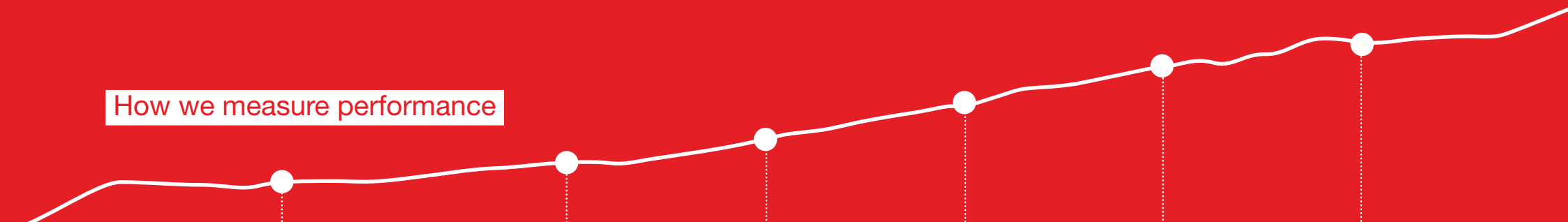
- > Bylaws that are up for review during this Ten Year Plan are the Freedom Camping bylaw, Traffic and Parking bylaw, and the Dog Control bylaw.
- > We will be investigating and implementing a new bylaw regarding skin piercing.
- > Build a new Queenstown dog pound.
- > Develop an Alcohol Strategy to reduce alcohol related harm in our community.
- > Continue implementing the Food Act 2014, which has been a three year transition period.

What significant negative impact this activity might have

Sometimes the activities that we do can have a negative impact. While we strive to ensure that we operate in a way that provides the most positive outcomes, we have to acknowledge that sometimes there is a trade-off. This table summarises those negative effects that we consider significant for this activity and also what we are going to do to try and minimise these effects.

SIGNIFICANT NEGATIVE EFFECT	SUSTAINABLE SOLUTION
Dog ownership can lead to barking and roaming dogs and to dog attacks on people and other animals.	Through the use of our owner education initiatives, proactive patrolling and implementation of both the Dog Control Act and our Dog Control Bylaw 2014 we seek to mitigate this impact.
Freedom camping can lead to pollution of waterways, roadsides, parks and other public places and loss of amenity and privacy for the community.	We welcome visitors who camp responsibly, but for those that aren't responsible we can enforce under our Freedom Camping Bylaw 2012. This bylaw seeks to mitigate environmental and community impact from Freedom Camping.
By granting alcohol licences we may encourage alcohol related harm.	The implementation and enforcement of the Supply and Sale of Alcohol Act seeks to reduce the possibility of alcohol related harm to the community.
Registration of food businesses may result in public health concerns for the community.	The implementation and enforcement of the Food Act 2014 seeks to lessen the possibility of this negative impact.
Building consent decisions and delivery of information on the Building Act can have a significant effect on the social, cultural, economic and environmental wellbeing of the community.	We address this by ensuring that staff have adequate access to all relevant information and are appropriately trained and qualified to make robust decisions to ensure that these effects are kept to a minimum.
The Building Services team is not able to control the incoming work load, this may result in consents not being issued within the statutory time frames. This can have a negative effect on businesses and rate payers.	The short fall in processing capacity is compensated for by utilising external contractors to assist with our workload.

How we measure performance



KEY PERFORMANCE INDICATOR	BASELINE (how we performed at 30 June 2017)	TARGET YEAR 1 2018-2019	TARGET YEAR 2 2019-2020	TARGET YEAR 3 2020-2021	TARGET YEAR 10 2027-2028
Percentage of building consents processed within statutory timeframes.	81%	100%	100%	100%	100%
Every food business that is due an audit is audited within the timeframe according by the Food Act 2014.	New measure	100%	100%	100%	100%
Number of RFS freedom camping complaints.	318	<318	<318	<318	<318

What does Regulatory Functions and Services cost, how is it paid for

FUNDING IMPACT STATEMENT BY ACTIVITY GROUP (\$'000)

ANNUAL PLAN 2017/18	Regulatory Functions and Services	TEN YEAR PLAN 2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Sources of operating funding											
	General rates, uniform annual general charges, rates penalties	-	-	-	-	-	-	-	-	-	-
776	Targeted rates	1,833	878	630	373	(79)	(234)	(572)	(1,161)	(1,517)	(1,983)
5,960	Fees and charges	8,284	8,940	9,516	10,042	10,577	11,058	11,513	11,985	12,485	13,004
	- Subsidies & grants for operating purposes	-	-	-	-	-	-	-	-	-	-
	- Interest and dividends from investments	-	-	-	-	-	-	-	-	-	-
	Fuel tax, fines, infringement fees & other receipts	2,975	4,058	4,554	4,819	5,072	5,341	5,553	5,766	5,989	6,218
	- Internal charges and overheads recovered	-	-	-	-	-	-	-	-	-	-
8,910	Total sources of operating funding	13,092	13,876	14,700	15,234	15,570	16,165	16,494	16,590	16,957	17,239
Applications of operating funding											
6,225	Payments to staff and suppliers	9,513	10,238	10,238	11,043	11,339	11,582	11,829	12,093	12,382	12,583
10	Finance costs	9	10	10	11	26	34	24	18	17	16
2,768	Internal charges and overheads applied	3,685	3,705	3,705	4,242	4,271	4,351	4,430	4,487	4,560	4,640
	- Other operating funding applications	-	-	-	-	-	-	-	-	-	-
9,003	Total applications of operating funding	13,207	13,953	13,953	15,296	15,636	15,967	16,283	16,598	16,959	17,239
(93)	Surplus/(deficit) of operating funding	(115)	(77)	747	(62)	(66)	198	211	(8)	(2)	-
Sources of capital funding											
	- Subsidies & grants for capital expenditure	-	-	-	-	-	-	-	-	-	-
	- Development & financial contributions	-	-	-	-	-	-	-	-	-	-
	- Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
20	Increase/(decrease) in debt	42	(18)	20	42	541	(203)	(215)	(18)	(22)	(14)
	- Lump sum contributions	-	-	-	-	-	-	-	-	-	-
	- Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
20	Total sources of capital funding	42	(18)	20	42	541	(203)	(215)	(18)	(22)	(14)
Applications of capital funding											
	Capital expenditure										
	- to meet additional demand	-	-	-	-	-	-	-	-	-	-
	- to replace existing assets	-	15	-	-	-	17	-	40	-	-
35	- to improve the level of service	65	5	43	65	545	18	8	5	1	9
(108)	Increase/(decrease) in reserves	(139)	(115)	724	(85)	(70)	(40)	(12)	(71)	(25)	(23)
	- Increase/(decrease) of investments	-	-	-	-	-	-	-	-	-	-
(73)	Total applications of capital funding	(74)	(95)	767	(20)	475	(5)	(4)	(26)	(24)	(14)
93	Surplus/(deficit) of capital funding	115	77	(747)	62	66	(198)	(211)	8	2	-
	- Funding balance	-	-	-	-	-	-	-	-	-	-

Proposed Regulatory Functions and Services capital works

SUM OF CAPITAL WORKS (\$000)	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	GRAND TOTAL
District Wide											
Parking officer personal transportation	30		16			17					63
Health and safety body cameras for parking officers		4		4			4			5	17
Health and safety body cameras for freedom camping enforcement	3				3			3			9
Warrant printer renewals	3										3
Queenstown											
New Queenstown dog pound				53	541						594
Gorge Road car pound upgrade	25		26								51
Queenstown dog pound electrical upgrade		8									8
Wanaka											
Wanaka dog pound		7				17		41			65
Car pounds and dog pounds				4							4
Wanaka alarm installation											
Grand Total	61	19	42	61	544	34	4	44	-	5	814

LOCAL DEMOCRACY



Communities are resilient and prepared
for civil defence emergency events



An organisation that
demonstrates leadership



An organisation that considers
the district's partnership with
Mana Whenua

What we deliver within Local Democracy

LEVEL OF SERVICE: *The Council ensures the community has a 'voice'*

COMMUNITY ENGAGEMENT

This activity aims to empower our communities to participate meaningfully in shaping our services, facilities and policies. This includes encouraging people to participate in democracy by being involved in making decisions about the community where they live.

COMMUNITY LEADERSHIP

Governance supports elected members (Council, its Committees and the Wanaka Community Board) in their leadership role, enabling them to make informed decisions and monitor the delivery of services. The activity enables community participation in strategic agenda setting.

The Local Government Act 2002 creates a model of participative democracy to enable decision making for the benefit and wellbeing of the community. Elected members lead the decision making process for the community. Decisions are made taking into consideration the views of the community, but the elected members are accountable for those decisions.

Council staff plan and prepare the agendas for these meetings, ensure the meetings follow the approved procedures (standing orders) and minute the record of each meeting. Agenda and minutes are available to the community through the Council's website and all meetings are open to the community and provide for a period of public forum where Councillors can be directly addressed.

Governance is responsible for:

- > developing strategic priorities for the activities that the Council will deliver;
- > developing and approving the long term strategic and financial plan for the Council (the Ten Year Plan);
- > monitoring the Council's performance in the achievement of the plans;
- > communicating priorities, plans and achievements to the community;
- > ensuring the Council's obligations and responsibilities under more than sixty different laws and a large number of regulations are met on a continuing basis. Staff are responsible for advising the Council on pending and actual changes to legislation; and
- > providing access to public information the Council holds, within the restrictions of the Privacy Act 1993 and complying with the Local Government Official Information and Meetings Act 1987.

Current Representation Arrangements

The Council is made up of the Mayor and ten Councillors with the district divided into three wards:

Mayor

Jim Boulton ONZM

Arrowtown Ward

Scott Stevens

Wakatipu Ward

Alexa Forbes

Craig (Ferg) Ferguson

John MacDonald

Penny Clark

Tony Hill

Valerie Miller

Wanaka Ward

Calum MacLeod (Deputy Mayor)

Ross McRobie

Quentin Smith

Wanaka Community Board

The Wanaka Community Board is not a committee of the Council but a separate unincorporated body established under Section 49 of the Local Government Act 2002. The role of the Wanaka Community Board is to represent and act as an advocate for the Wanaka community. The Council has given extensive delegation to the Wanaka Community Board to make decisions on many of the facilities and services located within the Wanaka Ward. The membership of this Community Board is:

Wanaka Community Board

Rachel Brown (Chair)

Ed Taylor

Ruth Harrison

Jude Battson

Calum MacLeod

Ross McRobie

Quentin Smith

Committees

The Council reviews its committee structure after each triennial election. At the last review in December 2016, the Council resolved to increase standing committees to four and meet on a six weekly basis. The Council also established the following committees to oversee specific activities:

- > Audit, Finance and Risk;
- > Planning and Strategy;
- > Infrastructure;
- > Community and Services;
- > Appeals;
- > District Licensing; and
- > Chief Executive Performance Review.

The Mayor may attend and vote at any meeting of Council or its committees, and Councillors are entitled to attend (but not vote at) any committee meeting of which they are not a member. The exception to this is the District Licensing Committee which has powers of a commission of enquiry under the Sale and Supply of Alcohol Act 2012.

The membership of these committees is:

Audit, Finance and Risk Committee

Cr Ross McRobie (Chair)

Cr Tony Hill

Mr Stuart McLauchlan

Mr Roger Wilson

Planning and Strategy Committee

Cr Tony Hill (Chair)

Cr Calum MacLeod

Cr Ross McRobie

Cr Valerie Miller

Cr John MacDonald

Cr Quentin Smith

Infrastructure Committee

Cr Alexa Forbes (Chair)

Cr Ross McRobie

Cr Penny Clark

Cr Craig Ferguson

Cr John MacDonald

Community and Services Committee

Cr Scott Stevens (Chair)
Cr Craig Ferguson
Cr Penny Clark
Cr Valerie Miller
Cr Quentin Smith

Appeals Subcommittee

The Chairperson of the Planning and Strategy Committee and any two other members of that Committee.

District Licensing Committee

Mr Bill Unwin (Chair)
Mr Lyal Cocks
Mr John Mann
Mr Michael MacAvoy
Mr Bob McNeil
Mr Neil Gillespie

Chief Executive Performance Review Subcommittee

Mayor Jim Boulton ONZM
Cr Alexa Forbes
Cr Ross McRobie

EMERGENCY MANAGEMENT

The Council has broad responsibilities under the Civil Defence Emergency Management (CDEM) Act 2002 to:

- > identify the hazards and risks that our communities face;
- > reduce the likelihood and consequences of hazards, building resilience;
- > enable communities, partner response organisations and infrastructure providers to be ready for emergencies;
- > respond effectively to emergencies in partnership with communities, businesses and partner organisations;
- > direct and coordinate response and recovery efforts when necessary; and
- > support communities to recover holistically and sustainably from emergencies.

QLDC is an active member of the Otago CDEM Group. An Emergency Management Officer for our district is employed to coordinate emergency management plans and coordinate the efforts of QLDC, local partner organisation and communities in achieving the intent of the CDEM Act, National CDEM Strategy, National CDEM Plan, and the Otago CDEM Group Plan.

What we are planning for Local Democracy

EMERGENCY MANAGEMENT

- > Develop Community Response Plans by 2020 to ensure the district's communities all have a robust plan for their readiness, response and recovery in the event of a civil defence emergency.
- > Facilitate a joint planning initiative with key tourism organisations in the district to address visitor, tourist and foreign national welfare plans.
- > Assess the impact of a magnitude 8+ earthquake on transport infrastructure in and around Queenstown and Wanaka. In particular, to develop a plan to consider the logistics of evacuating high numbers of residents and visitors out of Queenstown and Wanaka.

What significant negative impact this activity might have

Sometimes the activities that we do can have a negative impact. While we strive to ensure that we operate in a way that provides the most positive outcomes, we have to acknowledge that sometimes there is a trade-off. The table below summarises those negative effects that we consider significant for this activity and also what we are going to do to try and minimise these effects.

SIGNIFICANT NEGATIVE EFFECT	SUSTAINABLE SOLUTION
Being poorly prepared for an effective emergency response would have significant negative effects.	We are an active member of the Otago Civil Defence Emergency Management Group, maintaining an effective and coordinated response capability within our district.
Low community resilience has significant negative effects.	Education is key. We are working on increasing the level of engagement of everyone in the community to understand what they need to do before, during and after emergencies. The key principle of community resilience is self-reliance and being prepared through our individual community plans.
Low-level community participation in local democratic and governance processes has negative effects. Democracy is a core principle of local government.	We continue to increase the profile of the Council, elected members and our activities in the community. Our Significance and Engagement Policy drives us to have the right conversations with the right people about the right issues.

How we measure performance



KEY PERFORMANCE INDICATOR	BASELINE (how we performed at 30 June 2017)	TARGET YEAR 1 2018-2019	TARGET YEAR 2 2019-2020	TARGET YEAR 3 2020-2021	TARGET YEAR 10 2027-2028
Percentage of ratepayers who consider themselves resilient and prepared in the event of an emergency.	new measure	80%	80%	80%	80%
Percentage of QLDC staff (that are part of the emergency response structure) who have participated in training throughout the year.	100%	100%	100%	100%	100%
Percentage of ratepayers who are satisfied with overall Council performance.	61% (Otago-wide survey)	80%	80%	80%	80%
Attendance at all Te Roopu Taiao.	new measure	100%	100%	100%	100%
Mana Whenua satisfaction with engagement by QLDC. This measure will be sought from representatives of the Murihiku and Otagou Runaka.	new measure	>80%	>80%	>80%	>80%

Proposed Finance and Support Services capital works

SUM OF CAPITAL WORKS (\$000)	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	GRAND TOTAL
District Wide											
Emergency management renewals and projects	4	1	1	4	1	1	4	1	1	4	22
Grand Total	4	1	1	4	1	1	4	1	1	4	22

FINANCE AND SUPPORT SERVICES



An organisation that
consults effectively and
makes sound decisions

What we deliver for Finance and Support Services

LEVEL OF SERVICE: *The Council follows a financial strategy that balances the need for growth and debt servicing.*

LEVEL OF SERVICE: *The Council handles customer communications efficiently and competently.*

FINANCIAL SERVICES

The Finance team covers a wide range of activities, which includes:

- > providing financial expertise, knowledge and tools required by our managers to make informed decisions;
- > providing finance services to other QLDC teams and activities;
- > ensuring the finance function is structured in a way that provides flexibility to meet future demands and pressures;
- > ensuring the Council continues to appropriately manage its financial risk and fulfil its regulatory and statutory obligations; and
- > ensuring we maintain a consistent culture of financial literacy and fiscal responsibility

KNOWLEDGE MANAGEMENT

The Knowledge Management team manages the information and communication technology (ICT) infrastructure and application support, as well as providing spatial services, data and business analysis and records management. Knowledge Management supports the Council by managing technology risk, developing robust future proof systems and delivering transformational technology projects to meet and keep pace with the evolving needs of its customers; residents, visitors, businesses, partners, Central Government and staff.

HUMAN RESOURCES (HR)

The HR team's purpose is to set our people, and therefore the organisation, up for success.

We have two main roles:

- > our organisational strategic role requires the HR team to deliver frameworks, support and advice that drive success, assess risk and ensure compliance. To proactively work with managers to align our focus with the needs and objectives of the business.

- > our operational role requires the HR team to support managers, team leaders, health and safety representatives to manage and develop our people and deliver on business needs.

Our core functions are to:

- > attract, recruit and retain our people;
- > facilitate and assist the organisation in leadership, organisational culture and engagement;
- > be the driver of organisational and career development;
- > deliver strong reward and remuneration programmes for our people;
- > ensure the organisation is compliant and supported in all areas of employment relations; and
- > ensure we have a strong health, safety and wellbeing culture and are compliant in all health, safety and wellbeing areas.

LEGAL SERVICES

As a territorial authority, the Council has certain regulatory functions to administer and act as an impartial decision maker. Where possible, the Council is required to separate its regulatory functions from the other activities it is involved with. The principle statutes that the Council is required to administer are the following:

- > Reserves Act 1977;
- > Resource Management Act 1991;
- > Building Act 2004;
- > Local Government Act 2002;

- > Local Government (Rating) Act 2002;
- > Local Electoral Act 2001;
- > Food Act 2014 (and associated Regulations);
- > Health Act 1956;
- > Sale and Supply of Alcohol Act 2012;
- > Dog Control Act 1996;
- > Litter Act 1979;
- > Health and Safety at Work Act 2015

The Council also makes bylaws to deal with specific issues of public health and safety.

CUSTOMER SERVICES

The Customer Services team provide the first point of contact for most of the community's interaction with QLDC. The Customer Services team provide face to face contact in our Gorge Road, Shotover Street and Ardmore Street offices. They are responsible for answering all phone enquiries and emails to the services@qldc.govt.nz inbox.

What we are planning for Finance and Support Services

KNOWLEDGE MANAGEMENT

Technology roadmaps have been developed which support the Council's desire to increase maturity in a number of areas. Including:

- > Improved levels of service by extending our online capability.
- > Ensuring our information is secure and available in the event of a disaster.
- > Improved access to enterprise-wide information to support good decision making.
- > Driving efficiency through continuous review and improvement of business processes.
- > Extending our Enterprise System to improve management of; documents, assets, corporate performance metrics and risk.
- > Facilitating a more mobile and flexible workforce.
- > Providing fit for purpose and up to date infrastructure.

HUMAN RESOURCES

- > Establish succession plans for the organisation, ensuring high risk roles are identified and safeguarded.
- > Deliver a competency matrix for all roles within the organisation focusing on both technical and behavioural elements.
- > Improve our reward and recognition programmes.
- > Work with the organisation in developing a workplace strategy for the modern work place.
- > Review the recruitment strategy with a focus on innovative solutions for sourcing talent.
- > Continue a focus on leadership development to drive business capacity, capability and performance.
- > Establish a Diversity and Inclusion policy that supports a modern workplace and positions QLDC as an employer of choice and enables us to deliver for and relate to our community.

COUNCIL OFFICES

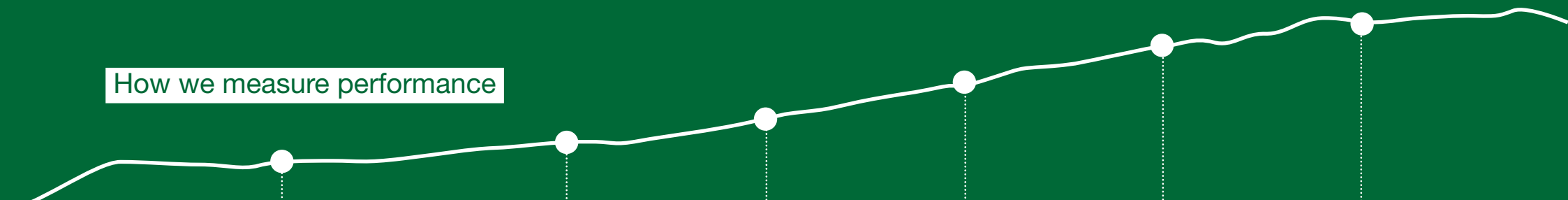
- > Included in this Draft Ten Year Plan is funding for a one Council building in Queenstown (Project Connect). The intention is to address the existing challenge of staff spread throughout four different buildings located in the four corners of the town centre and the resultant less-efficient customer service delivered to our community.

The future needs of the Council have identified a building of 4,200 square meters in floor space, which would also enable capacity for an 'interim' library space of approximately 600 square meters. This will allow Queenstown Library to continue as a service, once Gorge Road is sold, and prior to a proposed dedicated library space being developed in the town centre.

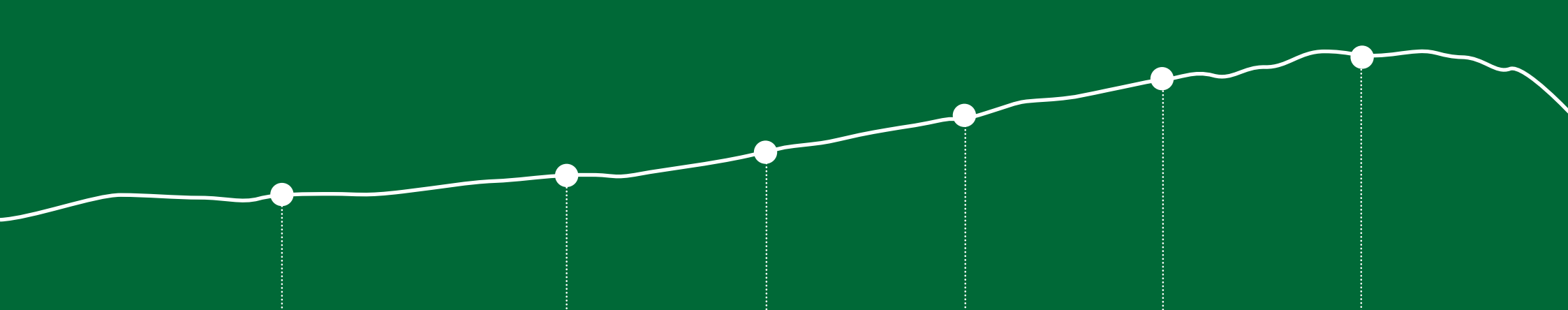
What significant negative impact this activity might have

There are no significant negative effects of this activity.

How we measure performance



KEY PERFORMANCE INDICATOR	BASELINE (how we performed at 30 June 2017)	TARGET YEAR 1 2018-2019	TARGET YEAR 2 2019-2020	TARGET YEAR 3 2020-2021	TARGET YEAR 10 2027-2028
Percentage of complaints that are resolved within 10 working days.	new measure	>95%	>95%	>95%	>95%
Reduction in the Total Recordable Injury Frequency Rate.	12.7	<12	<12	<12	<12
Percentage of ratepayers who are satisfied with the opportunities to have to their say.	new measure	>80%	>80%	>80%	>80%
Net cash flow from operations equals or exceeds budget (Predictability benchmark/operations control benchmark).	119.2%	>100%	>100%	>100%	>100%
Customer satisfaction with a) speed of response and final resolution b) clarity of process and timeframes c) staff knowledge and professionalism d) fairness and consistency.	new measure	>50%	>55%	>60%	>60%
Capital expenditure on the five network infrastructure services equals or exceeds depreciation on those five services (Sustainability benchmark/balanced budget benchmark).	238%	>100%	>100%	>100%	>100%



KEY PERFORMANCE INDICATOR	BASELINE (how we performed at 30 June 2017)	TARGET YEAR 1 2018-2019	TARGET YEAR 2 2019-2020	TARGET YEAR 3 2020-2021	TARGET YEAR 10 2027-2028
Percentage of customer calls that meet the service level, answered within 20 seconds.	79.7%	>80%	>80%	>80%	>80%
Weighted average interest rate.	4.5%	<6%	<6%	<6%	<6%
Debt servicing to rates revenue.	6.1%	<15%	<15%	<15%	<15%
Percentage of debt owing 90 days plus.	9%	<30%	<30%	<30%	<30%
Renewals capex to depreciation ratio.	2.5	>1	>1	>1	>1
Rates income complies with the limits set in the financial strategy (Affordability benchmark/rates benchmark).	44.1%	<55%	<55%	<55%	<55%
Debt complies with the limits set in the council's financial strategy (Affordability benchmark/rates benchmark).	72.5%	<175%	<175%	<175%	<175%



KEY PERFORMANCE INDICATOR	BASELINE (how we performed at 30 June 2017)	TARGET YEAR 1 2018-2019	TARGET YEAR 2 2019-2020	TARGET YEAR 3 2020-2021	TARGET YEAR 10 2027-2028
Net debt per rating unit.	\$3,940	<\$7,100	<\$7,100	<\$7,100	<\$7,100
Rates per rating unit.	\$2,636	<\$2,700	<\$2,700	<\$2,700	<\$2,700
Revenue (excluding income from development and financial contributions, revaluations and vested assets) exceeds operating expenditure (Sustainability benchmark/balanced budget benchmark).	109.5%	>100%	>100%	>100%	>100%
Net debt is less than or equal to forecast net debt in the local authority's long term plan (Predictability benchmark/Debt control benchmark).	58%	>100%	>100%	>100%	>100%
Borrowing costs are less than 10% of operating revenue (or 15% for those with projected growth at or above NZ average) (Sustainability benchmark. Debt servicing benchmark).	6.1%	<15%	<15%	<15%	<15%

Proposed Finance and Support Services capital works

SUM OF CAPITAL WORKS (\$000)	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	GRAND TOTAL
District Wide											
Enterprise system investment	725	417	389	211	163	166	113	115	117	121	2,537
Information and communication technology (ICT) projects	190	128	197	186	92	99	169	173	177	181	1,592
Website enhancements and projects	60	153	36	37	92	166	141	144	148	150	1,127
Geographic information system software and projects	125	127	130	53	54	55	79	81	83	85	872
Mobile computing	65	81	67	69	70	72	90	92	95	97	798
ICT hardware	84	44	60	111	23	16	56	58	59	61	572
Library systems	45	46	10	32	32	50	51	52	53	55	426
Network	20	18	19	11	12	9	23	23	24	24	183
Business continuity		20	33		11		11	12	12	12	111
Queenstown											
Queenstown one office (Project Connect) (Consultation Issue 3)	5,728	21,799	14,775								42,302
Queenstown one office (Project Connect) ICT			520								520
Malaghan historic building	30	305						52			387
Civic building renewals	45										45
Queenstown garden depot renewals	20			11							31
Wanaka											
Wanaka office improvements	449	306									755
Wanaka works depot renewals	20			21							41
Grand Total	7,606	23,444	16,236	742	549	633	733	802	768	786	52,299