



Let's talk
Kōrero mai

DRAFT ANNUAL PLAN 2026/27

CONSULTATION DOCUMENT

Our Place Clutha District



Clutha District Council
www.cluthadc.govt.nz

CONTENTS

CONSULTATION DOCUMENT

Message from the Mayor	3
Financial Summary	4
Rates, Debt & Investment Update	6
Local Government (Financial Reporting and Prudence) Regulations 2014	7
Major Projects Update	8
Proposed Schedule of Capital Projects	10
Key Topics for Consultation	14
<i>Proposed Closure of Milton Swimming Pool for 2026/27</i>	14
<i>Urban Water Rating Maps</i>	14
<i>Integrated Tapanui Library & West Otago Community Centre</i>	15
<i>Voluntary Targeted Rates</i>	16
<i>Rural Water Scheme Funding Changes</i>	17-18
Feedback Form	20

SUPPORTING INFORMATION

Draft Rates Information 2026/27
Draft Financial Information 2026/27

KEY DATES AND NEXT STEPS

We're keen to hear from you about the minor changes Council is proposing to make for the upcoming 2026/27 year compared to what we forecast in our 2024/34 Long Term Plan. The feedback form also includes specific questions about a few key topics that we would like your feedback on.

The easiest way to give us feedback is by going to www.cluthadc.govt.nz/annual-plan and filling in the online form. Make sure to give your feedback by 28 April 2026, so that Council can consider this ahead of making final decisions for the Annual Plan 2026/27 at their meetings on 19 & 21 May 2026.

If you would like to speak in support of your submission, a hearing will be held at Council's Rosebank Office (1 Rosebank Terrace, Balclutha) on 7 May 2026.

Council intends to adopt its Annual Plan 2026/27 on 25 June 2026. The Annual Plan will take effect and apply from 1 July 2026.

For further supporting information check out the Annual Plan page on our website or call 0800 801 350.

KEY DATES

28 APRIL: Have your say and tell us what you think before 28 April.

7 MAY: An opportunity to explain your submission to the Mayor and Councillors at the Submissions Hearing.

19 & 21 MAY: Council makes their final decisions for the Annual Plan 2026/27.

25 JUNE: Council meets to adopt final Annual Plan for 2026/27 and set the rates.



*Scan the QR code
to go straight to
our website.*

YOUR COUNCIL



Jock Martin
MAYOR



Michele Kennedy
DEPUTY MAYOR
WEST OTAGO WARD



Bruce Graham
KAITANGATA-MATAU
WARD



Rachel Harrison
BALCLUTHA WARD



Brendon Smith
BALCLUTHA WARD



Dean McCrostie
BRUCE-WAIHOLA
WARD



Dane Catherwood
CATLINS WARD



Simon McAtamney
CLINTON-CLYDEVALE
WARD



Roger Cotton
LAWRENCE-TUAPEKA
WARD



Larry Frost
MILTON WARD

EXECUTIVE COMMITTEE & PORTFOLIOS

Traditional standing committees and chairs have been replaced by a portfolio model, with the aim to align the council's governance with the communities it serves, enhancing transparency.

The Executive Committee is made up of Mayor J. Martin, Deputy Mayor M. Kennedy and Cr. B Graham.

Portfolio A: Internal Services

Mayor J. Martin, DM M. Kennedy

Portfolio B: Community Services

Cr. B Graham, Cr. B Smith

Portfolio C: Finance & Policy

Cr. S McAtamney, Cr. D Catherwood

Portfolio D: Infrastructure Strategy & Delivery

DM M. Kennedy, Cr. L Frost, Cr. B Graham

Portfolio E: Regulatory

Cr. D McCrostie, Cr. R Harrison

Portfolio F: Four Waters

Mayor J. Martin, Cr. R Cotton, Cr. S McAtamney

MESSAGE FROM THE MAYOR

Kia ora,

As we approach our annual plan review, it's vital to reflect on the commitments made to the projects initiated in the last triennium. While we honour these decisions, we must also exercise prudence in our future expenditures as we navigate our financial landscape.

We must face the reality of our current situation.

At the time of writing, the Council is facing a proposed average rates increase of **20.58%** across the district.

This is not a typo. Nor should it be a surprise, as we signalled an 18.92% increase for the coming 2026/27 financial year in the Long Term Plan. This is when the funding decision was made to spread a 45% rates increase over three years.

We simply cannot continue borrowing money to offset our rates as we have done in the past, we must face the facts.

I want to stress that the Council operates as a cost-recovery organisation and is not profit-driven.

The most significant cost drivers we face are due to rising expenses associated with drinking water, wastewater and stormwater services, second are necessary projects and improvements. The reality of securing our infrastructure and future-proofing our communities has meant an unavoidable increase throughout the district.

As elected members we are working hard to navigate these challenges while trying to do what is right by our residents and ratepayers.

Our revenue streams are limited, and our ratepayer base is increasingly strained by the costs associated with necessary services.

For our district to thrive, we need more ratepayers, which means we must focus on turning our weaknesses into strengths and encouraging startup enterprises.



"Bums on seats" is what will drive our communities forward, so to help fill empty homes or support housing developments we must capitalise on existing and new employment opportunities.

I, alongside your elected councillors, remain focused on the way forward, especially after the October 2025 wind weather event created a disruptive start to this new triennium and the financial burdens we face.

Our councillors all bring valuable life skills, knowledge and insights to the table and as we move into consultation and decision phases of this annual plan, I will continue to remind everyone the importance of emphasising the "why" behind our actions.

We will continue to work closely with our Chief Executive, Group Managers and staff to assess, line-by-line, the must-haves and nice-to-haves that affect our communities.

Our goal is to minimise cost escalations to rates.

For example, we recently discovered that expenditure on our transfer stations for the 2024/25 year was \$111,000, with an income stream of only \$4,500. This is clearly not a sustainable business model!

As a result, we have temporarily closed some stations while we explore alternative solutions. For every \$497,000 we can save, it equates to a 1% reduction in rates.

Now is the time to explore alternative revenue streams to enhance our financial stability, supporting a comprehensive growth model that benefits everyone.

Please take the time to read this consultation document and get involved in the consultation and decision-making process. Let us know your must-haves.

Together, through collaboration and commitment, we can strengthen our district and secure a prosperous and sustainable future.

Sincerely,

Your Mayor, Jason (Jock) Martin



Clutha District Council Annual Plan Workshop meeting, held on 12 February 2026.

FINANCIAL SUMMARY

There are some differences between what was forecast for 2026/27 in the Long Term Plan 2024/34, and the updated forecasts we are looking at now for the proposed Annual Plan 2026/27. The main variances are included in this section.

PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE & EXPENSE*

Please note all figures included in this document are rounded to the nearest \$1,000.

REVENUE (All in \$000s)	LONG TERM PLAN 2026/27	ANNUAL PLAN 2026/27	OVERVIEW OF CHANGES
Rates	50,801	50,151	1
Grants, Subsidies & Donations	19,126	18,217	2
Interest Revenue	1,774	1,371	3
Fees and Charges	6,844	6,373	4
Other Revenue	1,782	1,747	
TOTAL REVENUE	80,291	77,859	

* For further details refer to the Draft Financial Information 2026/27.

OVERVIEW OF CHANGES

1 RATES

The change in rates from the 2026/27 year in the Long Term Plan is mostly the result of a review of Council projects and an update to the timing of these.

2 GRANTS, SUBSIDIES AND DONATIONS

The finalised NZTA budget was not available at the time of adopting the 2024/34 Long Term Plan. There was a change in Central Government which gave NZTA a directive to reduce funding in some work categories. As a result, they did not approve all of the funding we applied for and we have adjusted our budgets accordingly.

3 INTEREST REVENUE

Although the starting value of our Nikko Investments is higher than the Long Term Plan 2026/27 figure, our expected interest revenue is less due to us revising our expected interest rate from 5.25% to 4.1% to match our cost of finance.

4 FEES AND USER CHARGES

Although there has been an increase in the Waste Management fees and charges there has been an overall reduction in the amount of income we expect to receive.



PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE & EXPENSE*

Please note all figures included in this document are rounded to the nearest \$1,000.

EXPENDITURE (All in \$000s)	LONG TERM PLAN 2026/27	ANNUAL PLAN 2026/27	OVERVIEW OF CHANGES
Employee Benefits	14,781	16,398	5
Finance Costs	10,367	6,998	6
Depreciation and Amortisation	19,200	29,572	7
Movement in Landfill Provision	-	-	
Other Expenses	35,952	38,146	8
TOTAL EXPENDITURE	80,301	91,114	
SURPLUS (DEFICIT) FOR THE YEAR	(10)	(13,255)	
Other Comprehensive Revenue & Expense	-	-	
TOTAL COMPREHENSIVE REVENUE & EXPENSE FOR THE YEAR	(10)	(13,255)	

* For further details refer to the Draft Financial Information 2026/27.

PROSPECTIVE STATEMENT OF FINANCIAL POSITION*

Please note all figures included in this document are rounded to the nearest \$1,000.

(All in \$000s)	LONG TERM PLAN 2026/27	ANNUAL PLAN 2026/27	OVERVIEW OF CHANGES
Current assets	44,423	43,065	1
Non-current assets	1,592,235	2,092,369	2
TOTAL ASSETS	1,636,658	2,135,435	
Current liabilities	48,512	17,789	3
Non-current liabilities	186,118	214,025	3
TOTAL LIABILITIES	234,630	231,814	
NET ASSETS	1,402,028	1,903,621	
EQUITY	1,402,028	1,903,621	

* For further details refer to the Draft Financial Information 2026/27.

OVERVIEW OF CHANGES CONTINUED

5 EMPLOYEE BENEFITS

Reflects contract negotiations, balancing staff to budgets and balancing market movements to budget.

6 FINANCE COSTS

Reflects a change in timing of borrowing relating to capital projects and a decrease in external borrowing rate from 5.25% in the Long Term Plan to 4.1% in the Annual Plan 2026/27.

7 DEPRECIATION AND AMORTISATION

Reflects adjustments relating to recent infrastructure valuations, with roading being the most significant increase. The main driver for this increase in annual depreciation since the 2023 valuation is the increase in replacement cost rates for bridges and our sealed network. A notable increase in the availability of actual cost data from renewals/replacements has found the historically indexed rates have not kept up with actual cost increases. Council does not fully cash fund depreciation.

8 OTHER EXPENSES

Reflects increases in budgeted insurance, valuations and water operating costs.

OVERVIEW OF CHANGES

1 CURRENT ASSETS

The amount budgeted to be owing to Council for Sundry Debtors at the end of the financial year is less than that included in the Long Term Plan.

2 NON-CURRENT ASSETS

Reflects the impact of the revaluation movement and the movement in timing of capital projects

3 NON-CURRENT LIABILITIES

Reflective of the impact timing of project completion has on borrowing and the split between current and non-current borrowing.

RATES, DEBT & INVESTMENTS UPDATE

There are some differences between what was forecast for 2026/27 in the Long Term Plan 2024/34, and the updated forecasts we are looking at now for the proposed Annual Plan 2026/27. The main variances are included in this section.

UPDATED DRAFT FORECASTS FOR RATES, DEBT & INVESTMENTS

Please note all figures included in this document are rounded to the nearest \$1,000.

(All in \$000s)	LONG TERM PLAN 2026/27	ANNUAL PLAN 2026/27	DIFFERENCE
RATES			
Total (excluding penalties) (\$000)	50,292	49,693	(599)
Forecast rates change (%)	18.92%	20.58%	1.66%
Rates limit at 20%	50,750	49,454	(1,296)
DEBT			
Net debt	186,830	184,614	(2,216)
External interest costs as a % of rates	13%	9%	(4%)
Debt limit	224,815	218,005	(5,810)
EXTERNAL INVESTMENTS			
Closing balance	27,552	28,769	1,217
Interest earned	1,414	1,165	(249)
Amount to off-set rates	834	834	-

UPDATED RATES FORECAST

The change in rates from the 2026/27 year in the Long Term Plan is mostly the result of a review of Council projects and an update to the timing of these. While the total rates revenue is less than the LTP, the percentage movement is more than the LTP because Council made decisions at the last annual plan to reduce the rates movement below the LTP prediction for year two, from 19.64% to 16.67%.

UPDATED DEBT FORECAST

The change in debt from the 2026/27 year in the Long Term Plan is mostly the result of a review of Council projects and an update to the timing of these.

UPDATED INVESTMENT FORECAST

Starting value of our Nikko investment portfolio is higher than the initial LTP, however interest earned is lower due to updating our budgeted interest rate from 5.25% to 4.1%.

ESTIMATED AVERAGE RATES INCREASE

Currently, Council's **proposed average** rates increase is 20.58% across the whole district.

This is slightly higher than what is referenced in the Long Term Plan 2024/34, where we set a self-imposed limit of no more than 20% p.a during the first three years of the plan.

It's important to note that this figure is indicative, because the decisions that Council makes when setting the Annual Plan may alter the overall rates increase. Council expects to end up within the limit.

After the consultation process, Council will be making decisions for this Annual Plan 2026/27 on 19 & 21 May 2026, and these decisions will affect the final average rates increase for our district.

LOCAL GOVERNMENT (FINANCIAL REPORTING AND PRUDENCE) REGULATIONS 2014

ANNUAL PLAN DISCLOSURE STATEMENT FOR THE PERIOD ENDING 30 JUNE 2027

WHAT IS THE PURPOSE OF THIS STATEMENT?

The purpose of this statement is to disclose the Council's planned financial performance in relation to various benchmarks to enable the assessment of whether the Council is prudently managing its revenues, expenses, assets, liabilities and general financial dealings.

The Council is required to include this statement in its annual plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some terms used in this statement.

BENCHMARK	LIMIT	PLANNED	MET
Rates affordability benchmark			
Income	49,450	49,690	No
Increases	20%	20.58%	No
Debt affordability benchmarks			
Balanced budget benchmark	100%	83.3%	No
Essential services benchmark	100%	148%	Yes
Debt servicing benchmark	10%	9.0%	Yes

RATES AFFORDABILITY BENCHMARK

For this benchmark –

- The Council's planned rates income for the year is compared with the 2026 actual rates plus 20%; and
- The Council's planned rates increases for the year is compared with 20% on rates increases for the year contained in the financial strategy included in the Council's Long Term Plan.

The Council meets the rates affordability benchmark if –

- Its planned rates income for the year equals or is less than each quantified limit on rates; and
- Its planned rates increases for the year equal or are less than each quantified limit on rates increases.

DEBT AFFORDABILITY BENCHMARK

For this benchmark, the Council's planned borrowing is compared with 280% of revenue limit on borrowing contained in the financial strategy included in the Council's Long Term Plan.

The Council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing.

BALANCED BUDGET BENCHMARK

For this benchmark, the Council's planned revenue (excluding development contributions, vested assets, financial contributions, gains in derivative financial instruments and revaluations of property, plant or equipment) is presented as a proportion of its planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).

The Council meets the balanced budget benchmark if its revenue equals or is greater than its operating expenses.

ESSENTIAL SERVICES BENCHMARK

For this benchmark, the Council's planned capital expenditure on network services is presented as a proportion of expected depreciation on network services.

The Council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.

DEBT SERVICING BENCHMARK

- For this benchmark, the Council's planned borrowing costs are presented as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).
- The Council meets the debt servicing benchmark if its planned borrowing costs equal or are less than 10% of its planned revenue.

MAJOR PROJECTS UPDATE

We're continuing our proposed investment in infrastructure throughout the district.

Here is a snapshot of some of the projects we are proposing to undertake in 2026/27, as well as key variances to the capital programme since the 2024-34 Long Term Plan (LTP). More detailed information can be found in the Proposed Schedule of Projects on pages 10-13.

BALMORAL/TUAPEKA RURAL WATER SCHEME & LAWRENCE NEW WATER SUPPLY

Referred to as the Greenfield Rural Water Scheme in the LTP, this project aims to provide an improved and more reliable water source for Balmoral 1 and 2, Waitahuna, Tuapeka East and West rural water schemes, and Lawrence. Physical works were completed in December 2025, including construction of bore wells, pipelines, pump stations, improved reservoir storage and a new water treatment plant.

Commissioning of the scheme is in progress. This includes flushing of reservoirs and the extensive network of pipes to eliminate any non-compliant water from the network, as well as cleaning, repairing, or renewal of pipelines.

A long-term boil water notice is in place for the rural areas of the scheme, and will remain in effect until all testing confirms that the water quality meets drinking water standards and is safe for consumption.

This project's budget was increased by \$1.2M. The increase has been incorporated in the 2026/27 annual plan water charges.



MILTON MAIN STREET GROUP OF PROJECTS

The Milton Main Street Upgrade was completed last year.

The Streetscape project and the Wastewater and Stormwater Renewal project are ongoing, and are both expected to be completed this coming financial year (2026/27).

Work is underway at the Gray Street Plaza as part of the Streetscape project, including a car park behind the public toilet facilities, added greenspace, and landscaping elements.

The Wastewater and Stormwater Renewal project involves replacement of approximately 550 metres of stormwater main and 625 metres of wastewater main on Union Street (State Highway 1), between Springfield Road and Melville Avenue.

MT COOEE LANDFILL GROUP OF PROJECTS

Council initially planned to build a temporary refuse transfer station, due to initial capacity concerns. However, recent investigations suggest that there is still capacity on the existing landfill.

This has resulted in savings of about \$300,000.

Additional research and planning will be required to determine whether Council proceeds with a second landfill cell, or if we begin transporting material out of the district. On-site operators have advised that the existing cells may last another two years with the right planning and operational procedures.

Based on this advice, Council needs to reassess the timelines and confirm the updated capacity estimates.

ELSIE STEWART COMMUNITY LIBRARY & POOL FACILITY PROJECT

This new Council-owned community facility between Union Street and Ajax Street is planned to take 19 months to construct. Physical construction has commenced and is currently projected for completion in December 2027.

The facility is designed to offer a wide range of services all year round for the Milton and wider Clutha District communities, from swimming lessons and competitions through to digital help, library programmes and celebrating local history. It will be a central point for connection, knowledge, health, and leisure.

The facility is named after Milton identity, the late Elsie Stewart.



MAJOR PROJECTS UPDATE

continued...

FINANCE SYSTEM & ONLINE SERVICES UPGRADE

Council has been using Datascope as its main financial system since 1 July 2025, when we switched our Finance, Rates, Planning, Health, Food, Alcohol, LIM and Animal Control modules. All modules are at different stages of maturity, and Clutha was the first Council to implement some modules. We are working with the provider, Datacom, to resolve challenges as they arise.

We are focused on improving our systems and integrations, reducing risk and cost, and streamlining customer service processes.

WATER & WASTEWATER COMPLIANCE GROUP OF PROJECTS

This project group includes:

- Owaka WWTP Compliance Upgrade (Deferred)
- Tapanui WWTP Compliance Upgrade (Deferred)
- Lawrence WWTP Compliance Upgrade (Deferred)
- Kaka Point WWTP Compliance Upgrade (Deferred)
- Milton WWTP Compliance Upgrade (Deferred)
- Rural WTP Compliance Instrumentation - Moa Flat
- Rural WTP Compliance Instrumentation - North Bruce
- Rural WTP Compliance Instrumentation - Puerua
- Rural WTP Compliance Instrumentation - Kaitangata WTP
- Rural WTP Compliance Instrumentation - Stirling WTP

The Water Services Authority - Taumata Arowai's new national wastewater standards took effect in December 2025 after extensive public consultation. The new standards do not impact existing consents and will be applied to new applications only.

Further work is required to confirm the cost of meeting the new standards versus our current land treatment estimates.

As part of the Annual Plan project review, some of the above projects have been deferred and any unspent budgets have been carried forward to the 2026/27 year.



LOCAL WATER DONE WELL

Transition and planning work is underway ahead of establishing 'Southern Waters', the new Council-Controlled Organisation (CCO) with Clutha, Gore and Central Otago's district councils on 1 July 2027.

Planning for the transition is a large body of work and the CCO's establishment will bring substantial change for Council.

Two key foundational roles have now been appointed to lead the establishment of the new water services entity. Professional director Bruce Gemmell, of Christchurch, has been appointed Establishment Chair and Fiona Smith, who has over 30 years of specialist water-sector experience in Australia, has accepted the role of Programme Director.

Fiona Smith has been undertaking District site visits and meetings with staff in early 2026.

On 24 February 2026, Waitaki District Council resolved to seek to join the Southern Waters CCO. This decision has been welcomed by the three current Southern Waters' shareholding councils. Before expansion of the existing CCO to include Waitaki District Council can take place, decisions need to be made at the following Council meetings:

- 17 March – Gore District Council
- 25 March – Central Otago District Council
- 1 April – Clutha District Council

PROPOSED SCHEDULE OF CAPITAL PROJECTS

(\$)000	LTP 2026/27	AP 2026/27
ROADING IMPROVEMENTS		
Milton Main Street/Streetscape Project	-	100
Balclutha Streetscape	98	143
ROADING RENEWALS		
Unsealed Road Metalling	2,571	2,287
Sealed Road Resurfacing	3,884	3,814
Drainage Renewals	490	485
Pavement Rehabilitation	713	594
Structure Component Replacement	786	747
Traffic Service Renewals	384	326
Low cost low risk roading improvements	924	144
Footpath upgrades (renewals)	780	6
Bridge Renewals	2,461	4,164
Land Transport Programme - Deferral 15% due to uncertainty in programme approval	2,700	-
URBAN WATER GROWTH		
Network Extention to Transitional Zone	52	52
Urban Water - 15% Capital Reduction - Growth	-8	-
URBAN WATER IMPROVEMENTS		
Milton Manganese Reduction	-	74
WTP upgrade to 5,000 m3/day	1,773	1,945
Backwash Treatment Systems - Kaitangata/ Tapanui/Milton	-	1,092
Districtwide Urban Water Loss reduction programme - Zone metering	-	37
Tapanui WTP & Balclutha Stormwater Upgrades	-	687
Bulk Water Filling Station	-	145
Urban Water - 15% Capital Reduction - LOS	-266	-
URBAN WATER RENEWALS		
Pipeline Renewals	1,534	2,838
District-wide Urban condition assessment of pipelines and modelling	27	27
Kaitangata Intake Renewal	1,305	2,503
Urban Water - 15% Capital Reduction - Renewal	-430	-

Key - Explanation of variances to the LTP:

	Change in amount - adjustment to budget
	New Project
	Moved to a future year
	Deferred from 2025/26 to 2026/27
	Deferred from 2024/25 to 2026/27
	Brought forward from 2027/28 to 2026/27
	Project cancelled/deleted - no longer required
	Adjusted to match NZTA-approved 2024-27 Land Transport Programme and subsequent change in timing over 3 year period for Roding projects

URBAN WATER CAPITAL REDUCTION

During the 2024-34 LTP decisions, Council made the decision to reduce capital expenditure within the urban water portfolio by 15% to assist with internal resource availability and consequential rate impacts.

Changes reflect application of these reductions to other projects.

PROPOSED PROJECTS

continued...

(\$'000)	LTP 2026/27	AP 2026/27
RURAL WATER IMPROVEMENTS		
Reservoir upgrades - Tasman Steel Tanks	-	442
Stirling Intake Improvements	-	174
FAC monitoring stations + SCADA	-	290
Glenkenich WTP Hydro Cyclone System	-	320
Moa Flat Clarifier	-	104
Water Loss reduction programme - Zone metering	-	779
Strainers at Whitelea Road	-	72
Moa Flat Backwash Tank System	-	150
Clifton Road Main Renewal	-	270
Tuapeka West Glenayr Reservoir Upgrade	43	43
RURAL WATER RENEWALS		
Pipeline Renewals	-	460
Reservoir Assessments and Renewals	63	95
Booster Pump Station renewals	126	126
WTP Plant Renewal	3,500	3,500
WASTEWATER GROWTH		
Sewer Network Extensions	104	196
Urban Wastewater - 15% Capital Reduction - Growth	-16	-
WASTEWATER IMPROVEMENTS		
Treatment Plant Upgrades	-	411
Treatment Plant Compliance Upgrades/ Improvements	-	991
Connecting Stirling to Balclutha Sewer Network	-	486
Consent Renewal	418	418
Milton Main Street Utilities - Milton Sewer	-	215
Urban Wastewater - 15% Capital Reduction - LOS	-63	-
WASTEWATER RENEWALS		
Network Renewals	2,140	2,318
Sewer Network Condition Assessment & Modelling	53	126
Pump Station Renewals/Upgrades	1,934	1,934
Heriot Membrane Replacement (end of life 7 years)	-	52
Urban Wastewater - 15% Capital Reduction - Renewal	-619	-

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URBAN WATER CAPITAL REDUCTION

During the 2024-34 LTP decisions, Council made the decision to reduce capital expenditure within the urban water portfolio by 15% to assist with internal resource availability and consequential rate impacts.

Changes reflect application of these reductions to other projects.

PROPOSED PROJECTS

continued...

(\$)000	LTP 2026/27	AP 2026/27
STORMWATER GROWTH		
Network Extention to Transitional Zone	52	52
Urban Stormwater - 15% Capital Reduction - Growth	-8	-
STORMWATER RENEWALS		
Network Renewals	-	678
Hospital Creek Pump Station Upgrade	940	992
Milton Stormwater Network Renewal	2,110	2,110
Urban Stormwater - 15% Capital Reduction - Renewal	-457	-
STORMWATER IMPROVEMENTS		
Lawrence Hospital Creek Improvements	-	226
Stormwater Clinton North Street Catchment Upgrade	-	82
Tapanui Stormwater Network Upgrade(Sussex/Suffolk St)	-	590
Balclutha Hospital Creek Embankment upgrade	-	224
Stormwater Capacity Modelling	104	307
Stormwater Plant Milton New Ajax Street Pump Station	114	114
Urban Stormwater - 15% Capital Reduction - LOS	-33	-
SOLID WASTE IMPROVEMENTS		
Mt Cooee - Construct Cell 1	-	3,046
Mt Cooee - Gas Capture	73	118
SOLID WASTE RENEWALS		
Mt Cooee - Cap Existing Cell	1,466	1,558
Upgrades at Mt Cooee	813	6,553
COMMUNITY SERVICE IMPROVEMENTS		
Parks and Reserves - Proposed Upgrades	-	520
Community Centre Improvements	14	14
Swimming Pool Improvements	-	41
Library Improvements	-	66

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URBAN WATER CAPITAL REDUCTION

During the 2024-34 LTP decisions, Council made the decision to reduce capital expenditure within the urban water portfolio by 15% to assist with internal resource availability and consequential rate impacts.

Changes reflect application of these reductions to other projects.

PROPOSED PROJECTS

continued...

(\$)'000	LTP 2026/27	AP 2026/27
COMMUNITY SERVICES RENEWALS		
Swimming Pool Renewals	5,265	7,511
Library Renewals	1,618	2,370
Community Centre Renewals	60	60
Community Housing Renewals	479	215
Parks and Reserves Renewals	10	10
Public Toilets Renewals	31	31
Camp Ground Renewals	31	31
INTERNAL SERVICES		
Information Services	248	248
Vehicle Renewals	250	250
Administration Office Renewals	-	7

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KEY TOPICS FOR CONSULTATION

Let's talk
Kōrero mai



We have some decisions to make, so we're seeking feedback on a few key topics during this consultation. Tell us what you think on pages 20-22, or submit your feedback on our website.

PROPOSED CLOSURE OF MILTON SWIMMING POOL FOR 2026/27

The Milton Centennial Pool normally operates from November to April each year. Council is seeking feedback on a proposal to not open the pool for the 2026/27 season.

Construction of the new Elsie Stewart Community Library and Pool in Milton has begun, and operating the old Milton Pool is becoming increasingly difficult. Some of our main challenges are finding and retaining staff, and ageing equipment including pumps and chemical treatment. Pool user numbers have been declining in recent seasons due to the condition of the complex.

Closure of the Milton Centennial Pool for the 2026/27 season would result in an estimated saving of \$115,000.

ESTIMATED RATES SAVINGS FOR THE 2026/27 YEAR:

- Properties in the Milton community of services rating area: saving of \$30.00 (incl. GST)
- Rest of district: saving of \$6.00 (incl. GST)

IMPACTS OF NOT OPENING THE POOL:

- Temporary loss of an important Milton facility.
- Pool users would need to travel elsewhere for swimming lessons and pool recreation, such as to Balclutha. Local schools would be directly impacted.
- Loss of training facility for the Milton Swim Club.



HAVE YOUR SAY

Do you support keeping the Milton Centennial Pool closed for the 2026/27 season?



URBAN WATER RATING MAPS 2026/27

FIND OUT MORE IN THE ANNUAL PLAN 2026/27 CONSULTATION DOCUMENT, PAGE 14



URBAN WATER RATING MAPS

Urban water rating maps have been reviewed, and some minor changes have been made to ensure they reflect existing urban and some transition areas of the District Plan. The changes made also reflect urban growth.

Within the urban water areas, a serviceability charge applies where water supply is available. This charge generally does not apply when a rating unit is being supplied by the network and a water rate is being charged.

Property owners are encouraged to review the maps and put in a submission if they do not agree with their property being included in the urban water rating areas.

The proposed Urban Water Rating Maps are available to view in the Urban Water Rating Maps 2026/27 booklet.



HAVE YOUR SAY

Do you have any feedback on the proposed Urban Water Rating Maps? You'll find the proposed maps in the booklet pictured above.



Let's talk
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KEY TOPICS FOR CONSULTATION continued...

INTEGRATED TAPANUI LIBRARY & WEST OTAGO COMMUNITY CENTRE

The Tapanui Community Library was constructed in 1966. Open 5 days a week and providing both library and council services, it is a well-used facility with high visitor numbers.

However, there is extensive renewal work required on the facility. The roof has developed leaks, it has rotted window frames, inadequate public toilet facilities and new carpets are needed. Space to provide programming and engagement is lacking, and accessibility is poor. The building is constructed predominantly of concrete block and is at only 10% of earthquake strength specification.

The West Otago Community Centre (WOCC) sits directly behind the library. To date, the WOCC Committee has invested almost \$1 million for roof strengthening and replacement, and upgrading the theatre's infrastructure and electrical and lighting systems. Further renewal work is required to replace the roof structure over the central part of the building, and to install a fire detection and alarm system.



Library staff are the primary point of contact for users of the facility on behalf of the WOCC committee, taking bookings, providing access and invoicing. Due to this close working relationship, the proximity of the two facilities, and the shared need for renewal work, it is feasible to incorporate the library into the WOCC to create an integrated community hub for the area.

Work to incorporate the library into the WOCC facility is expected to cost approximately \$3 million, excluding landscaping costs. The WOCC committee has sought Council commitment to fund up to \$2.5 million, with an expectation that the committee will raise the remainder of funds. The rating impact would commence in 2028/29 financial year.

If the integration project did not proceed, Council would need to scope the extensive renewal work needed for the existing Tapanui Library and the WOCC committee would likely seek further Council funding towards ongoing renewal work.

Concept design pictured above. You can view more concept designs and plans on our website.

Rating impacts and considerations:

Options	Considerations
Option 1: I support funding of up to \$2.5 million for the Integrated Tapanui Library and West Otago Community Centre, fully rated through UAGC across the district.	Fully rated through UAGC (Uniform Annual General Charge) across the district, which is how Council rates all libraries. The estimated rating impact for this option would be \$16.80 (GST incl.) p/a across the district from the UAGC, commencing 2028/29.
Option 2: I support funding of up to \$2.5 million for the Integrated Tapanui Library and West Otago Community Centre, partially rated under Libraries and partially rated under Community Centres.	Partially rated: • 47% Libraries rate (which is fully funded through UAGC across the district). • 53% Community Centres rate (which is funded equally between UAGC and the West Otago Community of Services rating area). The estimated rating impact from this option (commencing 2028/29) would be: • Properties in the West Otago community of services rating area: \$47.90 (incl. GST) • Rest of district: \$12.90 (incl. GST)
Option 3: I do not support the proposed funding of up to \$2.5m for the Integrated Tapanui Library and West Otago Community Centre.	No immediate rating impact. Council would need to scope and decide on extensive renewal work for the existing library. The WOCC committee will likely seek further funding toward the ongoing renewal work.



HAVE YOUR SAY

Which option do you support for the Tapanui Community Library and WOCC?

KEY TOPICS FOR CONSULTATION continued...

Let's talk
Kōrero mai



VOLUNTARY TARGETED RATES

HAVE YOUR SAY

What do you think about recommending the Voluntary Targeted Rates scheme?



Do you support the recommencement of the Voluntary Targeted Rates Scheme?

If so, which of the following would you like to see included in the scheme?

Home energy improvements

For example: insulation and conversion to clean heating (excluding solar installation).

For example: drinking water connections, water tanks and pumps, wastewater connections, dust suppression solutions.

Infrastructure

Urgent health & safety

For example: issues following adverse events.

The Voluntary Targeted Rating (VTR) scheme allows Clutha District ratepayers to fund additional services that benefit them directly. Voluntary targeted rates are self-funding, meaning rates funding is not required.

Voluntary targeted rates are subject to an agreement between the ratepayer and Council, which will specify the repayment obligations and interest rates over a specified timeframe (3 to 5 years).

The scheme was previously suspended to allow for further legal review of documentation, structure, and regulatory requirements. Legal advice received now supports the recommencement of the Voluntary Targeted Rating scheme, pending final approval of documentation and structure.

We would like to know what you think about recommending the Voluntary Targeted Rating scheme from 2026/27 for a few specific activities: Home Energy Improvements, Infrastructure, and Urgent Health and Safety.

In addition to the specified interest rate, Council also proposes to administer an additional fee for the VTR scheme to recover administrative and support costs incurred by Council.

Applications for the VTR scheme would commence in the 2026/27 financial year, and the rating impact will apply from 2027/28.

Council will only enter into VTR agreements on the basis that it does not impact Council's ability to provide other services, and it is expected to be 'rates neutral'. Council's ability to enter into VTR agreements may also be impacted by government reforms, such as rates capping.



TELL US WHAT YOU THINK ON PAGE 21.



Let's talk
Kōrero mai

KEY TOPICS FOR CONSULTATION continued...

RURAL WATER SCHEME FUNDING CHANGES

Council is proposing to change the funding model for the Clutha District's Rural Water Schemes, to ensure that our schemes remain financially sustainable, meet capacity, and fairly distribute costs while accounting for certain risks, such as potential withdrawals from the schemes.

Rural water schemes contribute substantially to the economy of the wider Clutha District. Currently, Rural Water Schemes are funded from a 100% targeted rate per unit of water supplied, with the cost varying between each scheme.

Council is proposing to change the funding model to introduce availability charging and assistance capping.

AVAILABILITY CHARGING

Council is proposing to introduce an availability charge of 50% to each rural water scheme in our district.

This would mean that 50% of the unit price is applied to property owners that have reduced the number of units they are receiving since 1 July 2023, where those units have not been transferred to another customer.

Availability charges will not apply if the units have been transferred to another property on the same scheme.

As rural water schemes have been designed for specific levels of supply, and water schemes are paying for multi-generational decisions, availability charging ensures that costs are shared fairly when units are reduced. Availability charging is currently applied in urban water rating areas.

Examples of proposed Availability Charges

	Partial Unit Reduction	Full Disconnection
RWS Unit Price	\$500	\$500
RWS units on 1 July 2023	10	10
Units reduced since 1 July 2023 (not transferred to another customer on same RWS)	2	10
50% Availability Charge (\$250 per unit) applies to	2 units	10 units
Remaining RWS units for Customer	8	0
Total cost for customer without Availability Charge	\$4,000	\$0
Total Cost for Customer with Availability Charge	\$4,500	\$2,500

EXAMPLES:

Partial Unit Reduction: Customer has reduced two units since 1 July 2023, and retained the remaining 8 units.

Full Disconnection: Customer has eliminated all of their 10 units since 1 July 2023, and has no units remaining.



HAVE YOUR SAY

What do you think about applying Availability Charges to our rural water schemes?

KEY TOPICS FOR CONSULTATION continued...

Let's talk
Kōrero mai



RURAL WATER SCHEME FUNDING CHANGES (continued...)

Council is proposing to change the funding model for the Clutha District's Rural Water Schemes, to ensure that our schemes remain financially sustainable, meet capacity, and fairly distribute costs while accounting for certain risks, such as potential withdrawals from the schemes.

As well as availability charging, Council is also proposing to introduce assistance capping.



ASSISTANCE CAPPING

Council is proposing to introduce an assistance cap that limits the per-unit water rates for all of our rural water schemes.

This means that the rate per unit would be limited to no more than 20% above the weighted average of all unit prices in the Clutha District. Council also welcomes feedback on this level of capping.

Assistance capping would benefit schemes that are currently paying well above the average unit rate, as they would be supported by the rates collected from other schemes. This

seeks to address financial sustainability issues with individual rural water schemes. Rural water schemes contribute substantially to the economy of the wider Clutha District.

From 1 July 2027, rural water schemes will be managed by the Southern Waters CCO. Should the CCO continue with this model, it is estimated that assistance capping will benefit more schemes, and the overall support from other schemes will diminish. However, it will be the CCO's responsibility to determine the most suitable funding model.

Rating impact of Assistance Capping

	2025/26	2026/27		
Scheme	Unit Rate	Indicative Base Rate	Adjusted Rate (20% Cap)	Change
Max Capped Unit Rate		\$664		
Clydevale-Pomahaka	\$398	\$495	\$557	\$62
Moa Flat	\$300	\$394	\$456	\$62
North Bruce	\$401	\$516	\$578	\$62
Richardson (North & South)	\$363	\$515	\$577	\$62
South Bruce	\$238	\$295	\$357	\$62
Waipahi	\$286	\$346	\$408	\$62
Wangaloa	\$446	\$494	\$556	\$62
Glenkenich	\$449	\$564	\$626	\$62
Balmoral/Tuapeka	\$714	\$896	\$664	-\$232

Unit rates exclude GST.

AMENDMENTS TO COUNCIL'S REVENUE & FINANCING POLICY

The proposed introduction of availability charging and assistance capping will mean that we need to make some changes to the Rural Water section of Council's Revenue and Financing Policy.

The proposed amendments can be viewed on our website or at your local Council office or Community Library. The policy is subject to final legal review once Council makes its decisions on funding models for our rural water schemes.

Tell us what you think about these changes when you give us your feedback.



Let's talk
Kōrero mai

**DRAFT ANNUAL PLAN
2026/27**

Annual Plan 2026/27

Feedback form





LET'S TALK KŌRERO MAI



Scan the QR
code to go
straight to
our website.



DRAFT ANNUAL PLAN 2026/27 - FEEDBACK FORM

We're keen to hear from you. Go to www.cluthadc.govt.nz/annual-plan to take part online, or fill out this form and post it for free to: Freepost 54066247, Clutha District Council, PO Box 25, Balclutha 9240. Or drop it off at any of our community libraries. For queries contact us on 0800 801 350. Please provide your feedback to us by **5pm, Tuesday 28 April 2026**.

SUBMITTER'S DETAILS *(*required)*

*Is the submission from an: ☐ (a) Individual ☐ (b) Organisation ☐ (c) A group of individuals

*Name of Applicant:

*Contact Person (if organisation or group):

*Street Address:

*Town/City: *Post code:

* Phone number: *Email:
(Email required for submission communication purposes)

Hearings will be held on Thursday, 7 May 2026 at the Clutha District Council's Rosebank Office.

Do you want to speak about your submission at this hearing? ☐ Yes ☐ No

Please note, your name and feedback will be made public as part of Council's decision-making process. Contact details will be redacted. By making a submission in the 2026/27 Draft Annual Plan Consultation you are agreeing to our privacy statement. You can view our privacy statement online at our website by scanning the QR code above or visiting www.cluthadc.govt.nz/annual-plan.

MILTON CENTENNIAL POOL

Do you support not opening the Milton Centennial Pool for the 2026/27 season? (Page 14)

☐ Yes

☐ No

Any comments?

URBAN WATER RATING MAPS

Do you have any feedback on the proposed Urban Water Rating Maps? (Page 14)

Any comments?

TAPANUI LIBRARY & WEST OTAGO COMMUNITY CENTRE

Which option do you support for the Tapanui Community Library and West Otago Community Centre?
(Page 15)

Option 1: ☐

I **SUPPORT** funding of up to \$2.5 million for the Integrated Tapanui Library and West Otago Community Centre, fully rated through UAGC across the district. The estimated rating impact for this option would be \$16.80 (GST incl.) p/a across the district commencing 2028/29.

Option 2: ☐

I **SUPPORT** funding of up to \$2.5 million for the Integrated Tapanui Library and West Otago Community Centre, partially rated under Libraries rates (47%) and partially rated under Community Centres rates (53%). The estimated rating impact from this option (commencing 2028/29) would be:

- Properties in the West Otago community of services rating area: \$47.90 (incl. GST)
- Rest of district: \$12.90 (incl. GST)

Option 3: ☐

I **DO NOT SUPPORT** the proposed funding of up to \$2.5m for the Integrated Tapanui Library and West Otago Community Centre.

Any comments?

**MORE QUESTIONS ON THE NEXT
PAGE, PLEASE TURN OVER**



LET'S TALK KŌRERO MAI



FEEDBACK FORM CONTINUED

VOLUNTARY TARGETED RATES

Do you support recommencement of the Voluntary Targeted Rates (VTR) scheme, and what activities should be included?

(Page 16)

Question 1:

Do you support recommencing the Voluntary Targeted Rates scheme?

☐ Yes

☐ No

Question 2:

If you support recommencing cost-neutral Voluntary Targeted Rates, which of the following activities do you think should be included?

HOME ENERGY IMPROVEMENTS (e.g. insulation, conversion to clean heating, excluding solar installation)

YES
☐

NO
☐

INFRASTRUCTURE (e.g. drinking water connections, water tanks/pumps, wastewater connections, dust suppression)

YES
☐

NO
☐

URGENT HEALTH AND SAFETY ISSUES (e.g. issues following adverse events)

YES
☐

NO
☐

Any comments?

RURAL WATER AVAILABILITY CHARGING

Do you support an availability charge (set at 50% of the relevant unit rate) where units have been reduced or disconnected since 1 July 2023? (Page 17)

☐ Yes

☐ No

Any comments?

RURAL WATER ASSISTANCE CAPPING

Do you support capping rural water scheme rates to ensure their financial sustainability, in recognition of the economic benefits to the district? This will be funded by other rural water scheme customers. (Page 18)

☐ Yes

☐ No

Any comments?

AMENDMENTS TO COUNCIL'S REVENUE AND FINANCING POLICY

Do you have any feedback on the proposed changes in the Rural Water section of Council's Revenue and Financing Policy, incorporating availability charging and assistance capping (if these options are implemented)? (Page 18)

Any comments?



Scan the QR code to submit your feedback online.

Need more space for your feedback? Use the page overleaf, or you can attach additional pages if you wish.



YOUR FEEDBACK

[illegible]