

Item 1: Long Term Plan Steering Group 1

SESSION TYPE: Workshop

PURPOSE/DESIRED OUTCOME:

The purpose of this workshop is to provide an initial outline of the proposed approach for the 2027–2037 Long Term Plan (LTP), including the LTP project plan, strategic framing for the future of Queenstown Lakes District Council, LTP Capex prioritisation options and initial engagement feedback, with the aim of seeking councillor guidance on the approach presented.

DATE/START TIME:

Tuesday, 17 February 2026 at 10am

TIME BREAKDOWN:

Presentation: 1.5 hours

Questions or Debate/Discussion: 1.5 hours

Prepared by:



Name: Ian Dunbar

Title: Manager Organisation Performance

5 February 2026

Reviewed and Authorised by:



Name: Meaghan Miller

Title: Corporate Services General Manager

5 February 2026

ATTACHMENTS:

A	LTP Steering Group 1 PowerPoint presentation
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Long Term Plan Council Steering Group

Workshop 1

17 February 2026

Agenda

ITEM

- 1) LTP Project Plan

- 2) Future thinking / strategic framing
 - a) LTP capex prioritisation options
 - b) LTP initial engagement community feedback

LTP Project Plan

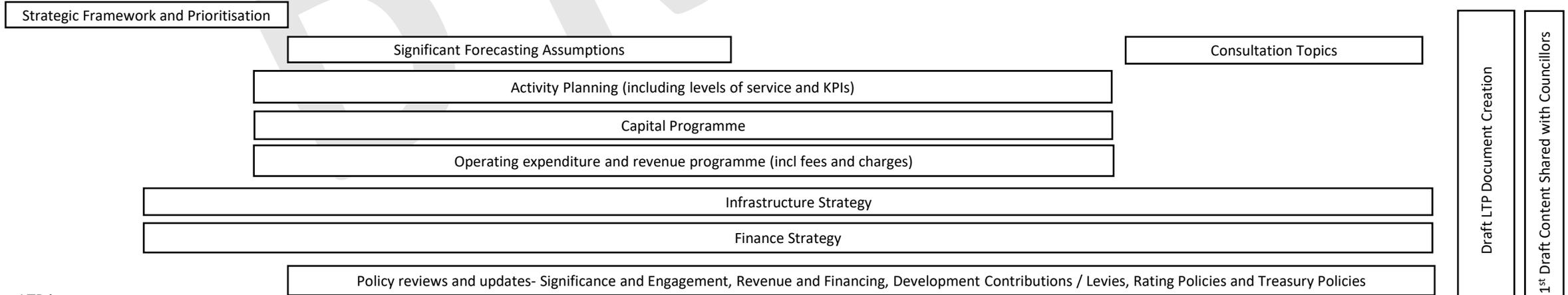
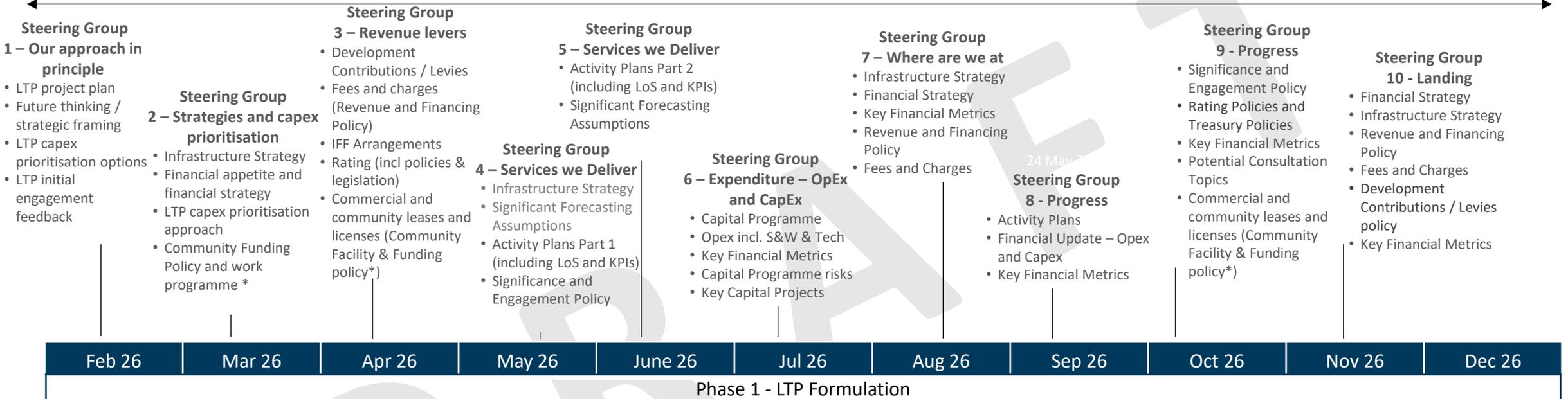
Embedding Lessons Learnt into LTP 27/37

We have incorporated key lessons from the LTP 2024–34 process into the planning and design of the 2027–37 LTP, strengthening our approach and reducing known pain points:

- > Conducting engagement earlier with the community to better inform the LTP
- > Commencing Council Steering Group meetings earlier and maintaining a detailed work programme from the outset
- > All major LTP policies and strategies presented to Council Steering Group at the commencement of their workstream, to enable open discussion and their understanding of their planned approach
- > Focussing on strategic framework and prioritisation at the outset of the Council Steering Group process
- > Enhance the focus on Opex through the Steering Group process
- > Early engagement with the WUCCB including through the Annual Plan 26-27 process and ongoing thereafter, to ensure their interests are able to better inform LTP work
- > Continuing to use the consolidated Q&A tracker which was well received during the LTP24 process

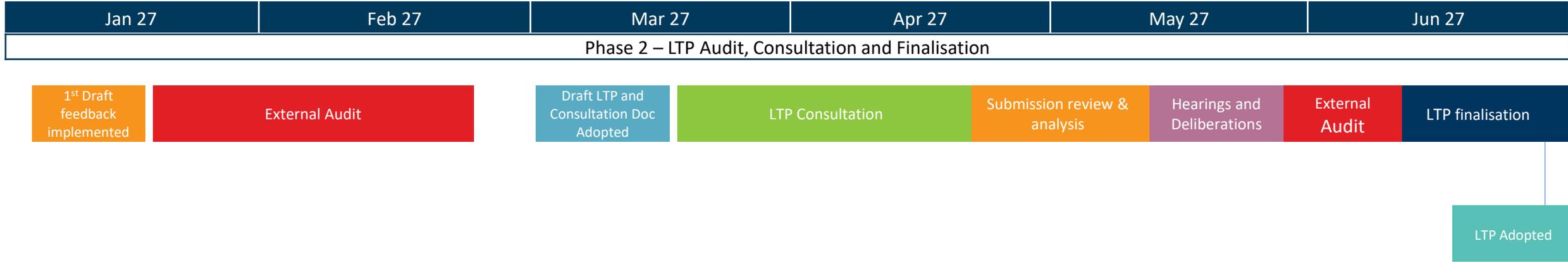
LTP27 Steering Group Work Programme

Reform topics presented at each Steering Group as relevant



* Not LTP item

LTP27 Phase 2 – Audit, Consultation and Finalisation



Steering Group 1– 17 Feb

Our approach in principle

Topic	What will be covered	Outcome Sought
LTP Project Plan	<ul style="list-style-type: none"> Proposed sequence for development of the Long Term Plan through Council Steering Groups, what each session will consist of and what officers want to get out of each session in terms of direction 	<ul style="list-style-type: none"> Councillor guidance on the proposed sequence and requests for adjustment
Future thinking / Strategic Framing	<ul style="list-style-type: none"> Outlining the way in which we will develop the LTP to respond to emerging opportunities and challenges facing QLDC 	<ul style="list-style-type: none"> Councillor guidance on proposed approach
LTP capex prioritisation options	<ul style="list-style-type: none"> Present the options for the prioritisation approach that will be used to assess and refine the LTP capital programme 	<ul style="list-style-type: none"> Councillor guidance on the prioritisation approaches
LTP initial engagement feedback	<ul style="list-style-type: none"> Present analysis of the themes and topics of community feedback in response to the LTP initial engagement 	<ul style="list-style-type: none"> To brief Councillors and note any early considerations

Steering Group 2 – 17 Mar

Strategies and capex prioritisation

Topic	What will be covered	Outcome Sought
Infrastructure Strategy	<ul style="list-style-type: none"> • Introduce the current strategies, key sections & purpose within the LTP • Outlined the proposed plan for strategy updates and interaction points with Steering Group and Committees where relevant 	<ul style="list-style-type: none"> • Councillor guidance on the process process for strategy updates and interaction points • Councillor guidance on potential changes in the strategies • Guidance on appetite for change in key financial metrics as foundations for LTP development
Financial appetite and strategy	<ul style="list-style-type: none"> • Highlight some key possible changes for the strategies, to set the foundations for LTP development • Presenting the current trend for key financial metrics based on the last LTP financial strategy and explore Councillors' appetite for change 	
LTP capex prioritisation approach	<ul style="list-style-type: none"> • Present back proposed prioritisation method for LTP Capex reflecting guidance from Steering Group 1. 	<ul style="list-style-type: none"> • Achieve a clear way forward for the LTP prioritisation approach to enable capex programme development to progress • Identify whether a full Council decision is needed to confirm the LTP capex prioritisation approach

Steering Group 2 – 17 Mar continued

Topic	What will be covered	Outcome Sought
Community Funding Policy and work programme	<ul style="list-style-type: none">• Introduce the draft policy and related grant guidelines and alignment with LTP.• Provide overview of current grant processes, reporting and upcoming AP funding round.• Outline the broader community investment work programme, including:<ul style="list-style-type: none">- Strategic Community Partnerships- Community Facilities Request process.	<ul style="list-style-type: none">• Councillors guidance on policy work programme approach• Councillor guidance on how Strategic Community Partnerships could clarify funding allocations to partners within LTP development.• Councillor guidance on how Community Facilities Request process could shape facility investment within LTP development.

Steering Group 3 – 14 Apr

Revenue levers

Topic	What will be covered	Outcome Sought
Development Contributions (DC's)/ Levies(DL's) (Development Contributions and & Development Levies policies)	<ul style="list-style-type: none"> • Outlined the proposed process for each policy update, including touchpoints with Steering Group • Highlight some key possible changes to our approach to revenues including: <ul style="list-style-type: none"> ◦ For DC's and DL's outline potential changes in DC Policy, potential approach for DL policy and update on reform implications. ◦ For Fees and Charges- specific focus on public/private funding target split for each activity. Further exploration of differential pricing for residents vs visitors. ◦ Rating – outline potential options for rating models including targeted rates. • Community Facility & Funding Policy – overview of policy and proposed changes 	<ul style="list-style-type: none"> • Councillor guidance on potential changes in the way we collect revenue (which would be reflected in the policies) • Councillor guidance on the process for policy updates and interaction points
Fees and Charges (Revenue and Financing Policy)		
Rating (including Rates Remission and Postponement Policy)		
Community Facility & Funding Policy		
Treasury Policy		

Steering Group 4 – 21 May

Services we Deliver

Topic	What will be covered	Outcome Sought
Infrastructure Strategy	<ul style="list-style-type: none">• Present first draft of Infrastructure Strategy, including infrastructure decisions required and key initiatives to feed into prioritisation discussions	<ul style="list-style-type: none">• Councillor guidance informs the continued development of the Infrastructure Strategy
Significant Forecasting Assumptions (including Growth)	<ul style="list-style-type: none">• First draft of all assumptions presented, present through slides as well as detailed attachment	<ul style="list-style-type: none">• Councillor guidance on the assumptions presented.

Steering Group 4 – 21 May continued

Topic	What will be covered	Outcome Sought
Activity Plans Part 1 (including Level of Service and KPIs)	<ul style="list-style-type: none"> • Introduce Activity Planning • For each activity area, Activity Plan owners will walk through: <ul style="list-style-type: none"> • What we Deliver • Why We Do it • What are our Levels of Service and KPIs • How we deliver, including FTEs/Salaries and Wages and Technology • What they have planned for their Activity • Any related policies/strategies/ bylaws & any upcoming review of these within the next 3 years • Capital projects (aligns with draft infrastructure strategy) • Overall existing cost of the Activity from the previous Annual Report (2024-2025) 	<ul style="list-style-type: none"> • Councillor guidance on future direction for the activity – do we want to do more / do less / maintain the same level of service provision?
Significance and Engagement Policy	<ul style="list-style-type: none"> • Outlined the planned process the policy update will go through • Introduce the current Policy, key sections, purpose • Highlight some key possible changes for the policy 	<ul style="list-style-type: none"> • Councillor guidance on potential changes in the strategies

Steering Group 5 – 16 June

Services we Deliver

Topic	What will be covered	Outcome Sought
<p>Activity Plans Part 2 (including Level of Service and KPIs)</p>	<ul style="list-style-type: none"> • For each activity area, Activity Plan owners will walk through: <ul style="list-style-type: none"> • What we Deliver • Why We Do it • What are our Levels of Service and KPIs • How we deliver, including FTEs/Salaries and Wages and Technology • What they have planned for their Activity • Any related policies/strategies/bylaws & any upcoming review of these within the next 3 years • Capital projects (aligns with draft infrastructure strategy) • Overall existing cost of the Activity from the previous Annual Report (2024-2025) 	<ul style="list-style-type: none"> • Take Councillor guidance on future direction for the activity – do we want to do more / do less / maintain the same level of service provision?
<p>Significant Forecasting Assumptions</p>	<ul style="list-style-type: none"> • Report back on these with any updates since last workshop for feedback. 	<ul style="list-style-type: none"> • Receive any further Councillor guidance

Steering Group 6 – 14 July

Expenditure – OpEx and CapEx

Topic	What will be covered	Outcome Sought
Capital Programme	<ul style="list-style-type: none"> • Explain how the proposed capital programme has been produced through the prioritisation approach developed with Councillors • Provide a first cut of the capital programme to Councillors as an attachment • Provide a list of other projects that are outside of the prioritised list • Provide outline overall capex by Activity 	<ul style="list-style-type: none"> • Councillor guidance on the capital programme to inform continued refinement
Key capital projects	<ul style="list-style-type: none"> • Present a more detailed view of key projects within the capital programme • Provide A3 documents on these projects 	<ul style="list-style-type: none"> • Provide a deeper understanding of key capital projects and receive Councillor guidance
Capital programme risks	<ul style="list-style-type: none"> • A presentation of the overall risks associated with the capital programme at an Activity level 	<ul style="list-style-type: none"> • Guidance as to whether the risks are accepted or whether the capital programme should be adjusted to further manage risk

Steering Group 6 – 14 July continued

Topic	What will be covered	Outcome Sought
Operating Expenditure and Revenue (Opex)	<ul style="list-style-type: none">• Present overall projected operating expenditure and revenue by year• Outline Opex by Activity including Salary and Wages	<ul style="list-style-type: none">• Councillor guidance on projected operating expenditure and revenue to inform continued refinement
Key Financial Metrics	<ul style="list-style-type: none">• An update of how the key financial metrics are developing, including indicative rates and borrowing	<ul style="list-style-type: none">• Councillor guidance on the key metrics such as Rates and borrowing to inform continued refinement

Steering Group 7 – 18 Aug

Where are we at

Topic	What will be covered	Outcome Sought
Infrastructure Strategy	<ul style="list-style-type: none">• Present draft Infrastructure Strategy incorporating prioritised Capex and Capex timing (within LTP and years 10-30)• Advise how the infrastructure strategy has evolved to reflect Councillor input in prior workshops	<ul style="list-style-type: none">• Councillor guidance to inform the finalisation of the Infrastructure Strategy
Financial Strategy	<ul style="list-style-type: none">• Present draft of the Financial Strategy• Advise how the financial strategy has evolved to reflect Councillor input in prior workshops	<ul style="list-style-type: none">• Councillor guidance to inform the finalisation of the Financial Strategy
Key Financial Metrics	<ul style="list-style-type: none">• An update of how the key financial metrics are developing, including indicative rates	<ul style="list-style-type: none">• Councillor guidance on the key metrics such as Rates and Debt to inform continued refinement

Steering Group 7 – 18 Aug continued

Topic	What will be covered	Outcome Sought
Revenue and Financing Policy	<ul style="list-style-type: none">• Present draft of the Revenue and Financing Policy• Advise how the policy has evolved to reflect Councillor input in prior workshops• Specific focus on the economic benefit assessment and public/private funding targets for all areas and implications for Fees and Charges settings	<ul style="list-style-type: none">• Councillor guidance to inform the finalisation of the Revenue and Financing Policy
Fees and Charges	<ul style="list-style-type: none">• Present macro-level changes anticipated for user fees and charges as a result of projected OpEx and Revenue and Financing Policy targets (discussed in the prior item)	<ul style="list-style-type: none">• Councillor guidance to inform the finalisation of draft Fees and Charges

Steering Group 8 – 15 Sep

Progress

Topic	What will be covered	Outcome Sought
Activity Plans	<ul style="list-style-type: none"> • Present the final draft Activity Plans updated for all earlier feedback • Activity Plans now include detailed financials and prioritised capital projects 	<ul style="list-style-type: none"> • Guidance as to whether any further changes are required before this material is included in the draft LTP document
Financial Update – Capex and Opex	<ul style="list-style-type: none"> • Update any Capex or Opex changes based on new information • Provide updated capital programme and Opex programme as attachments • Calling out any specific project timing or other changes since the July workshop 	<ul style="list-style-type: none"> • Councillors are made aware of the updated Capex and Opex and have the opportunity to provide feedback and guidance
Key Financial Metrics	<ul style="list-style-type: none"> • Update on the projected key financial metrics, including indicative rates and debt 	<ul style="list-style-type: none"> • Councillor guidance on the key metrics such as Rates and debt in order to progress to finalisation

Steering Group 9 – 13 Oct

Progress

Topic	What will be covered	Outcome Sought
Significance and Engagement Policy	<ul style="list-style-type: none"> • Share an undesignated full draft of the policy • Present on key elements of the updated policy 	<ul style="list-style-type: none"> • Guidance as to whether any further changes are required before this material is included in the draft LTP document
Rating Policies and Treasury Policy		
Community Facility & Funding Policy	<ul style="list-style-type: none"> • Update on policy review/changes following councillor guidance in April steering group 	<ul style="list-style-type: none"> • Guidance on policy update and any further changes required
Key financial metrics	<ul style="list-style-type: none"> • Update on the projected key financial metrics, including indicative rates and debt 	<ul style="list-style-type: none"> • Guidance as to whether any further changes are required before this material is included in the draft LTP document
Consultation Topics	<ul style="list-style-type: none"> • Discussion of possible consultation topics for the LTP consultation 	<ul style="list-style-type: none"> • Councillor guidance on desired consultation topics

Steering Group 10 – 17 Nov

Landing

Topic	What will be covered	Outcome Sought
Financial Strategy	<ul style="list-style-type: none"> Share an undesignated full draft of each strategy and policy Present on key elements of each strategy and policy 	<ul style="list-style-type: none"> Guidance as to whether any further changes are required before this material is included in the draft LTP document
Infrastructure Strategy		
Revenue and Financing Policy		
Development Contributions / Levies Policy		
Fees and Charges	<ul style="list-style-type: none"> Explanation of the fee changes proposed for consultation and their revenue impacts Share a draft fee schedule 	<ul style="list-style-type: none"> Councillor guidance on draft fee schedule to be incorporated before this material is included in the draft LTP and consultation document
Key financial metrics	<ul style="list-style-type: none"> A final update on financial metrics 	<ul style="list-style-type: none"> Councillors guidance on metrics before being included in the draft LTP

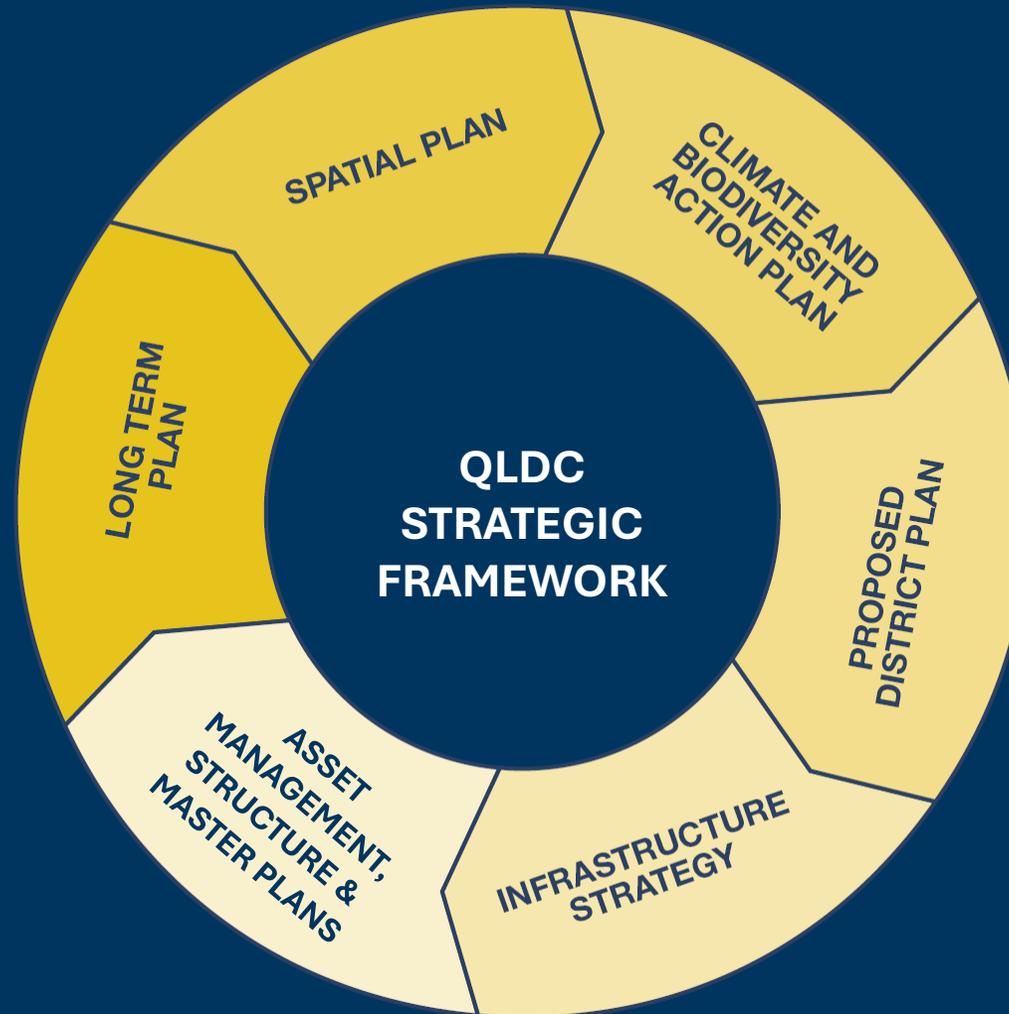
How Guidance Will Be Documented and Actioned

Tracking Councillor Guidance and Questions	
1. Councillor Steering Group Guidance	We will capture the guidance and direction provided at each meeting and circulate a summary following the Steering Group.
2. Capturing Councillor Questions	Consolidated Q&A tracker will serve as the central mechanism for capturing, tracking, and responding to councillor questions and guidance throughout the LTP process. It provides a single source of truth that ensures all queries are logged, assigned, monitored, and closed out in a consistent and transparent way.

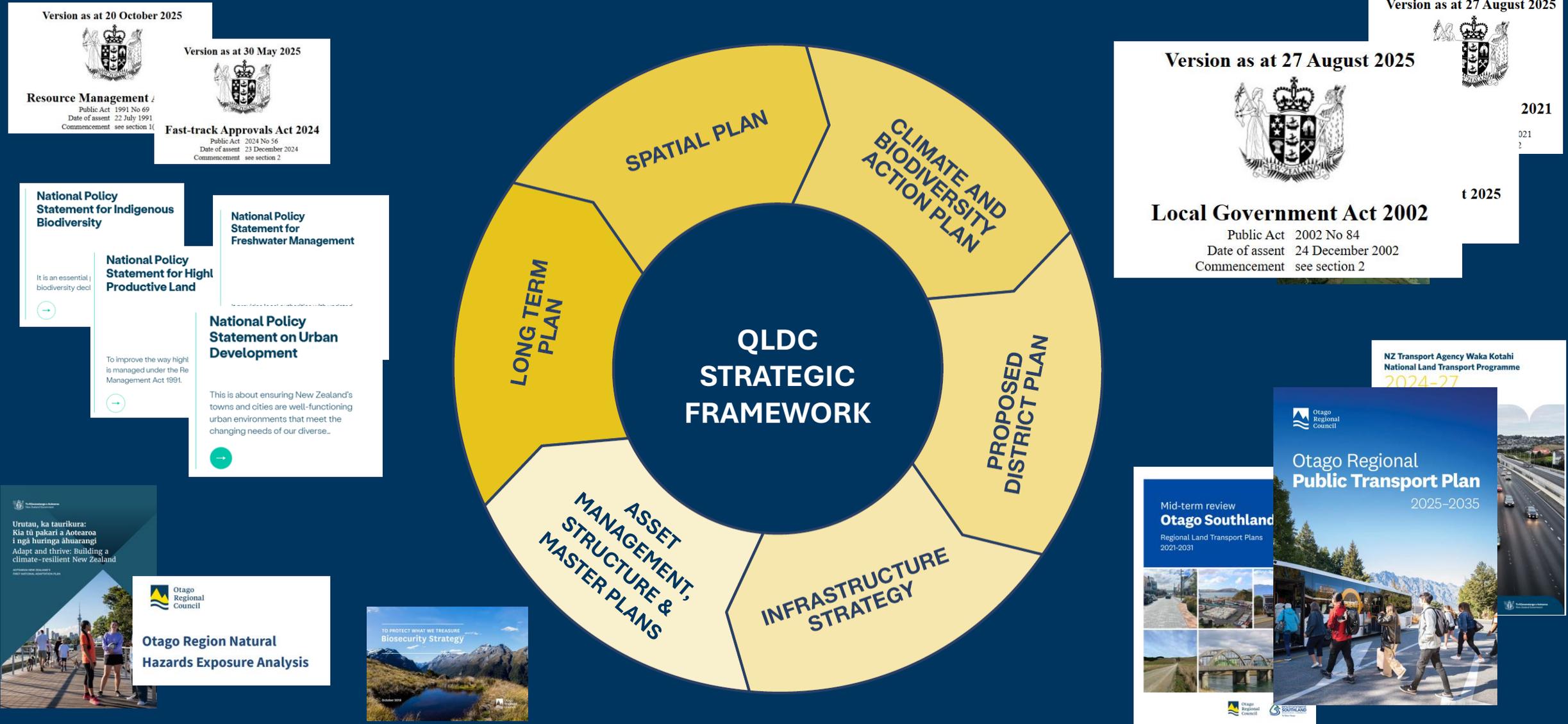
Future thinking / strategic framing

- LTP capex prioritisation options
- LTP initial engagement community feedback

We work in a complex strategic planning system where each part of the system is interrelated with other parts ...



... and is driven by a wide range of external requirements from central and regional government, many of which are changing ...



... and where outcomes are delivered through a wide range of supporting strategies that have been agreed with the community.



Joint Housing Action Plan

Destination Management Plan

Economic Diversification Plan

Queenstown Integrated Transport Business Case

Mode Shift Plan

Community Facilities Strategy

Parks and Open Spaces Strategy

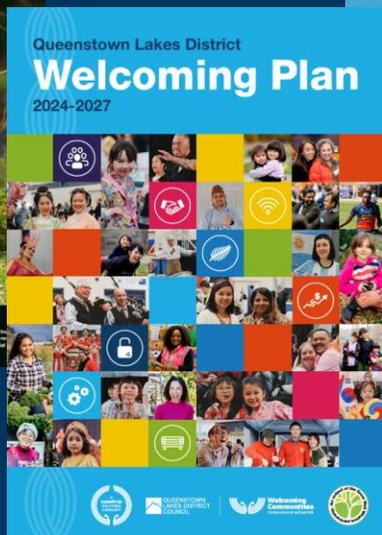
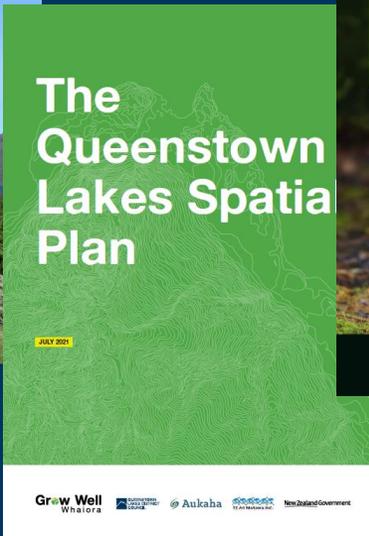
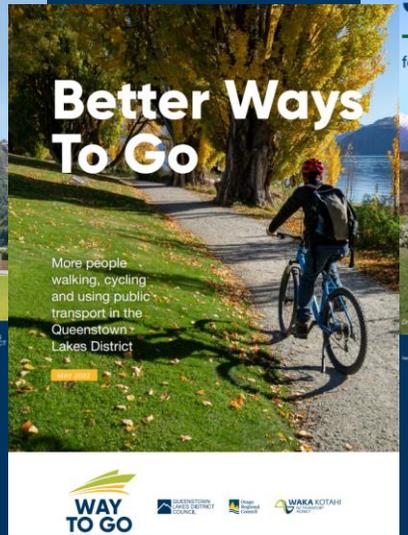
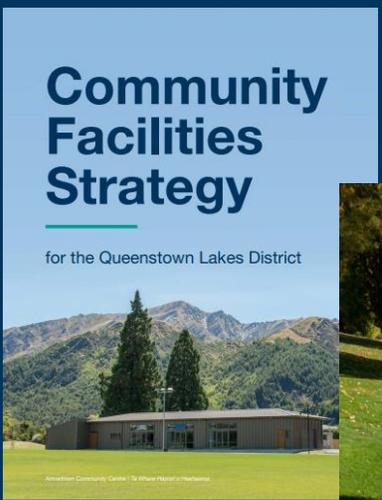
Future Parks and Reserves Provision Plan

Sub-Regional Sport and Recreation Facilities Plan

Waste Minimisation and Management Plan

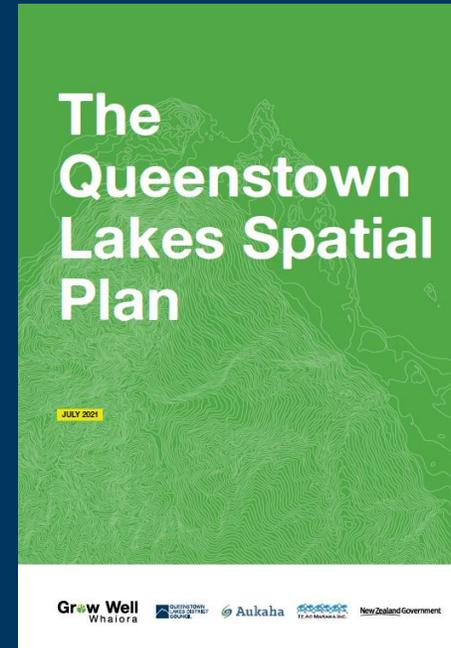
Culture and Creativity Strategy

Welcoming Communities Plan



Strategies set expectations with the community about levels of service and investment. For the 2027 LTP we will give a clear view of how current levels of service compare with community expectations, how our investment programme responds to gaps, and present investment required to deliver on strategies.

The Spatial Plan sets out how and where the district will grow over the next 30 years to ensure the community can “grow well”



Identifies the infrastructure and wider community investment expectations for QLD

Created in partnership with Govt & Kāi Tahu

The next iteration will be developed over the same period as the 2027 LTP and will be a sub/regional plan...



Resource Management and other “going for housing growth” reforms require councils to plan and deliver infrastructure needed to support projected growth. Spatial Planning will be given a lot more weight in the new Planning System.

The Climate and Biodiversity Plan is a community-driven strategy that guides Council action on climate and biodiversity

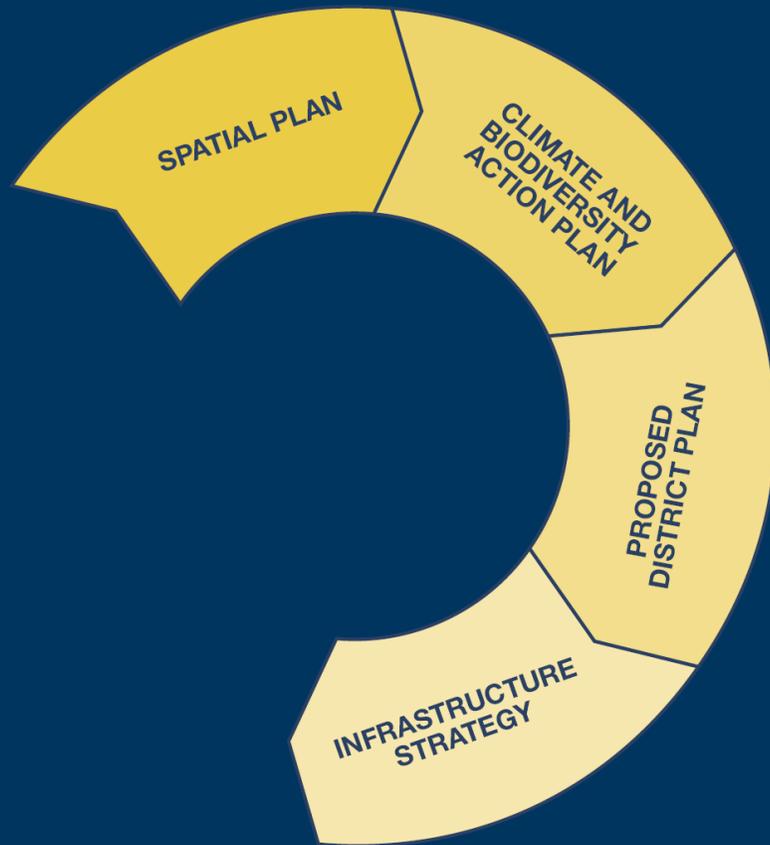


Outlines investment intentions, for others as well as QLDC, to enable progress towards climate and biodiversity outcomes



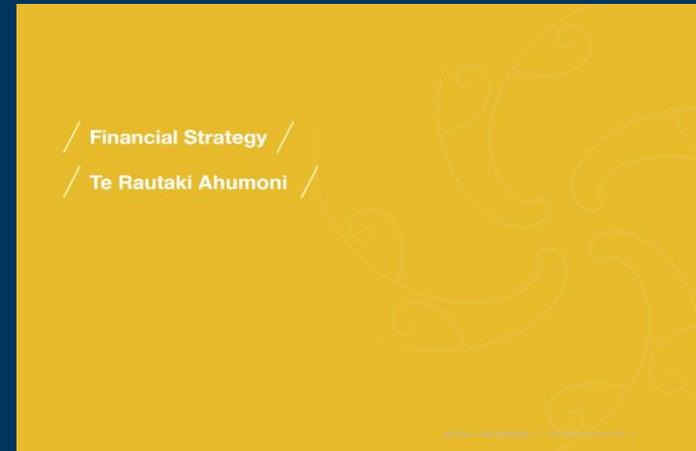
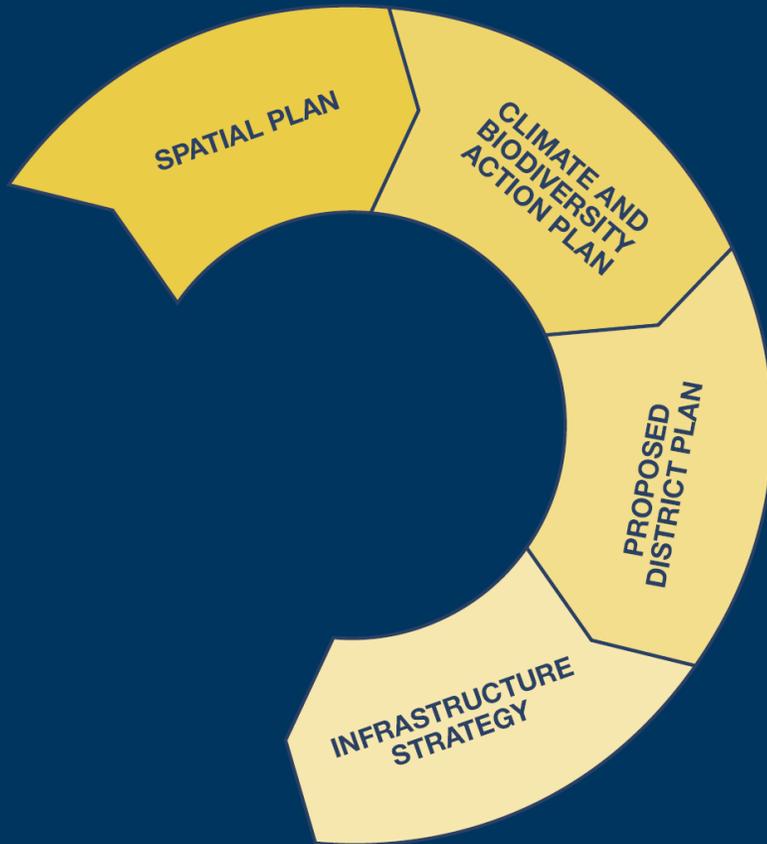
Climate action is not included in the purpose or core services of local government BUT national requirements for adaptation planning, spatial planning and emergency management require councils to prioritise investment in managing climate risks and improving resilience

The Infrastructure Strategy sets out the most likely scenario for infrastructure investment over the next 30 years...



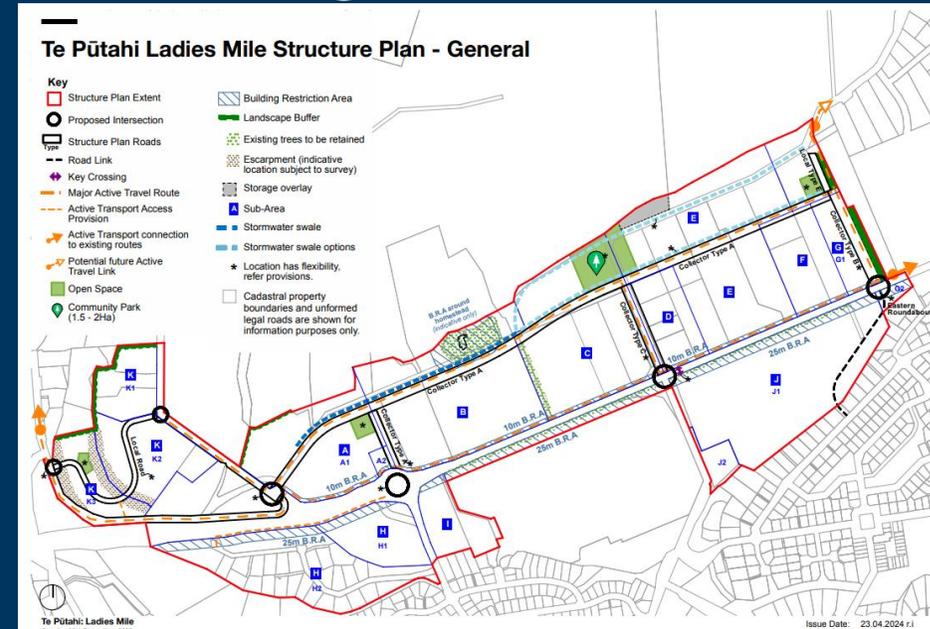
For the 2027 LTP, we will first confirm the system settings and 30-year vision, then outline the high-level 30-year investment programme, before considering the financial settings that enable or constrain investment and finally prioritising what can be delivered over the ten-year plan

... and is developed alongside the Financial Strategy, which sets the financial parameters for infrastructure investment decisions.



Local Government System Improvement reforms will require councils to deliver infrastructure and services that are “cost effective” (defined as: value for money provided by using resources effectively, economically and without waste and by taking into account the total costs and benefits of any decision).

Structure and Master Plans are guides for how specific areas grow — from where homes, shops, and parks go, to how people get around and where key services are placed and staged.

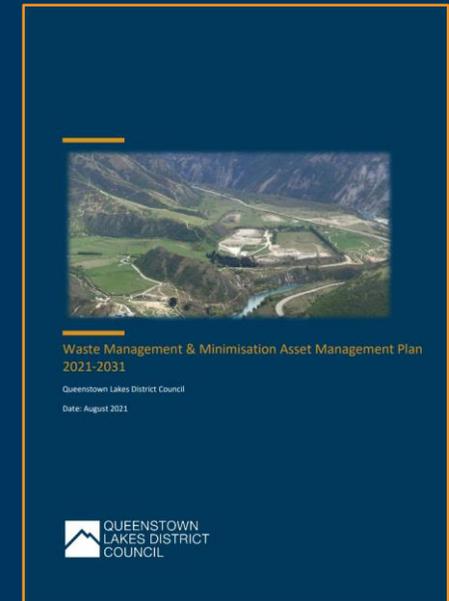
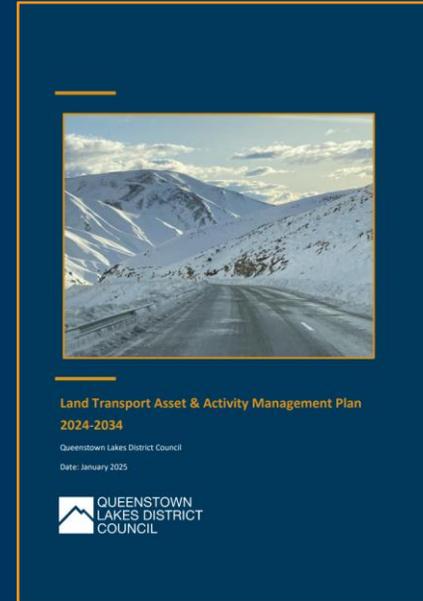


Outlines expectations of infrastructure and services to be delivered by others as well as those that to be delivered by QLDC



Resource Management and other “going for housing growth” reforms require councils to deliver infrastructure that enables, not constrain, growth

Asset management plans outline how assets will be maintained, renewed, and invested in to deliver efficient and sustainable services

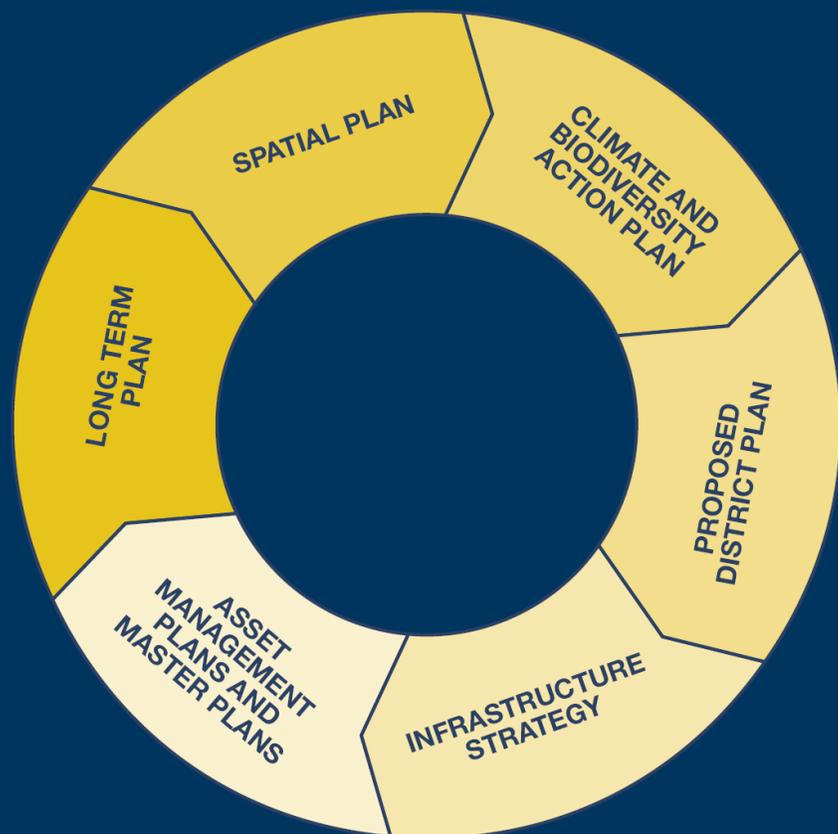


Outlines investment expectations to maintain and replace existing assets.



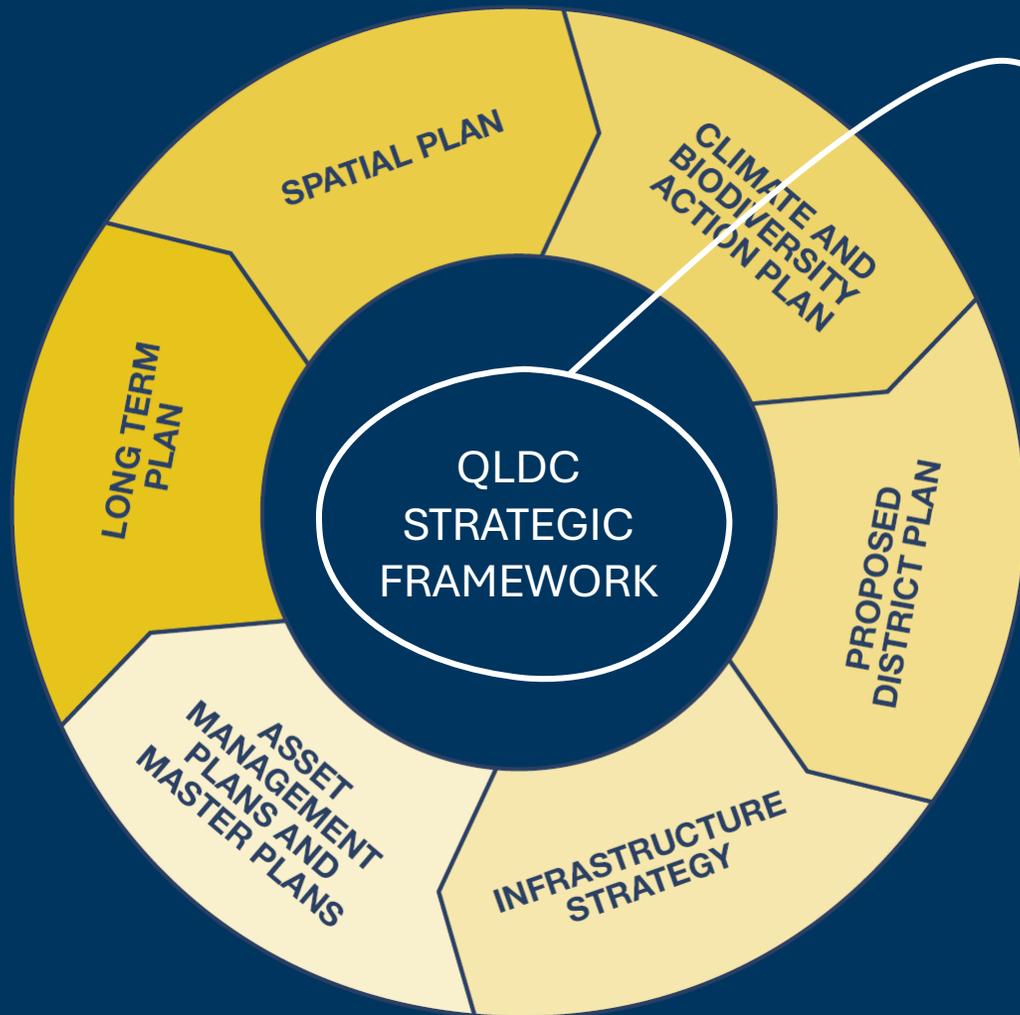
There is increasing pressure on councils to prioritise necessary maintenance and renewals to maximise the performance and lifespan of existing assets and ensure they are resilient to a changing climate

The Long Term Plan allocates QLDC's resources to meet district needs and priorities over the next 10 years, under the most likely scenario



The cover of the Long Term Plan document for 2024-2034. It features a white background on the left and a colorful grid of icons on the right. The icons include a sun, a tree, a bird, a gear, and a leaf, each in a different color. The text on the cover reads: "2024 2034", "/ Long Term Plan /", "/ He Mahere Pae Tawhiti /", and the Queenstown Lakes District Council logo.

The strategic framework aims to integrate the system through common outcomes and priorities...



Shows how community aspirations and needs guide our work, while highlighting priority areas to tackle significant issues and achieve meaningful outcomes

Community Outcomes



No change proposed
for 2027 LTP



Our **community outcomes**, shaped through Vision Beyond 2050, reflect local aspirations. They go beyond QLDC's services and underpin many community-led initiatives and strategies.



The reforms keep the requirement for LTPs to describe community outcomes but redefine those outcomes as meeting communities' current and future needs for good-quality, cost-effective local infrastructure, public services (undefined), and regulatory functions.

Wellbeing Outcomes



No change proposed
for 2027 LTP



Our **wellbeing outcomes** framework drives how QLDC contributes to wellbeing across the community, helping ensure **all aspects of our work are focused on a common understanding of community wellbeing.**



Local Government System Improvement reforms will remove “wellbeing” from the formal purpose of local government BUT councils are still required to take a sustainable development approach considering the social, economic and cultural interests of people and communities...

Core Activities



Our community and wellbeing outcomes are delivered every day through our **core activities**. Some teams deliver outcomes directly to the community, others enable those teams by providing essential support.



Local Government System Improvement reforms will redefine the purpose of local government, specify what is “core”, and implement monitoring of expenditure against core and non-core services

Core Activities



The *System Improvements Amendment Bill* defines **core services** as:

- > Network infrastructure
- > Waste management and minimisation
- > Civil defence emergency management
- > Libraries
- > Museums
- > Reserves
- > other community and recreational facilities

... but also defines the **purpose of local government** as providing:

Core

- ✓ Infrastructure
- ? Public services (undefined)
- ✗ Regulatory functions (undefined)
- ✗ Support for local economic growth and development (through delivering the above)

Council's statutory purpose can only be fulfilled by delivery of "non-core" services

Core Activities



Government material suggests that discretionary activities are those broader well-being initiatives (social, cultural, economic, environmental) that sit outside infrastructure or regulatory requirements, for example:

- > Tourism promotion
- > Cultural initiatives and events
- > Community development
- > Sport and recreation

Economic development is not a core service, but the revised purpose still requires councils to support it while prioritising cost-effective delivery of core services.



QLDC will need to define what it deems to be core for our district so that this can be considered for investment prioritisation. NOTE the majority of proposed investments are likely to fall within the purpose and core services definitions

Strategic Priorities



Strategic Priorities are those areas that require specific focus to make meaningful progress towards achieving our outcomes. Changeable over time and are informed by how well we are delivering against our outcomes.



The rest of this workshop will focus on discussing options for how we could prioritise investment and what role the strategic priorities play in this, and what changes you want to make to the priorities

How do we use all that to determine what can be invested in within the next three years, ten years, thirty years?



+

Supporting Strategies

+

Levels of Service

+

Significant Issues

+

Community Sentiment

Long List: All of the things we could do

A white-outlined icon of a document with a checklist, representing a list of potential projects or actions.



What do we have to do?



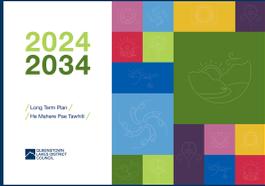
Where we have discretion what are our priorities?



What can we afford and how do we allocate what is available?

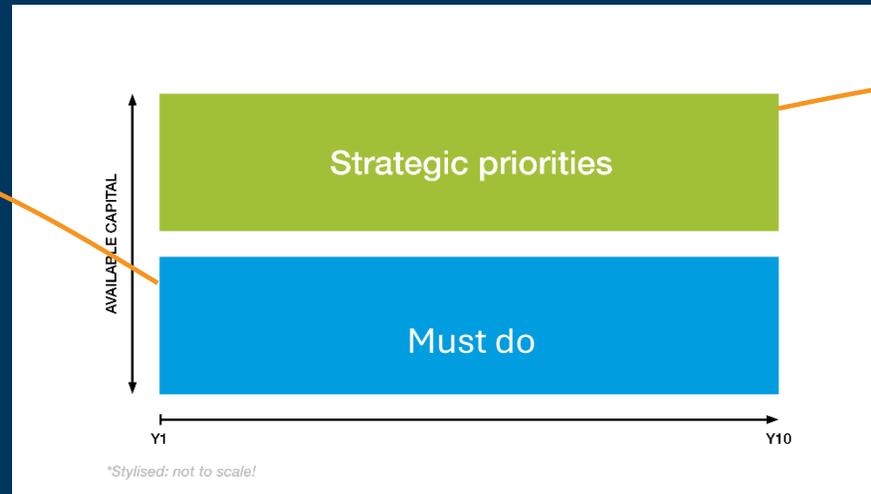


What are the options for addressing our priorities within the available funding over the next ten years, thirty years



LTP2024 Prioritisation Approach

To build an achievable programme we agreed to first identify **must do expenditure** then used **strategic priorities** to fill the headroom



Get the basics right first

- > Protect human and environmental health (compliance)
- > Maintain levels of service
- > Undertake essential renewals
- > Ensuring we're ready for the future

Directly invest in infrastructure and services

- > Create well designed communities
- > Provide for growth
- > Build resilience and ability to adapt for the future
- > Enhance performance of the transport network
- > Create thriving town centres
- > Reduce carbon emissions

LTP2024 Prioritisation Approach

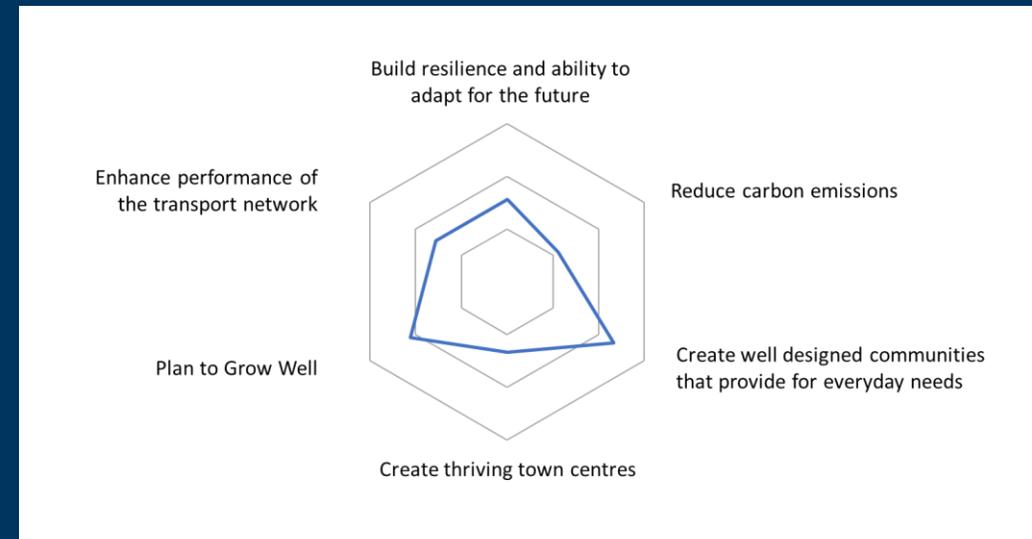
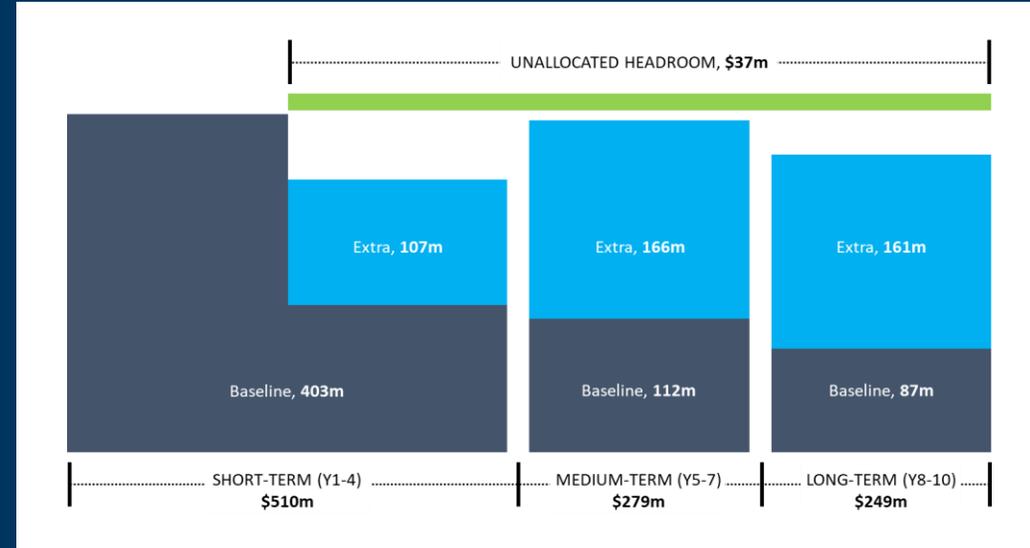
We built the **baseline** capital plan ("must do"), which allowed us to identify the available headroom for strategic priorities.



Before proposing a strategic investment plan that "fills the headroom" we **asked council for their views on the relative importance of each priority**



Then we proposed a **strategic investment plan** for filling the headroom reflecting the council's relative preferences



LTP 2027 Prioritisation Option 1: Strategic Priorities

Investment is allocated bottom-up, allocating available funding first to ‘must-do’ investments then to discretionary ‘strategic priorities’. Investment reflects our obligations and our highest priorities.

 **Define Priorities:** Agree ‘must do’ and ‘strategic priority’ categories.

 **Classify:** Classify projects against agreed categories.

 **Prioritise:** Score projects based on contribution to each category.

 **Set Envelopes:** Set funding envelope and proportions for each ‘strategic priority’ category.

 **Fund & Cut:** Subtract ‘must-do’ spend, then allocate the remainder across ‘strategic priorities’, funding the highest-scoring projects first. Alternatively, present multiple scenarios using different proportional allocations.

 **Analyse Risk:** Consider risks for projects ‘below the line’, adjust as appropriate.

Community Sentiment

Focus on the Basics

Keep prioritising basic services (especially water and roads) and their maintenance

Funding Reform

Advocate and use funding tools where tourists and developers contribute more to the costs of growth & infrastructure



Economic Diversification & Efficiency

Focus on diversifying the districts economy and improving council operational efficiency

Prioritise Communities & the Environment

Protect/fund local initiatives focused on arts, culture, the creative sector, and the environment

Some responses advocated for specific initiatives such as Wastebusters 2.0, Lake Hawea Library, wild pine eradication, pest control.

LTP 2027 Prioritisation Option 2: Activity Groups

Funding is allocated based on the needs and objectives of specific groupings of activities. This empowers business units and ensures core service delivery is central to the investment programme.



Define Priorities:

Agree 'must do' and 'discretionary' (non-core?) categories.



Classify:

Classify projects against agreed categories.



Prioritise:

Score projects based on contribution to activity specific objectives.



Set Envelopes:

Set funding envelope and proportions for each activity.



Fund & Cut:

Subtract 'must-do' spend, then allocate the remainder across activity groups, funding the highest-scoring projects first. Alternatively, present multiple scenarios using different proportional allocations.



Analyse Risk:

Consider risks for projects 'below the line', adjust as appropriate.

LTP 2027 Prioritisation Option 3: Cost Drivers

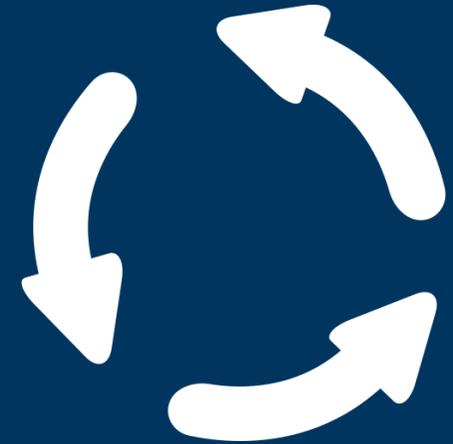
Structure investment choices around the primary driver of the cost. This allows for conversations about our appetite for investment in growth, service levels, and asset renewals.



GROWTH



LEVELS OF SERVICE



RENEWALS

LTP 2027 Prioritisation Option 3: Cost Drivers



Growth-based investment focuses on understanding how different choices shape long-term development and growth patterns

This considers deliberate trade-offs to direct growth where it best aligns with long-term district aspirations and financial sustainability.

This would involve testing scenarios, within agreed macro growth projections, that for example compare:

- > intensification with greenfield expansion to understand alternative growth pathways.
- > different sequences of development areas to guide when and where growth should occur.
- > capacity upgrades within existing networks vs network expansions.
- > options for different growth funding approaches (DCs vs IFFA vs developer delivered).

This would include assessment of key metrics such as capacity unlocked vs cost to deliver.

Establishing clear growth priorities is critical to ensuring that QLDC and the WSCCO can align their investment decisions and provide consistent direction across infrastructure planning & spatial planning.

LTP 2027 Prioritisation Option 3: Cost Drivers



Levels of Service investment focuses on understanding what it takes to maintain, meet, or improve the services the community relies on

Under this approach, Council develops investment scenarios that show the outcomes, risks, and trade-offs of maintaining, increasing or reducing levels of service. This involves defining categories of LoS investment, determining which are ‘must do’ and directly linking investment to these. Categories could include:

- > **Environmental improvements and efficiencies:** Expenditure on new or improved assets that reduce environmental impacts or improve service efficiency.
- > **Enhancements to levels of service:** Expenditure on improving levels of service beyond that which currently agreed.
- > **Meeting current levels of service:** Expenditure required to retain, restore or deliver the current committed service level to consumers.
- > **Regulatory requirements (must do):** Expenditure to comply with regulatory requirements.
- > **Resilience and risk:** Expenditure for new or enhanced assets or systems that improve the ability to withstand, respond to, and recover from disruptive events

LTP 2027 Prioritisation Option 3: Cost Drivers



Renewals investment focuses on maintaining the performance, safety, and reliability of existing assets.

Under this approach, Council assesses different funding scenarios to understand the consequences of varying levels of reinvestment in ageing infrastructure.

Each scenario highlights how well assets can be maintained, what risks emerge if funding is reduced, and where service failures or higher long-term costs may occur.

A key part of this approach is ensuring the underlying renewals methodology is transparent and robust so that investment decisions are grounded in accurate asset condition data and lifecycle needs.

By comparing scenarios and testing different prioritisation methods, Council can identify which renewal projects are truly essential, where flexibility exists, and how best to balance asset stewardship with affordability in the Long Term Plan.

LTP 2027 Prioritisation Option 3: Cost Drivers

- > Less a single linear process and more a framework for structuring strategic choices.
- > Scenarios of different focusses within the funding envelope would be presented for discussion.
- > Requires detailed data collection up front rather than at the end of the process.
- > For all categories there are still 'must do' and 'discretionary' investments.
- > For all categories there are still investments that relate to 'core' and 'non-core' activities.



Any other approaches?

Comparing the options

Criteria	Strategic Priorities	Activity Groups	Cost Drivers
Driver	The investment programme is shaped by Council's overarching priorities.	The investment programme is built around maintaining and improving specific service areas.	The investment programme is built around a more balanced view of growth, renewals and levels service provision.
Key Strength	Ensures maximum alignment between investment and strategy.	Ensures core operational expectations of the community are met. Clear accountability at the activity level.	Facilitates nuanced conversations about risk and priorities, makes trade offs very explicit, most transparent option.
Potential Risk	May result in underinvestment in less 'strategic', but seen by the community as essential, services.	Can create silos and may result in investment in low priority initiatives within a high priority activity.	More complex to manage. Can be difficult to consolidate into a single cohesive plan with a clear overarching framework.
Best Suited for	An organisation with a very clear, stable and universally agreed set of strategic priorities.	An organisation focused on strengthening and stabilising core service delivery across diverse functional areas.	An organisation facing major, distinct investment challenges in growth, asset management and compliance.

Future of QLDC – Consideration of reforms



Some reforms will impact the ‘shape’ of QLDC of the future:

- > **WSSCO Establishment:** This affects the scope and size of support services; the impacts will be worked through alongside the design of the WSSCO and shared services to be purchased from QLDC, and may not be clear until late 2026.
- > **Resource Management Reforms:** This affects the scope of our regulatory and planning functions. Given the timing of the reforms, impacts on future services and resourcing will be worked through with the 2027 LTP and may not be clear until late 2026 or early 2027.
- > **Local Government Simplification:** This may significantly shape the future QLDC, but that process won’t begin until early 2027. Assumptions will be required for the later years of the 2027 LTP, as outcomes will not be known at adoption.

Designing ‘QLDC of the future’ will occur in phases as each reform becomes clearer, with the first phase beginning in early 2026. You will be involved from the outset.

Future of QLDC – Consideration of reforms



Some reforms impact what we can invest in:

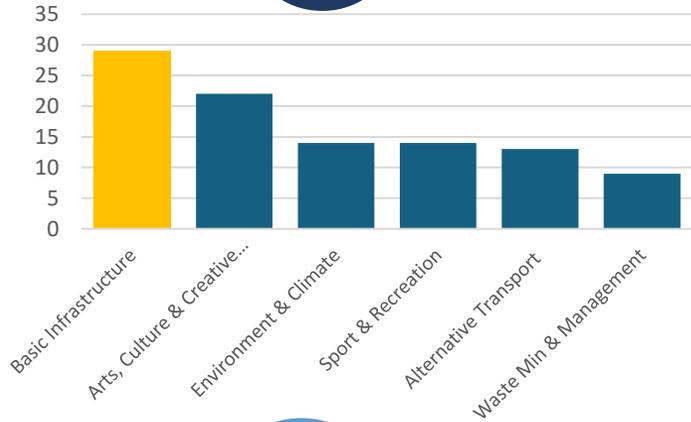
- > **Local Government System Improvements:** Potentially impacts the scope of investments we can make. This will be worked through as part of the 2027 LTP prioritisation process.
- > **Target rates model:** Potentially impacts the extent of services and infrastructure that can be delivered as well as whether QLDC delivers these (e.g. great reliance on developers for core infrastructure). Details of this approach are unknown, but government expects this to be considered in LTP 2027.
- > **Infrastructure Funding and Financing Amendment Bill:** Could incentivise developers to deliver core infrastructure ahead of LTP investment. Could result in more infrastructure being delivered by developers. Implications will be unknown for LTP adoption but could change delivery pathways.
- > **Emergency management and climate adaptation:** This increases our responsibilities without additional funding, which may limit our ability to resource other priorities. Funding impacts will be reflected in the proposed LTP opex and capex programmes for 2027 LTP.

From December 2025 to Feb 2026 the public were asked what QLDC's investment priorities should be for the next 10 years. The public could post on the "Lets Talk" webpage, others could view, comment and like their 'ideas' or cards. A total of 287 'ideas' or cards were posted, 55 general submissions were lodged or emailed in.

Over the next 10 years, what should Queenstown Lakes District..

134 responses

Prioritise spending money on

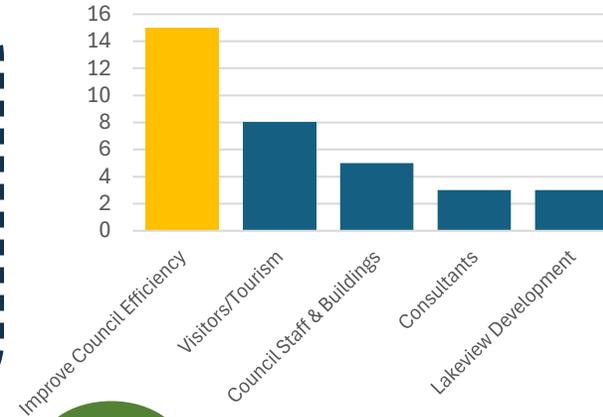


Focus on..

- **Basic infrastructure**, particularly roading/transport and 3waters infrastructure
- **Arts, Culture & Creative Sector**, for general wellbeing and economic diversification
- **Environment**, such as biodiversity and climate initiatives (e.g. wilding pines)
- **Sport and recreation**, new facilities, spaces and track/trail maintenance
- **Others themes such as**, alternative transport (PT, biking, etc.), Waste Minimisation (e.g. Wastebusters 2.0)

48 responses

Spend less on

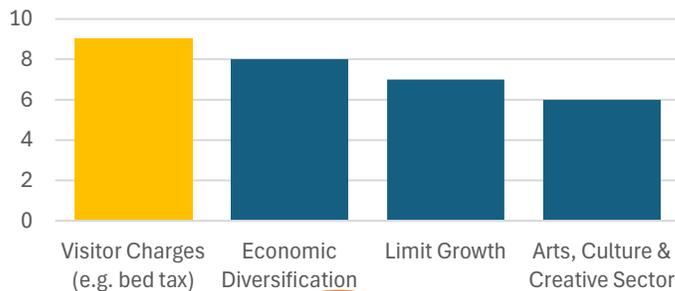


Focus on..

- **Improving Council Efficiency**, council decision criteria, processes, operations as means to save money,
- **Visitors/Tourism**, reduce spending on promotion and infrastructure related to tourism
- **Staff & Buildings**, reduce spending on council staff and buildings
- **Consultants**, reduce spending on consultants in instead focus on using staff
- **Other themes include**, Lakeview development and beautification

57 responses

See as opportunities for the district

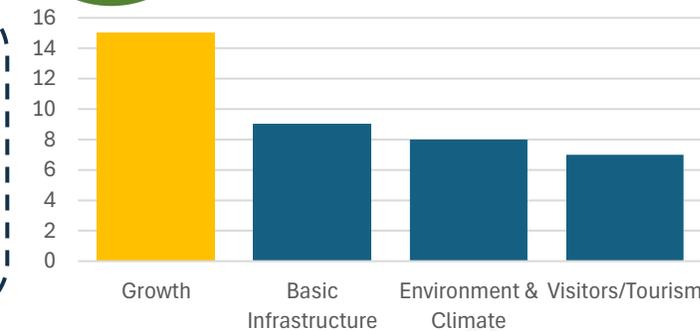


Focus on..

- **Visitor charges**, such as STRA charges
- **Economic diversification**, away from tourism
- **Limiting Growth** in the district
- Supporting the **Arts & Creative Sector** through funding etc.
- **Others** include developer & vacant lot charges, affordable housing and pine eradication

48 responses

See as challenges for the district



Focus on..

- **Growth**, such as limit and/or better managing growth
- **Basic infrastructure**, providing infrastructure for growth
- **Environment & Climate**, such as biodiversity loss & climate change pressures
- **Visitors/Tourism**, impact of tourism on the district
- **Others** include, limited revenue sources, council culture and leadership

54 responses

General Feedback & Submissions

Infrastructure and Growth

- Most common/dominant theme
- Submitters mention capping growth, focusing on basic infrastructure & maintenance (particularly Albert Town Bridge)

Revenue Diversification

- Developers should bare more (or all) infrastructure costs
- Introduce other revenue sources (e.g. bed tax and other mechanisms)

Environment & Climate

- Submitters mention climate mitigation, predator control, wilding pines, using climate-related scenarios & waste minimisation
- These should be 'core' activities of Council

Other themes

- Arts, Culture & Heritage funding
- Affordable & Worker housing
- Waste Minimisation Funding
- Various Community Requests

These include many formal submissions by community & advocacy groups

Many submissions can be boiled down to a few different themes...

Funding Reform
 Advocate and use funding tools where tourists and developers contribute more to the costs of growth & infrastructure

Focus on the Basics
 Keep prioritising basic services (especially water and roads) and their maintenance



Economic Diversification & Efficiency
 Focus on diversifying the districts economy and improving council operational efficiency

Prioritise Communities & the Environment
 Fund local initiatives focused on arts, culture, the creative sector, and the environment.

More 'open' and general feedback focuses on advocating for specific community and environmental initiatives, such as Wastebusters 2.0, Lake Hawea Library, wild pine eradication, pest control, and many other various initiatives.

The feedback differs slightly from 2023...

Theme	2023 LTP Early Feedback	2026 LTP Early Feedback
Top Priority for Council	Transport & Housing: Focused on public transport, congestion, and worker accommodation.	Core Infrastructure: 3-Waters and a "Back to Basics" philosophy, roading/transport and water still big issues
Growth	Managing population and tourism growth was an identified issue.	More critical regarding growth and pushing for developer/land-use changes and charges
Housing	High focus on rules for short-term accommodation (STRA) and affordability.	Still present, but also framed within the context of developer requirements and worker/affordable housing .
Funding	General concerns about affordability and efficiency.	Specific and frequent demands for alternative Funding (e.g., bed taxes, tourist levies & vacant land charges).
Council Operations	Mention of "efficiency and community participation."	Focus on reducing staff-related spending , office building cost as well as efficiency and waste management/minimisation operational changes.