

2026/27 Annual Plan Deliberations

15 May 2026

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Minutes of 2026/27 Annual Plan Deliberations held on Friday, 15 May 2026 in the Council Chambers, 10 Gorge Road, Queenstown beginning at 10.00am

Membership

Mayor John Glover, Deputy Mayor Quentin Smith; Councillor Gavin Bartlett, Councillor Samuel 'Q' Belk, Councillor Stephen Brent, Councillor Heath Copland, Councillor Niki Gladding, Councillor Nicola King, Councillor Jon Mitchell, Councillor Cody Tucker, Councillor Melissa White, Councillor Matt Wong

Attendees

Michelle Morss (Interim Chief Executive), Tony Avery (General Manager, Property & Infrastructure), Ken Bailey (General Manager, Community Services), Katherine Harbrow (General Manager, Assurance, Finance & Risk), Meaghan Miller (General Manager, Corporate Services), Pennie Pearce (Acting General Manager, Strategy & Policy), Dave Wallace (General Manager, Planning & Development), Jesse Taylor (Investment and Support Services Manager), Vanessa Fauth (Financial Controller), (Ian Dunbar (Organisation Performance Manager), Priya Bhuller (Business Planning Project Manager), Ben Scott (Web and Digital Communications Advisor) and Jane Robertson (Senior Democracy Services Advisor); one member of the media and no members of the public

1. Introduction – Pathway to Adoption

Katherine Harbrow spoke to a PowerPoint entitled **Strategic Budget Changes for 2026-27 Annual Plan**.

There was discussion about the common themes coming through in written submissions and during the hearings of submissions.

2. Consultation Topics and External Submissions

There was further discussion about specific issues raised in submissions. The following points were noted:

- At the Wānaka hearing, Wānaka Wastebusters had asked for funding to assist with establishing a new transfer station and leasing an extended site; Wānaka Wastebusters was one of several groups asking for assistance with securing new premises.
- Queenstown Cable Car is progressing through a fast track consent (currently referred). If it proceeds, consideration could be given to providing staff support.

- Council supports the Queenstown Lakes Community Housing Trust's (QLCHT) request to use the Lynch Block for affordable housing.
- Request from the Cardrona community for Council help with constructing connecting trails: Agreement that the Parks Team be directed to work alongside the group to determine the proposed trail alignment with existing projects, with possible inclusion in the Long Term Plan (LTP).
- Relevant staff to continue discussions with interested parties about natural burials.
- Discussion about Traffic Management Fees and Planning Fees and Charges. Dave Wallace explained that under the Funding Policy, 80% was attributable to user pays.
- Wānaka Performing Arts Centre: Discussion about providing Council funding for a feasibility study. Some concern was expressed about funding a feasibility study without the group having confirmed a preferred site. There was discussion about a potential land swap, but this was just one of a number of groups who sought land, including new space for indoor courts and land for QLCHT. Discussion returned to this item, later in the meeting.
- Tony Avery advised that work on Stone Street stormwater (Wānaka) was under review pending review of catchment priorities.

3. **Balancing cost and infrastructure – Hāwea and Luggate**

Katherine Harbrow advised that Water and Sewerage rates were charged based on the location of the infrastructure, meaning that individual communities had to fund the cost of upgrades. This had created a disproportionate financial burden for smaller communities such as Luggate and Hāwea where there were a limited number of ratepayers available to cover the cost.

The PowerPoint presented options for reducing the rates increases in Hāwea and Luggate and these are detailed below.

Hāwea:

Without sewerage – maintain a median increase of 8.8%

With Sewerage options

Option 1: Per Consultation: Maintain a median increase of 18.2%

Option 2: Loan Repayment Reduction of \$250k: Reduces the wastewater loan principal repayment from the proposed \$350k to \$100k. This will act as a strategic placeholder in the Annual Plan while Council reviews capital project splits between Level of Service (LOS) and Growth as part of the upcoming LTP and will provide a window to confirm Infrastructure Acceleration Fund (IAF) requirements.

Option 3: Loan Repayment Reduction \$250k & Reduce Depreciation Funding by \$63k: Combines Option 2 with an additional reduction in depreciation funding dropping from 50% to 40% (matching the 2025/26 level).

Members asked how the original figures had been calculated and there were questions about the amount of Infrastructure Acceleration Fund (IAF) funding to be allocated to the project.

Officers advised that IAF funding was still subject to negotiation and could only be discussed if the public was excluded.

The meeting adjourned briefly at this point to discuss the procedure for the next part of the meeting.

It was moved (The Mayor, Councillor Mitchell):

That the Queenstown Lakes District Council resolve that the public be excluded from the following parts of the meeting.

Motion carried unanimously.

Agenda items

Item 3: Balancing cost and infrastructure: Hāwea and Luggate – Access to funding from Infrastructure Acceleration Fund

General subject to be considered.	Reason for passing this resolution.	Grounds under Section 7 for the passing of this resolution.
Item 3: Balancing cost and infrastructure: Hāwea and Luggate – Access to funding from Infrastructure Acceleration Fund	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of information is necessary to: <i>Section and Grounds</i>	Section 7(2)(i)

General subject to be considered.	Reason for passing this resolution.	Grounds under Section 7 for the passing of this resolution.
	<p>7(2)(i) to enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p> <p><i>Public Interest Statement</i> Officers will report on approaches made to the Infrastructure Acceleration Fund for support to develop the water/wastewater in Hāwea and Luggate. Withholding this information is necessary to protect the commercial positions and relationships of QLDC during its negotiations with central government. It is acknowledged that there is a strong public interest in the cost of these projects, but the importance of withholding details of the negotiations outweighs the release of such information.</p>	

This recommendation is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act or Section 6 or Section 7 or Section 9 of the Official Information Act 1982 as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as shown above with respect to each item.

The meeting went into public excluded at 11.04am and resumed in the public part of the meeting at 11.29am.

Luggate:

Without sewerage – maintain a median increase of 9%

With Sewerage options:

Option 1: No changes: Maintains a median rate increase of 28.3%

Option 2: Unfund rates \$100k (wastewater): A minor reduction in the total rates requirement. (timing mechanism), which acts as a strategic placeholder in the Annual Plan while Council reviews capital project splits between Level of Service (LOS) and Growth as part of the upcoming LTP.

Hāwea: Agreed with option 3.

Luggate: Agreed with option 2.

The meeting adjourned at 12.21pm and reconvened at 12.47pm.

4. **Internal submissions**

Katherine Harbrow advised that a staff review of the current capital programme had resulted in a \$30M reduction in capital expenditure and a \$425k operational reduction, both of which served to lower the contribution needed from rates.

There was further discussion about deferring the Glenorchy Playground. It was noted that construction would be pushed out, pending more discussion with the community and the Dark Sky project group. Members asked for this item to remain in the budget because it did not represent a large saving, with Ken Bailey to investigate options for keeping it in the budget and to report back to Council.

Katherine Harbrow advised that there will be an increase in the number of rating units between when the Annual Plan is adopted and when the rates are struck. This will have the effect of reducing rates because the total cost will be shared amongst a greater number of dwellings. She added that all contracts were being reviewed (to assess impact of increased fuel costs) and costs associated with transition to the 3 Waters CCO (interest on borrowing) would be offset with additional revenue from freedom camping and parking.

Officers were asked to assess what saving could be made by not funding the Freedom Camping Ambassador Programme

Questions were raised about the purpose of funding Regional Tourism Organisations (RTOs) in light of constant flow of tourists to the district and the heavy central government promotion of Brand New Zealand overseas.

5. **Wanaka-Upper Clutha Community Board Priorities**

It was noted that many of the Board's priority projects would not be constructed this year but in the design phase.

Replacing the Roys Bay Jetty could be partly funded by the Wānaka Asset Sales Reserve (WASR).

The Council returned to discussion about the request from the Wānaka Arts Centre Trust for \$125,000 for a feasibility study. Members questioned why such a large sum of money was needed for a feasibility study, questioning whether the funds were also intended to support other costs associated with the proposal. There was a suggestion that at least some support was needed to ensure that the Trust did not lose heart.

Councillor White indicated that she was not supportive of reducing the amount of depreciation the Council funded to lower the rates increase.

Councillor White left the meeting at 3.00pm.

6. Formalise Changes

Katherine Harbrow advised that with the changes made so far (Luggate, Hāwea, capex changes, ambassador programme) the average rates rise was now 11%.

Members spoke about the current cost of living crisis and the many submissions received about minimising any rates rise at all. There was discussion about whether staff should be directed to make another saving so that the rates rise could be less than 10%.

The Mayor asked for members to indicate their support or otherwise for staff making further changes to get the rates rise to no more than 10%. The result was 6 members voting for officers seeking to reduce the rates rise to <10%, 4 voting for the status quo (11%) and one abstention. It was noted that just before her departure, Councillor White had expressed opposition to reducing depreciation funding to save money.

Katherine Harbrow advised that a report about rates of depreciation would be presented to a future meeting of the Smart Finance Committee.

The meeting concluded at 3.19pm.