

Full Council

25 June 2026

Report for Agenda Item | Rīpoata moto e Rāraki take [2]

Department: Assurance, Finance & Risk

Title | Taitara: Rates Setting for the Annual Plan 2026-2027

Purpose of the Report | Te Take mō te Pūroko

The purpose of this report is to set the rates for the Queenstown Lakes District Council for the 2026/27 financial year as per section 23 of the Local Government (Rating) Act 2002.

Executive Summary | Whakarāpopototaka Matua

This report and attachment describe the rates that will apply for the 2026/27 financial year based on the 2026-27 Annual Plan, which was discussed earlier at today's Council meeting.

Recommendation | Kā Tūtohuka

That the Council:

1. **Note** the contents of this report; and
2. **Resolve** to set the rates for the Queenstown Lakes District Council for the 2026/27 Financial Year as per section 23 and adopt the due dates and the penalty regime as per sections 24 and 57 of the Local Government (Rating) Act 2002, as set out in Attachment A.

Prepared by:

Reviewed and Authorised by:



Name: Vanessa Fauth
Title: Financial Controller
29 May 2026



Name: Katherine Harbrow
Title: General Manager Assurance Finance Risk
11 June 2026

Context | Horopaki

1. The Council is expected to adopt the Annual Plan 2026-27 at today's Council meeting and the detailed work required to calculate the rates for 2026/27 based on that plan has been completed. The rates resolution can only be made after the Annual Plan has been adopted.
2. The Local Government (Rating) Act 2002 and the Local Government Act 2002 (LGA) provisions mean that the Long-Term Plan 2024-2034 and the Annual Plan 2026-27 have proposed to the public the proposed rates for the new year.

Analysis and Advice | Tatāritaka me kā Tohutohu

3. The final rates for the 2026/27 year as per the attached resolution are substantially as expected. The indicative rates information published in the draft 2026-27 Annual Plan were the Council's best estimate at that time.
4. The total number of rateable units for the 2026/27 year is estimated to be **36,643** (2026: 34,943) which represents an increase of 4.9% (2025: increase 3.3%) on last year.
5. The impact of the rates increases for 2026/27 will not be even across all property types and locations. This is largely because of the impact of targeted rates which are often ward or scheme based and the availability of reticulated services.
6. The anticipated rates increase for 2026/27 through the 2024-2034 Long Term Plan was 11.6%. The draft Annual Plan 2026/27 consultation document in April 2026 saw the rate increase grow to 11.7% with a late Arrowtown Commercial targeted rate Council agreed change. After deliberations in May 2026, that rate increase percentage reduced to 9.9%
7. The columns on the left-hand side of the tables below labelled '2026/27 Final' show the final proposed rates movement for 2026/27 for these sample properties. These rates have been compared to the estimated rates in the draft 2026-27 Annual Plan that was consulted on in April 2026.
8. The draft Annual Plan 2026-27 analysis was based on the list of sample properties in 2025/26, since then 762 additional rating units have been added.
9. For median sample properties, the primary changes stem from the outcomes of the deliberations meeting. Following this meeting, adjustments were made to reduce the average percentage rate increase to 9.9%, resulting in lower rates for the affected properties compared to the original draft. The Luggate sample property with wastewater appears to be an outlier, this is due to it being a newly added row within the chart. It is being compared against the original draft, where the same property was assessed without wastewater services, leading to an apparent variance.

SUMMARY OF INDICATIVE TOTAL RATE MOVEMENTS 26/27 - Median Values

Property Type	Capital Value	Location	26/27 Final %	26/27 Final \$	26/27 Draft %	26/27 Draft \$	Diff. %	Diff. \$
RESIDENTIAL	\$ 1,370,000	QUEENSTOWN	12.2%	\$ 594	12.6%	\$ 612	-0.4%	-\$ 19
COMMERCIAL	\$ 2,090,000	QUEENSTOWN	11.4%	\$ 877	12.8%	\$ 1,298	-1.5%	-\$ 421
ACCOMMODATION	\$ 625,000	QUEENSTOWN	10.0%	\$ 338	14.2%	\$ 607	-4.2%	-\$ 270
MU ACCOMMODATION	\$ 1,750,000	QUEENSTOWN	10.7%	\$ 616	13.6%	\$ 917	-2.9%	-\$ 301
VACANT	\$ 1,050,000	QUEENSTOWN	9.8%	\$ 274	14.3%	\$ 482	-4.5%	-\$ 208
PRIMARY INDUSTRY	\$ 2,605,000	QUEENSTOWN	6.9%	\$ 240	10.4%	\$ 347	-3.5%	-\$ 108
COUNTRY DWELLING	\$ 4,300,000	QUEENSTOWN	6.8%	\$ 393	11.3%	\$ 640	-4.5%	-\$ 247
RESIDENTIAL	\$ 1,600,000	WANAKA	11.1%	\$ 594	12.9%	\$ 683	-1.8%	-\$ 89
COMMERCIAL	\$ 1,610,000	WANAKA	8.2%	\$ 549	9.9%	\$ 715	-1.8%	-\$ 166
ACCOMMODATION	\$ 710,000	WANAKA	7.1%	\$ 340	10.0%	\$ 520	-3.0%	-\$ 180
MU ACCOMMODATION	\$ 1,710,000	WANAKA	9.8%	\$ 640	12.6%	\$ 848	-2.9%	-\$ 208
VACANT	\$ 950,000	WANAKA	8.1%	\$ 289	10.3%	\$ 367	-2.2%	-\$ 78
PRIMARY INDUSTRY	\$ 3,790,000	WANAKA	3.0%	\$ 126	10.8%	\$ 457	-7.8%	-\$ 331
COUNTRY DWELLING	\$ 2,850,000	WANAKA	6.0%	\$ 292	10.4%	\$ 493	-4.4%	-\$ 201
RESIDENTIAL	\$ 1,830,000	ARROWTOWN	11.7%	\$ 636	13.0%	\$ 709	-1.3%	-\$ 73
COMMERCIAL	\$ 1,930,000	ARROWTOWN	14.1%	\$ 1,217	14.9%	\$ 1,060	-0.8%	\$ 157
ACCOMMODATION	\$ 1,575,000	ARROWTOWN	13.2%	\$ 1,047	15.7%	\$ 1,146	-2.4%	-\$ 98
MU ACCOMMODATION	\$ 1,950,000	ARROWTOWN	14.1%	\$ 937	14.5%	\$ 1,106	-0.4%	-\$ 169
VACANT	\$ 1,925,000	ARROWTOWN	9.9%	\$ 470	13.1%	\$ 585	-3.2%	-\$ 114
PRIMARY INDUSTRY	\$ 5,270,000	ARROWTOWN	6.1%	\$ 311	9.7%	\$ 515	-3.6%	-\$ 204
COUNTRY DWELLING	\$ 5,840,000	ARROWTOWN	7.3%	\$ 488	12.7%	\$ 925	-5.3%	-\$ 436
RESIDENTIAL	\$ 870,000	GLENORCHY	11.2%	\$ 435	12.8%	\$ 495	-1.6%	-\$ 60
RESIDENTIAL	\$ 1,490,000	LAKE HAYES	6.6%	\$ 335	8.0%	\$ 409	-1.4%	-\$ 73
RESIDENTIAL	\$ 1,120,000	HAWEA	12.5%	\$ 533	22.3%	\$ 952	-9.8%	-\$ 419
RESIDENTIAL	\$ 975,000	LUGGATE - Without Wastewater	7.7%	\$ 293	9.9%	\$ 398	-2.1%	-\$ 105
RESIDENTIAL	\$ 975,000	LUGGATE - With Wastewater	13.3%	\$ 606	9.9%	\$ 398	3.4%	\$ 208
RESIDENTIAL	\$ 820,000	KINGSTON	9.4%	\$ 251	11.1%	\$ 294	-1.7%	-\$ 43
RESIDENTIAL	\$ 1,380,000	ARTHURS POINT	11.1%	\$ 554	12.6%	\$ 633	-1.5%	-\$ 78
COUNTRY DWELLING	\$ 1,450,000	CARDRONA	21.1%	\$ 925	20.0%	\$ 871	1.2%	\$ 54

10. The impact on both the Higher Values and Lower Values follows a similar pattern with similar % variations although the nominal differences vary according to capital value of the properties.

SUMMARY OF INDICATIVE TOTAL RATE MOVEMENTS 26/27 - Higher Values

Property Type	Capital Value	Location	26/27 Final %	26/27 Final \$	26/27 Draft %	26/27 Draft \$	Diff. %	Diff. \$
RESIDENTIAL	\$ 1,950,000	QUEENSTOWN	12.6%	\$ 633	14.7%	\$ 923	-2.1%	-\$ 290
COMMERCIAL	\$ 4,450,000	QUEENSTOWN	9.6%	\$ 1,214	12.8%	\$ 2,612	-3.3%	-\$ 1,398
ACCOMMODATION	\$ 1,415,000	QUEENSTOWN	9.9%	\$ 771	13.1%	\$ 928	-3.2%	-\$ 157
MIU ACCOMMODATION	\$ 2,510,000	QUEENSTOWN	10.1%	\$ 710	13.3%	\$ 1,095	-3.2%	-\$ 385
VACANT	\$ 2,000,000	QUEENSTOWN	10.2%	\$ 443	14.1%	\$ 620	-3.9%	-\$ 177
PRIMARY INDUSTRY	\$ 5,230,000	QUEENSTOWN	6.2%	\$ 310	10.3%	\$ 515	-4.1%	-\$ 206
COUNTRY DWELLING	\$ 6,425,000	QUEENSTOWN	10.2%	\$ 777	12.1%	\$ 931	-1.9%	-\$ 155
RESIDENTIAL	\$ 2,200,000	WANAKA	12.1%	\$ 734	14.0%	\$ 868	-1.9%	-\$ 134
COMMERCIAL	\$ 2,810,000	WANAKA	8.6%	\$ 972	11.0%	\$ 1,248	-2.4%	-\$ 276
ACCOMMODATION	\$ 1,150,000	WANAKA	6.9%	\$ 469	13.8%	\$ 935	-6.9%	-\$ 466
MIU ACCOMMODATION	\$ 2,390,000	WANAKA	10.4%	\$ 810	11.6%	\$ 964	-1.3%	-\$ 154
VACANT	\$ 1,550,000	WANAKA	7.5%	\$ 322	10.2%	\$ 424	-2.7%	-\$ 103
PRIMARY INDUSTRY	\$ 6,500,000	WANAKA	1.4%	\$ 82	5.6%	\$ 330	-4.2%	-\$ 248
COUNTRY DWELLING	\$ 4,080,000	WANAKA	3.4%	\$ 183	9.3%	\$ 561	-5.8%	-\$ 377
RESIDENTIAL	\$ 2,350,000	ARROWTOWN	12.3%	\$ 753	14.4%	\$ 895	-2.0%	-\$ 142
COMMERCIAL	\$ 4,187,000	ARROWTOWN	17.8%	\$ 2,031	20.3%	\$ 2,304	-2.5%	-\$ 272
ACCOMMODATION	\$ 5,220,000	ARROWTOWN	14.4%	\$ 3,106	12.0%	\$ 1,586	2.4%	\$ 1,521
MIU ACCOMMODATION	\$ 2,500,000	ARROWTOWN	12.8%	\$ 993	14.1%	\$ 1,264	-1.3%	-\$ 271
VACANT	\$ 2,700,000	ARROWTOWN	10.8%	\$ 532	10.5%	\$ 573	0.3%	-\$ 41
PRIMARY INDUSTRY	\$ 8,450,000	ARROWTOWN	5.8%	\$ 428	10.2%	\$ 746	-4.3%	-\$ 318
COUNTRY DWELLING	\$ 8,500,000	ARROWTOWN	11.5%	\$ 1,176	13.6%	\$ 1,343	-2.0%	-\$ 167
RESIDENTIAL	\$ 1,050,000	GLENORCHY	11.7%	\$ 492	13.3%	\$ 560	-1.6%	-\$ 67
RESIDENTIAL	\$ 1,710,000	LAKE HAYES	6.8%	\$ 366	8.4%	\$ 460	-1.6%	-\$ 94
RESIDENTIAL	\$ 1,280,000	HAWEA	12.3%	\$ 550	20.5%	\$ 944	-8.2%	-\$ 394
RESIDENTIAL	\$ 1,060,000	LUGGATE - Without Wastewater	7.8%	\$ 303	29.1%	\$ 1,350	-21.3%	-\$ 1,047
RESIDENTIAL	\$ 1,060,000	LUGGATE - With Wastewater	13.2%	\$ 616	29.1%	\$ 1,350	-15.9%	-\$ 734
RESIDENTIAL	\$ 930,000	KINGSTON	9.5%	\$ 267	11.2%	\$ 313	-1.7%	-\$ 46
RESIDENTIAL	\$ 1,750,000	ARTHURS POINT	11.2%	\$ 588	12.7%	\$ 719	-1.5%	-\$ 132
COUNTRY DWELLING	\$ 1,900,000	CARDRONA	19.5%	\$ 928	21.7%	\$ 1,023	-2.3%	-\$ 95

SUMMARY OF INDICATIVE TOTAL RATE MOVEMENTS 26/27 - Lower Values

Property Type	Capital Value	Location	26/27 Final %	26/27 Final \$	26/27 Draft %	26/27 Draft \$	Diff. %	Diff. \$
RESIDENTIAL	\$ 1,020,000	QUEENSTOWN	13.2%	\$ 561	14.6%	\$ 619	-1.4%	-\$ 58
COMMERCIAL	\$ 1,107,000	QUEENSTOWN	11.9%	\$ 570	12.6%	\$ 716	-0.6%	-\$ 146
ACCOMMODATION	\$ 330,000	QUEENSTOWN	12.5%	\$ 455	11.7%	\$ 285	0.8%	\$ 171
MU ACCOMMODATION	\$ 1,260,000	QUEENSTOWN	12.2%	\$ 665	12.8%	\$ 712	-0.6%	-\$ 47
VACANT	\$ 730,000	QUEENSTOWN	12.6%	\$ 409	14.4%	\$ 428	-1.8%	-\$ 19
PRIMARY INDUSTRY	\$ 1,330,000	QUEENSTOWN	7.6%	\$ 206	10.5%	\$ 279	-2.8%	-\$ 73
COUNTRY DWELLING	\$ 2,700,000	QUEENSTOWN	7.5%	\$ 328	11.3%	\$ 469	-3.8%	-\$ 142
RESIDENTIAL	\$ 1,275,000	WANAKA	10.4%	\$ 516	12.1%	\$ 589	-1.7%	-\$ 73
COMMERCIAL	\$ 500,000	WANAKA	8.0%	\$ 350	10.0%	\$ 408	-2.0%	-\$ 58
ACCOMMODATION	\$ 515,000	WANAKA	6.6%	\$ 294	8.9%	\$ 399	-2.4%	-\$ 105
MU ACCOMMODATION	\$ 1,380,000	WANAKA	9.4%	\$ 557	11.4%	\$ 677	-2.0%	-\$ 120
VACANT	\$ 680,000	WANAKA	8.2%	\$ 269	10.3%	\$ 335	-2.2%	-\$ 66
PRIMARY INDUSTRY	\$ 2,000,000	WANAKA	4.9%	\$ 156	8.8%	\$ 280	-3.9%	-\$ 125
COUNTRY DWELLING	\$ 2,000,000	WANAKA	6.6%	\$ 257	10.1%	\$ 397	-3.5%	-\$ 140
RESIDENTIAL	\$ 1,550,000	ARROWTOWN	11.3%	\$ 573	12.6%	\$ 641	-1.3%	-\$ 68
COMMERCIAL	\$ 1,060,000	ARROWTOWN	14.3%	\$ 650	17.8%	\$ 814	-3.5%	-\$ 163
ACCOMMODATION	\$ 1,400,000	ARROWTOWN	13.0%	\$ 953	15.7%	\$ 1,146	-2.6%	-\$ 193
MU ACCOMMODATION	\$ 1,625,000	ARROWTOWN	11.9%	\$ 729	13.7%	\$ 873	-1.8%	-\$ 144
VACANT	\$ 1,350,000	ARROWTOWN	9.7%	\$ 392	11.3%	\$ 415	-1.6%	-\$ 23
PRIMARY INDUSTRY	\$ 3,060,000	ARROWTOWN	4.5%	\$ 243	10.4%	\$ 398	-5.9%	-\$ 155
COUNTRY DWELLING	\$ 3,900,000	ARROWTOWN	10.9%	\$ 643	12.1%	\$ 645	-1.2%	-\$ 3
RESIDENTIAL	\$ 760,000	GLENORCHY	10.9%	\$ 400	12.4%	\$ 456	-1.5%	-\$ 56
RESIDENTIAL	\$ 1,260,000	LAKE HAYES	6.3%	\$ 303	7.6%	\$ 370	-1.4%	-\$ 67
RESIDENTIAL	\$ 980,000	HAWEA	12.8%	\$ 519	22.7%	\$ 924	-9.9%	-\$ 406
RESIDENTIAL	\$ 870,000	LUGGATE - Without Wastewater	7.7%	\$ 282	9.6%	\$ 358	-2.0%	-\$ 76
RESIDENTIAL	\$ 870,000	LUGGATE - With Wastewater	13.3%	\$ 595	9.6%	\$ 358	3.7%	\$ 237
RESIDENTIAL	\$ 710,000	KINGSTON	9.2%	\$ 236	11.4%	\$ 289	-2.2%	-\$ 54
RESIDENTIAL	\$ 1,125,000	ARTHURS POINT	11.0%	\$ 508	12.3%	\$ 572	-1.3%	-\$ 64
COUNTRY DWELLING	\$ 1,110,000	CARDRONA	22.6%	\$ 923	25.0%	\$ 926	-2.4%	-\$ 4

11. This report identifies and assesses the following options as required by section 77 of the Local Government Act 2002.

12. **Option 1** Set the Rates for 2026/27.

Advantages:

- Setting the rates allows Council to recover the costs of providing the services to the community as laid out in the 2026-27 Annual Plan.
- Allows for continuation of projects that are underway.
- Council will be able to meet its various financial commitment

Disadvantages:

- There will be a requirement for some ratepayers to pay increased rates for the year

13. **Option 2** Do not Set the Rates for 2026/27

Advantages:

- There will be no requirement for some ratepayers to pay increased rates for the year

Disadvantages:

- Council will not secure the funding needed to deliver the services for the community as outlined in the 2026-27 Annual Plan;
- Council will not able to meet its various financial commitments

14. This report recommends **Option 1** as the Council relies on its income from rates to recover the cost of providing services to the community and to meet its various financial commitments

Consultation Process | Hātepe Matapaki

Significance and Engagement | Te Whakamahi I kā Whakaaro Hiraka

15. This matter is of medium significance, as determined by reference to the Council's Significance and Engagement Policy because the setting of rates impacts on all ratepayers and is a matter of high public interest.
16. The Annual Plan was consulted on along with Fees & Charges. Submissions were heard by the hearing panel and the changes have now been included in the Annual Plan which is included on the same agenda today.

Risk and Mitigations | Kā Raru Tūpono me kā Whakamaurutaka

17. This matter relates to the Regulatory/Legal/Compliance risk category. It is associated with RISK 10013 'Unexpected change in cost or funding' within the QLDC Risk Register. This risk has been assessed as having a very high residual risk rating.
18. Approval of the recommended option will support the Council by allowing the risk to be avoided.

Financial Implications | Kā Riteka ā-Pūtea

19. The rates which are set as a result of this decision have no direct financial implication for Council. They represent the mechanism for collecting budgeted revenues adopted in the Ten-Year Plan / Annual Plan.

Local Government Act 2002 Purpose Provisions | Te Whakatureture 2002 o te Kāwanataka ā-Kiaka

20. Section 10 of LGA states the purpose of local government is (a) to enable democratic local decision-making and action by, and on behalf of, communities; and (b) to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future. The Council must collect rates in order to be able to deliver services to the community.

21. The recommended option:

- Will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses;
- Is consistent with the Council's plans and policies; and
- Would not alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council or transfer the ownership or control of a strategic asset to or from the Council.

Attachments | Kā Tāpirihaka

A	Rates and Charges for 2026/27
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