

11 June 2026



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Dear 

Thank you for your email dated 13 May 2026 in which you asked, under the Local Government Official Information and Meetings Act, for:

- 1. A high-level breakdown of the major projected cost drivers behind the 27% increase in operating expenditure for 2026/27, as referenced in the 17 March 2026 Issues and Options paper (including dollar amounts or percentages for key categories such as depreciation, interest/debt servicing, insurance, wages/salaries, and compliance costs).*
- 2. The current projected total council debt as at 30 June 2027 (or the latest available projection), and the portion of the 2026/27 operating expenditure increase proposed to be funded by new borrowing.*
- 3. Any briefing notes, reports, or slides presented to Council on 17 March 2026 that explain the reasons for the 27% operating expenditure increase and the decision that public consultation is not required.*

Elected members requested that as part of the Annual Plan, that an option be presented to show what level of rates the Council would need to collect if it were to fully fund depreciation, not debt fund any other operational expenditure (such as the IT ERP upgrade project and the District Plan). This option resulted in a potential 27.37% increase. Note, that the 3-yearly asset revaluations had been undertaken for the 2024/25 Annual Report, and this resulted in an additional \$1.3m of depreciation (equivalent to 4.5% rates increase) that was also included in the increase in expenditure.

Whilst staff presented this option to the Council it was not the preferred option. The preferred option presented to the Council was 12.2%. This option was consistent with the Council's adopted Financial Strategy, which was to have a portion of unfunded depreciation, and borrow for some operation costs such as the IT ERP upgrade project. The 12.2% average increase in rates that was the recommended option was not significantly different to the 11.87% that was adopted in the 2025-34 long-term plan, therefore it did not trigger the need for public consultation.

In the meeting Council meeting on 17 March 2026, the Council resolved to approve an average rates increase of 11%. This increase was again, close to the adopted LTP rates increase of 11.87% and therefore did not trigger the significance level that necessitated public consultation.

In relation to the debt, staff are still working on the 2026/27 Annual Plan, with the draft scheduled to be included on the agendas for Risk and Assurance Committee (16 June 2026) and for adoption by the Council on (30 June 2026). That information will be available to the public at that time through the Council meeting agenda which will be published on 25 June 2026.

Finally, I can advise that there are no briefing notes, reports, or slides that were presented to Council on 17 March 2026 that explained the reasons for the 27% operating expenditure increase and the decision that public consultation is not required, that exist. Therefore, this part of your request is refused under section 17(e) of the LGOIMA, as the information does not exist.

You have the right to seek an investigation and review by the Ombudsman of this decision. Information about how to make a complaint is available at:
www.ombudsman.parliament.nz

If you wish to discuss this decision with us, please feel free to contact the Governance Team via governance@goredc.govt.nz.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'L. Straith', with a stylized flourish at the end.

Lornae Straith
General Manager Corporate Support / Chief Financial Officer