



**CENTRAL  
HAWKE'S BAY**  
DISTRICT COUNCIL

# Council Meeting – Late Agenda

Thursday, 15 February 2024

9.00am

Council Chambers,  
28-32 Ruataniwha Street, Waipawa

*Together we thrive! E ora ngātahi ana!*

## Order Of Business

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## 7 REPORT SECTION

### 7.3 ENDORSEMENT OF THREE-YEAR PLAN 2024-2027 DIRECTION

**File Number:**

**Author:** Doug Tate, Chief Executive

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**Attachments:** Nil

#### PURPOSE

The purpose of this report is for Council to formally endorse the direction of the 3 Year Plan 2024 - 2027, for Officers to prepare the Consultation Document and supporting information for the draft Three Year Plan 2024 – 2027.

#### RECOMMENDATION

1. **That the report be noted.**
2. **That Council endorses the direction and draft estimated budget and rates requirement for the Three-Year Plan 2024–2027 outlined in this report for the continued development of the Three-Year Plan.**

#### EXECUTIVE SUMMARY

The aftermath of Cyclone Gabrielle in 2023 resulted in significant and far-reaching damage, exceeding the impacts of even Cyclone Bola in 1988, which was described as “one of the most damaging cyclones to hit New Zealand”.

Under special legislation, Council is developing a Three-Year Plan instead of its normal ten-year Long Term Plan.

This window of three years will be critical to further understand the impacts of Cyclone Gabrielle on much of Council’s core infrastructure, particularly Council’s wastewater projects. This three-year period will also be critical to confirm the long term funding arrangements essential for the districts roading network to recover.

This report sets out the challenges that the district faces, and the areas of priority that the Three-Year Plan 2024 – 2027 propose to prioritise investment in. It then sets out the financial implications of the plan and outlines the overall approach proposed for the three-year plan including engagement with community.

The values, options and detail contained in this report are still subject to change, with the final confirmation of these expected when Council adopts the Consultation Document and Draft Three-Year Plan 2024–2027 supporting information at its 4 April Council meeting.

#### BACKGROUND

The Local Government Act 2002 (LGA) requires local authorities to adopt a long-term plan every three years. Each long-term plan must cover the following 10 years with a particular focus on the next three years. The overlapping nature of these timescales means a long-term plan is never entirely ‘new’ but builds on the existing one.

In response to Cyclone Gabrielle and repeated severe weather events in late 2022 and again in June 2023, on 7 September 2023 Central Government issued an Order in Council (OiC) which

suspended the statutory requirements of a ten-year Long Term Plan for Central Hawke's Bay District Council and several other councils. The OiC allows Council to prepare an unaudited, Three-Year Plan for 2024-2027.

While the Three-Year Plan is shorter in duration and does not need to have audit requirements, much of the other statutory requirements set out in the Local Government Act 2002 (LGA) are still applicable.

Over the past few months, Councillors and staff have been preparing to adopt the draft 2024-2027 Three Year Plan by:

- Preparing and presenting Activity Management and Asset Management Plan updates to Councillors.
- Workshopping Levels of Service and Key Assumptions.
- Reviewing the Revenue and Financing Policy and other key policies.
- Presenting the early Infrastructure Strategy direction at workshop.
- Presenting the early Financial Strategy direction at workshop.
- Endorsing at Council's 14 December 2023 meeting – budget focus areas for officers to continue the development of the Three-Year Plan estimates.
- Reviewing the capital works programme.
- Preparing and reviewing the draft estimates.

The estimates and proposals contained within this report are the result of the culmination of this work. The recommendations of this report give staff sufficient direction to prepare the draft Three Year Plan 2024 – 2027 and supporting documentation, including the Consultation Document for adoption planned for 4 April 2024.

### ***Key Challenges and Direction***

As was outlined in Council's report of 14 December 2023, there have been many challenges in the development of this budget estimate, with the notable challenges of Cyclone Gabrielle most evident.

Primarily, these challenges relate to the significant increases in costs facing Council since the adoption of the Long Term Plan 2021-2031. Notably, inflation has more than doubled from the predicted rate in the 2021-2031 LTP, interest costs have also more than doubled since the last LTP was set, and insurance premiums have significantly increased since the Cyclone.

Against this backdrop, we also have commitments initiated during the Long Term Plan 2021–2031 including a period of significant infrastructure investment in three waters. Compounded with rising interest rates and inflation, the two factors have significantly impacted on our ability to keep rates within our increases forecast in the Long Term Plan 2021–2031.

Councils across New Zealand are facing the same challenges with some councils forecasting increases between 7.5% to over 25% (Auckland 7.5%, Wellington City 15-20%, Regional Councils 20-30%, Unitary Councils 10 to 17%, Hamilton 25.5%).

Recovery councils such as Nelson, Hastings and Napier (forecast increase of mid 20's) are forecasting that the rating costs will be a lot higher for longer, including ongoing increases in their external debt.

Through all of the budget development, impact to community must remain front and centre. We know that affordability is an issue for our District, but we also know that it's not universally felt

across our district. This will be an ongoing challenge as we aim to balance supporting the needs of those in our current communities who are facing significant hardship, with not overly burdening future generations by underinvesting in assets today.

This Three-Year Plan 2024–2027 does not address all of our financial and strategic issues.

The total damage to our roading network has been assessed as over \$150m with some \$129m yet to be funded. There are also many new risks and potential impacts following Cyclone Gabrielle that aren't yet fully understood. Cyclone Gabrielle showed the vulnerability that we face with our water supplies and our wastewater treatment plants – many being severely impacted. The long term impacts for our future projects as a result of Cyclone Gabrielle are still not yet fully known and this has resulted in many projects needing to be deferred until the risks are further understood and known.

In the development of the budget estimates, the focus has remained on critical core infrastructure, those priorities identified by community in the development of the Community Recovery Plans in 2023 and Council's Elected Member Priorities. The priorities include:

- Continuing to prioritise new investment in Land Transport, particularly to address land drainage and associated maintenance backlogs identified in recovery.
- Increasing urban stormwater investment and operational maintenance as identified by community in recovery.
- Focussing on Land Transport Recovery, with \$2m of ratepayer funding planned for the first three years, assuming a 95/5% bespoke Funding Assistance Rate from Waka Kotahi on top of this.
- Continuing to prioritise #thebigwaterstory, continuing with drinking water risk and resilience Projects – including the Waipukurau Second Supply and Waipawa Reservoir Replacement.
- Maintaining the strategy and approach to #thebigwastewaterstory, albeit deferred due to uncertainty from new risks associated with Cyclone Gabrielle and the completion of the associated river management reviews.
- Continuing to progress alternative funding and delivery models for three waters, including the Hawke's Bay Waters model.

This next section of the report outlines the funding implication of these priorities.

## **DISCUSSION**

This section of the report outlines in more detail the financial situation which forms the basis of the Three-Year Plan 2024–2027 and the overall approach for engagement with community.

### ***Operating Expenditure***

The makeup of Council's operating expenditure for the Three-Year Plan 2024–2027 is shown in the following graph. In Years 2026 and 2027, costs remain driven by further total increases in debt servicing and a continued increase in the Land Transport Rate to address long term investment issues across the Land Transport network. These are noted in the blue and green bars of the following forecast operating costs graph.

Further increases beyond Year 3 also reflect a deliberate shift from the funding of renewals from debt back to rates, as consulted on and confirmed in the Long Term Plan 2021–2031.

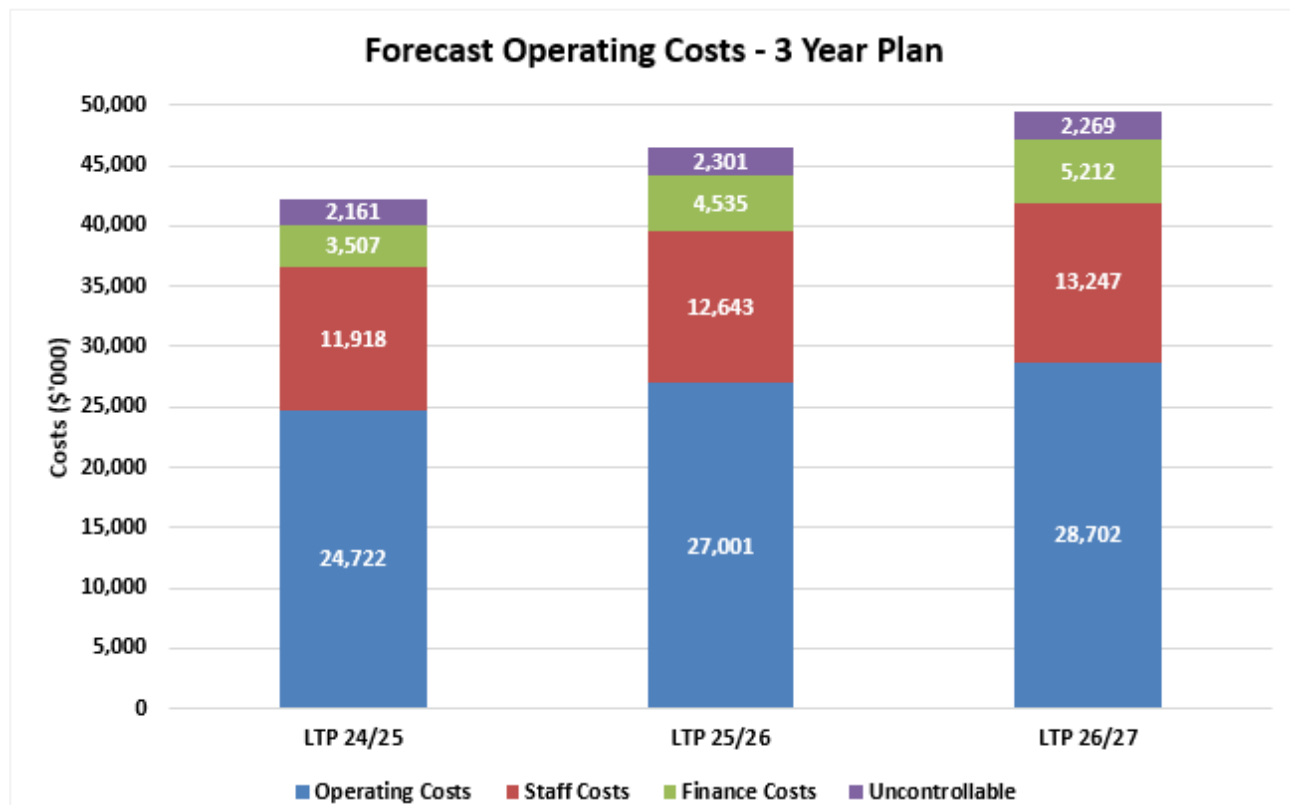
Of particular challenge in Year 1 of the Three-Year Plan are key financial impacts that Council is unable to control of \$2.427 million across the total rates increase required of \$6.67m. Some 30% (\$1.94m) of the total forecast increase (\$6.67m) that is out of Council's control are due to higher

than forecast interest costs and higher loan repayments, largely driven from Council’s historic three waters activity investment.

Other key costs that Council has no choice but to fund include new costs to continue to operate Council’s Landfill, increases in insurance greater than inflation, as well as a residual loss in fees forecast in resource and building consent activities, following internal savings already being applied. The key uncontrollable costs are listed below:



A breakdown of the forecast operating expenditure is shown in the table below:



As a breakdown, over 75% of the forecast increases in operating expenditure in Year 1 of the Three-Year Plan are being driven by core infrastructure activities – being three waters, land transport and Environmental Waste. This includes:

- An additional \$1,830k of investment in Land Transport.
- \$705k increase in the cost of the Landfill and Environmental Waste Activity.
- \$857k increase in the Stormwater activity to respond to community recovery expectations.

- \$1,257k increase in Drinking Water costs (\$510k of which is interest costs).
- \$734k increase in Wastewater costs (\$286k of which is interest costs).
- Construction Cost Index Increases greater than CPI and the previously noted three waters loan interest and repayment costs.

In reaching the proposed estimates for the Three-Year Plan 2024–2027 already a number of service changes and options to mitigate and defer costs across the organisation to achieve the proposed Year 1 budget estimates have already been included.

In 2023/24 Council already adopted the option to mitigate costs by suspending the funding of reserves. In particular, the funding of the \$2m per annum of roading recovery has come partly from rates, partly from debt, but a large part has come suspending the program of sealing gravel roads and redirecting these funds, and rather than contributing to the Catastrophic Fund (\$100k pa) and Bridge Replacement Funds (\$50k pa). Council is planning to withdraw from these funds at the rate of \$500k and \$100k respectively to offset these costs.

The other service changes and savings include:

- Organisational savings in excess of \$1m, made through personnel reductions across all activities, including changes in efficiencies in operating hours, reductions in offerings and/or slowing/deferring programmes across the organisation.
- The deferment of proposed new roles across the organisation, with the exception of new Planning Compliance and Hazard/Risk and Resilience roles to address critical issues across community.
- Land Transport – Further phasing of proposed increases over more years (extended to 12) to address the greater than forecast cost escalations and to address urgent asset maintenance backlogs.
- Solid Waste – the closure of the Takapau and Waipawa Transfer Stations and implementing changes to the operating hours in Pōrangahau. The estimates also include the suspension of the Recycling Trailer in Year 1 of the Long Term Plan and reductions in coastal collections in peak summer periods.

Despite all of these operational changes and many others, the level of rating required is still significantly higher than desired.

To achieve a rating requirement that was only 10% – down from the projected 24.2%, would require further organisational savings of \$4.8m. As context the entire Districtwide Open Spaces contract for mowing, spraying, litter and gardening has an annual value of \$1.1m. Later in this report, we outline the potential options that are being proposed for community formally give feedback on options to reduce the rating increases.

### **Capital Projects**

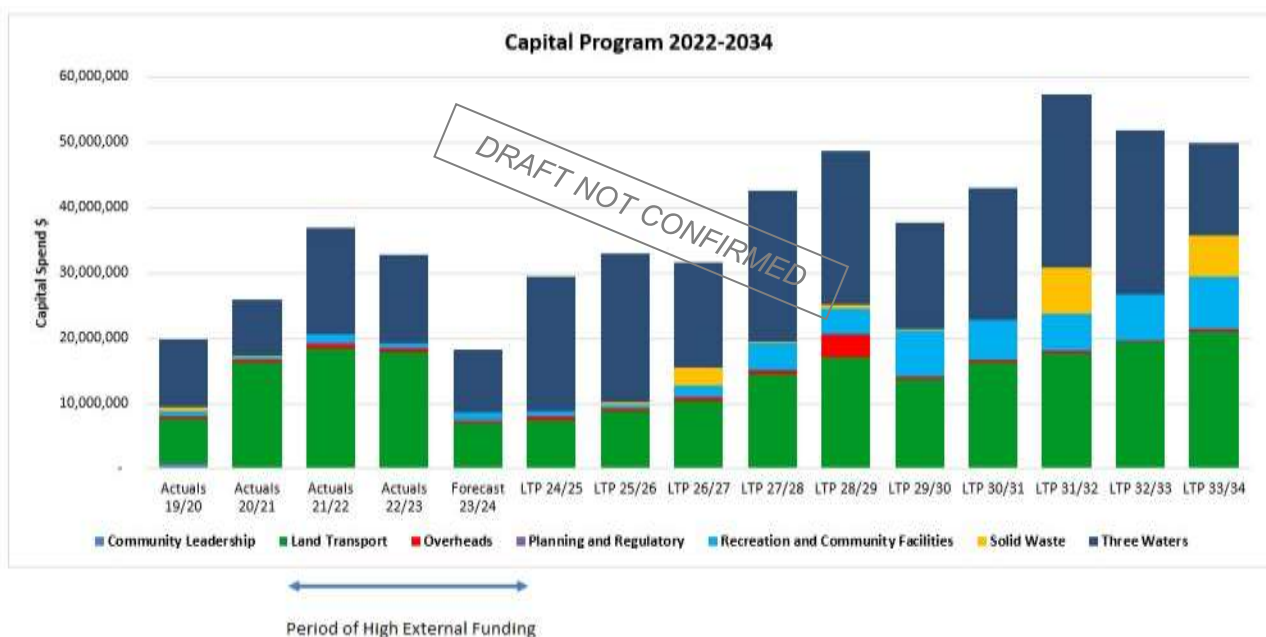
Council has significantly reviewed its capital programme for the draft Three Year Plan 2024–2027, with significant implications on the programme resulting from Cyclone Gabrielle.

The most significant impact to the capital programme has been the resulting rephasing and delaying of wastewater investment at least 3–4 years, as a result of new risks following Cyclone Gabrielle. The subsequent impact of these risks include:

- Delaying the Pōrangahau/Te Paerahi Wastewater Project, noting both the current wastewater site is expected to be impacted as a result of current flood mitigation planning for the township of Pōrangahau which is still categorised as 2A, and the new treatment and irrigation site being flooded during Cyclone Gabrielle.

- Delaying the Takapau Wastewater irrigation project. This site was severely eroded by the Makaretu river and further work needs to be completed to understand the resilience of the site, including the resilience of a new retention pond to be located next to the river.
- In Waipawa and Waipukurau, the Waipawa, Otāne and Waipukurau (WOW) Wastewater project needs to see the completion of the Upper Tukituki Scheme Review before further work progresses. This follows both the Waipawa and Waipukurau Wastewater Plants being inundated and the site for the new Treatment Plant in Waipawa and irrigation field in Walker Road being under many metres of water. This review also impacts the timing and financial impact of the Tukituki (Tarewa) Swingbridge replacement which will support Wastewater Growth in Waipukurau.
- Work is required however on short term wastewater treatment improvements in Waipukurau, to address growth and ongoing non-compliances in the short term.
- Slowing investment in the Low cost Low Risk Land Transport Programme to prioritise recovery funding. Added to this is further suspending new investment in footpath extensions and seal extensions for the life of the plan. In addition, contributions to Catastrophic Fund and Bridge Replacement Funds have also been suspended as well as newly proposed funding to address major structural replacements.
- As a result of Cyclone Gabrielle, the importance of drinking water resilience projects such as the Waipukurau Second Supply project have only been further reiterated, following Waipukurau’s sole drinking water supply being inundated with flooding. This project remains in the first three years of the programme, albeit rephased. The renewal of reservoirs that have reached the end of their economic life in both Waipukurau and Waipawa also both remain in the first three years of the plan.
- Delaying and deferring all major community facilities capital expenditure beyond Year 4 of the 10-year window.

A breakdown of the proposed capital programme is shown below:



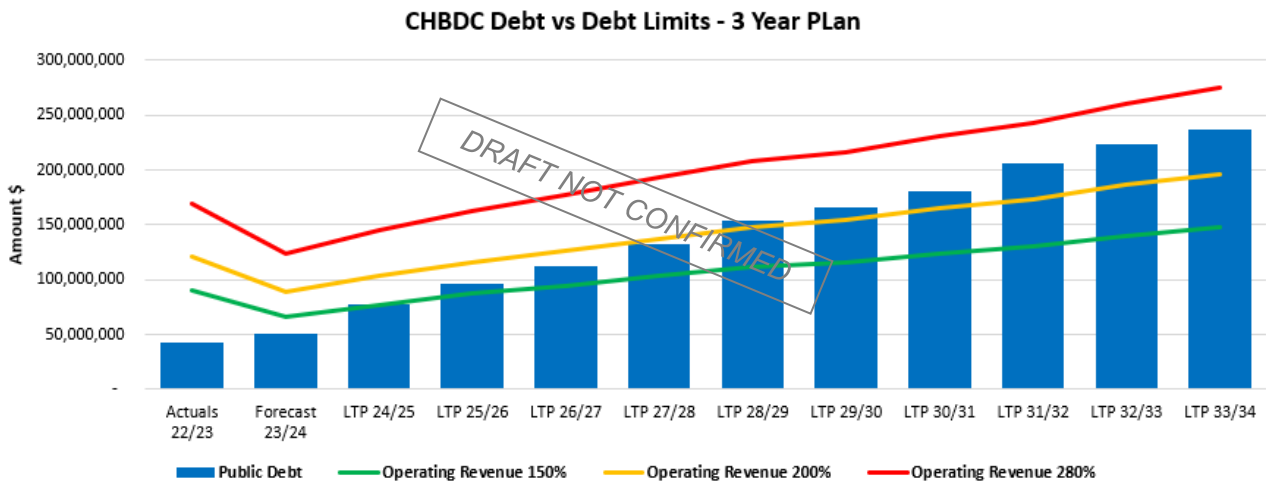
The notable absence currently in the capital programme is the projected capital expenditure required to address the forecast \$129 million of roading repairs to the district. Included in the capital expenditure in the first three years is a \$2 million ratepayer contribution, assuming a



bespoke Funding Assistance Rate (FAR) is achieved from Waka Kotahi, however, any resulting funding from Waka Kotahi is currently not included in the model and is a significant ongoing assumption to address land transport recovery for the long term.

**Forecast Debt**

The current forecast for the ten-year period will see total debt surpass \$200million and will require Council to seek a credit rating for its capital programme when it exceeds 175% of its Debt-to-Income ratio (noting Councils current policy position is 150%), on the basis that three waters remain with Council. The following graph demonstrates the projected debt and Council’s associated lending debt limits.



Substantially the new debt is associated with ongoing significant three waters investment, to see #thebigwaterstory and #thewastewaterstory programmes continued – albeit significantly slowed and rephased, to reduce risk and increase compliance and enhance resilience across the drinking water networks and achieve environmental compliance for wastewater.

The current interest rates assumed for the period vary between 5.5% and 4.0%, however, are notably higher than the 2.5% forecast for the ten-year period in the 2021–2031 Long Term Plan.

As a keynote, the extent and level of debt required to address three waters infrastructure investment, continues to reiterate the necessity for an alternate approach to three waters investment and delivery. The Governments Local Waters Done Well Policy provides an important platform for the Hawke’s Bay region to relaunch the Hawke’s Bay Model and to make urgent progress on this initiative to address the long-term investment required.

**Forecast Rates**

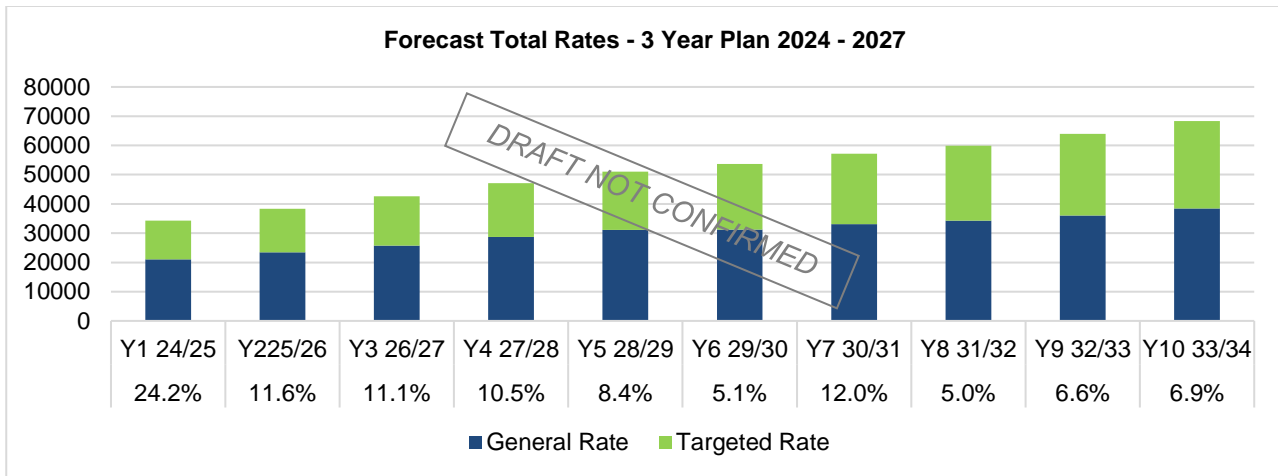
The Draft Three Year Plan 2024–2027 estimates propose increases to both the general rate and the targeted rate – driven substantially by required additional investment in the Land Transport Activity and borrowing costs associated with the delivery of the Three Waters Programme.

The most substantial increase is proposed for Year 1 of 24.2% with the average increase through the remaining 9 years being 8.6% ranging from 12.0% to 5.0%.

These are average increases and will fall across the district differently based on location and the subsequent land and capital values of properties. Early modelling shows that urban ratepayers will face higher than average increases due to the impact of the three waters targeted rates, due to the large historic capital program and debt servicing associated with this program.

Similarly in the rural area, the proposed increase in the Land Transport Rate of 18% will drive notable increases for rural properties with a high land value, with rural lifestyle properties overall having similar percentage increases, but lower actual increases from a low rating base.

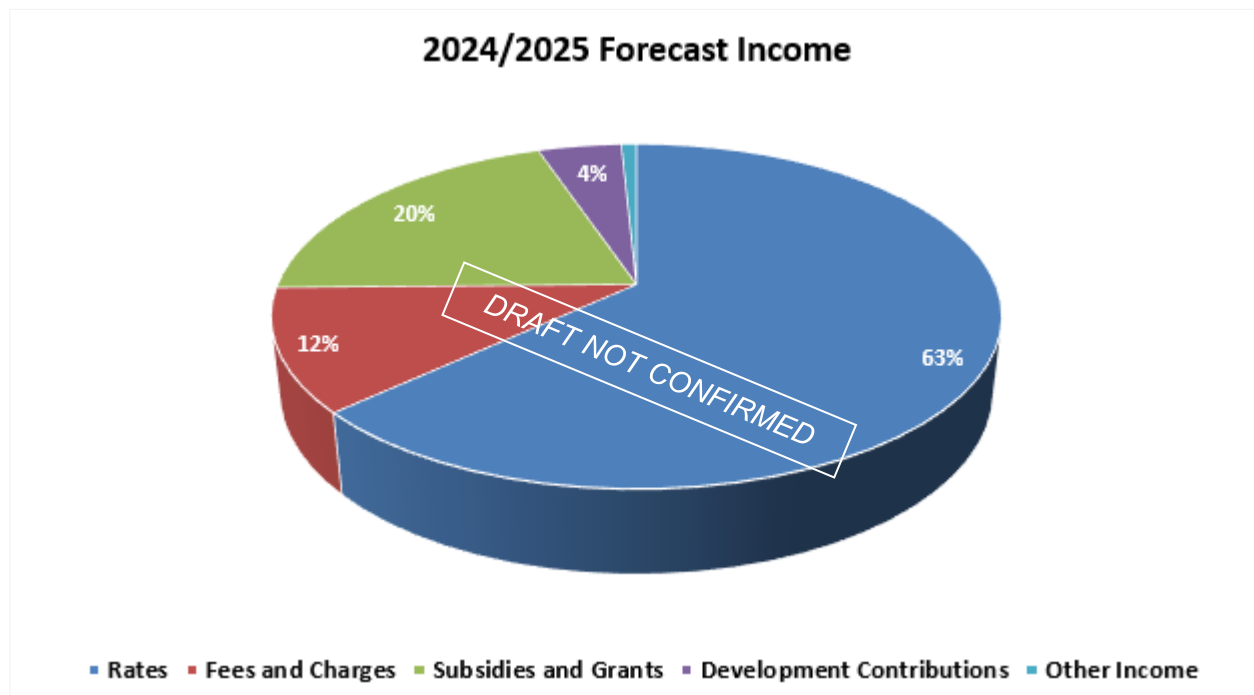
The forecast increases and the total rating revenue for the general and targeted rate are shown in the graph below.



The impact of the draft 2024–2027 Three-Year Plan for individual property owners will be outlined within our Consultation Document, along with the makeup of the drivers of cost for activities.

**Total Revenue**

The average make-up of Councils operating income for the first year of the draft Three-Year Plan 2024–2027 is shown below. In total rates make up 63% of the total revenue that Council is proposing to receive for the period.



In addition to the proposed rate increase, there will be corresponding increases in Fees and Charges, Trade Waste Fees, Development Contributions, and subsidies from Waka Kotahi.

Non-rates revenue accounts for approximately \$20m of Councils annual revenue.

### ***Three Year Plan 2024 – 2027 Engagement and Consultation***

While this report outlines the proposed rates increases, community will expect clarity on the real options that are available to them to reduce the rate.

We also expect that community will be seeking confirmation of what historic investment has and future investment will realise. It will be important to ensure that these messages are succinctly and clearly articulated.

The purpose of the Consultation Document is to outline key options that are available to community, with the Consultation Document needing to focus on the options that are available to community to sustain or defer/reduce investment to lessen the rating impact.

The key topics that are proposed for engagement with community in the Consultation Document include:

- Topic 1 – Drinking and Wastewater Investment

This topic will outline the proposed strategy to continue with investment across Councils resilience priorities for drinking water investment. As a result of Cyclone Gabrielle, it will propose to defer investment in Council's Wastewater activities until the completion of associated regional reviews and the potential impacts on Councils wastewater assets are fully understood.

The two waters (drinking and wastewater) targeted rates require a 29.7% and 34.4% increase respectively, which translates to approximately a \$650 increase in rates for targeted ratepayers alone.

The proposed alternate options will explore the few options that remain available to offset the rating impacts particularly in Year 1 of the Three-Year Plan. These options will include accepting lower levels of service, i.e. accepting more regular outages and leak failures and further deferring drinking water resilience projects, particularly the Waipukurau Second Supply project that seeks to provide a higher level of service/provision than is currently provided.

There are few options to reduce cost in the wastewater programme, particularly in Year 1 without physically stopping operational services. These reductions will also not be enough to have a material impact on defraying the significant debt servicing costs that exist.

- Topic 2 – Stormwater Investment

The need for greater stormwater investment in urban areas was a key outcome of the districts recovery plan and was the most notable priority in urban areas. Subsequently \$857k of new stormwater investment has been prioritised and is proposed in the first year and ongoing years of the Three-Year Plan.

This equates to a 73.4% increase in the stormwater targeted rate with the rating differential seeing a \$289 increase in the targeted rate in Waipawa and Waipukurau, a \$113 increase in Otāne and a \$65 increase in Takapau.

In the consultation document, clarity on what the current rating investment has achieved over the last three years will be clearly explained, but specifically what the new investment will result in for community will also need to be clearly explained, based on community expectation outlined in the districts recovery plan.

The further options in this topic will outline options to slow the new investment through phasing over 3 years, as well as the option of accepting the current levels of service and maintenance across networks for a longer period before introducing new increases.

- Topic 3 – Land Transport Investment

Increased investment in Land Transport was identified as a key priority prior to Cyclone Gabrielle, particularly to address the growing backlog of drainage, metalling, and structural improvements to the districts roading network that are required.

The impacts of Cyclone Gabrielle on the Districts roading networks have only further reiterated the importance of these networks for the resilience and prosperity of our district and wider region.

Notably this topic will need to outline the key assumption relating to recovery funding being the 95/5% Funding Assistance Rate (FAR) from Waka Kotahi as a major assumption in the plan. It will also need to set out that without this funding, recovery will take decades to fund and deliver with rating income only.

As context, community will also be looking for assurance that their current investment is being used wisely and that value is being realised. Noting the specific improvements that are already underway in the land transport activity to lift supplier performance and improvement of our internal leadership, will also be set out in the Consultation Document.

Similar to other activities, the only way to offset the increases to the Land Transport rate will be to further delay new investment in the activity.

The options will outline primarily the option to further phase proposed increases, with increases already forecast over 12 years to begin to minimise the backlog of maintenance issues being extended even further.

The only other option available will be for community to accept an even lower level of service across roading networks, with the option outlining what the subsequent savings and implications for this will be – particularly across rural networks.

- Topic 4 – Other Consultation Matters

This area will outline other areas for consultation and feedback. This includes welcoming feedback on matters included in the budget such as reductions in services in solid waste, key policies such as the Development Contributions Policy, as well as consultation on Bylaws, due for their first review that will be picked up as part of the Three-Year Plan consultation process.

Across all of the consultation and engagement activity, will be a need to ensure that the community remain appropriately informed of the significant recent investment that has been required by Community, to address the long-standing historical underinvestment in the district's infrastructure.

Historical decisions to reduce rates and its subsequent expenditure in previous years, has been a significant contributor to the current infrastructure deficit.

It is proposed that Council will adopt the Consultation Document on 4 April 2023, providing for a period of consultation through April and early May, before hearing and deliberations commence in late May.

Officers will workshop with Council the proposed approach for engagement and formal consultation in March.

## **RISK ASSESSMENT AND MITIGATION**

There are a number of risks around the draft estimates of the 2024–2027 Three-Year Plan.

Interest rate risk is the risk that funding costs (due to adverse movements in market interest rates) will exceed the Three-Year Plan cost projections. This would further exacerbate the current

affordability of rates, and then subsequently further capital investment decisions and even the feasibility of some projects.

To reduce and mitigate the effects of interest rate risks, Council will continue to take an active role in interest rate risk management as outlined in its Treasury Management Policy.

More change is expected to occur, especially around Three Waters. At this time it is expected that the Hawke's Bay Waters Model will best align with the 'Local Waters done well' policy approach of the new Government, however the final make up and timing of this is yet to be confirmed.

The extent of and confirmation of any Waka Kotahi rate of assistance for their share of the emergency reinstatement costs on our roads or further government recovery funding is also unclear. While a 95/5 % funding split is proposed, the confirmation of this and the timing of this still is not clear.

Adverse weather events and/or damage to our assets is likely to continue, the scale and timing of which is not known. Some of the risks are mitigated by Council's insurance policies which cover most of the costs for emergency events such as fire and earthquakes for Council's built assets – but not for its most significant assets Land Transport.

Other risks include our inability to replenish our reserves, the ability to react to changing circumstances and uncertainty around Waka Kotahi funding for our roading reinstatement works programme. Competing pressure to keep rates as affordable as possible will also continue to restrict any amount that we rate for replenishing reserves into the future.

#### **FOUR WELLBEINGS**

The long-term outcomes of Project Thrive have been key in the development of the Three-Year Plan 2024–2027 draft estimates to date. There is recognition that working to achieve the long-term vision across the seven outcomes of Project Thrive, will undoubtedly deliver on wellbeing in the wider sense long-term.

There are however significant challenges that are faced in the development of this Three-Year Plan 2024–2027. The draft estimates seek to balance the achievement of all four outcomes as much as possible – despite the trade-offs that will inevitably have to occur particular from the affordability challenges this draft budget presents.

#### **DELEGATIONS OR AUTHORITY**

Council has the authority to endorse the direction of this report.

#### **SIGNIFICANCE AND ENGAGEMENT**

In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as of significance.

The development of a Long Term Plan/Three-Year Plan is one of the most significant bodies of work that any Elected Council is involved in during a triennium. This report provides an important milestone in the continued development of the Three-Year Plan 2024–2027.

Engagement and formal consultation with community and Mana Whenua will occur as part of the ongoing development of the Three-Year Plan.

The draft Three Year Plan and Consultation Document must follow the Special Consultative Procedure as set out in the LGA.

## OPTIONS ANALYSIS

### ***Option 1 – Endorse the Draft budget to enable the continued development of the Three-Year Plan***

This option would see Council endorse the draft direction of the Three-Year Plan 2024–2027, allowing officers to continue with the development of the plans associated policies and supporting documents, including the Consultation Document for Council adoption. Formal consultation with the community would then subsequently follow.

### ***Option 2 – Reject the Draft budget and provide direction to officers on changes***

This option sees Council reject the draft estimates and that further guidance and direction is provided on the extent and further proposed changes that are recommended to the draft budgets.

	<u><b>Option 1</b></u> <b>Endorse the Draft budget to enable the continued development of the Three-Year Plan</b>	<u><b>Option 2</b></u> <b>Reject the Draft budget and provide direction to officers on changes</b>
<b>Financial and Operational Implications</b>	This option provides for the development of the Consultation Document and associated documentation for further adoption and consideration by Council, ahead of formal consultation with community.	Relative to the extent of change, officers may be able to meet the proposed timeline and ability to adopt and strike the rate for the new financial year by 30 June 2024.
<b>Long Term Plan and Annual Plan Implications</b>	n/a	n/a
<b>Promotion or Achievement of Community Outcomes</b>	This option provides the basis for Council to deliver on the achievement of community outcomes sought through Project Thrive.	Subject to the extent of change, this option provides the basis for Council to deliver on the achievement of community outcomes sought through Project Thrive.
<b>Statutory Requirements</b>	The LGA and OiC provided set key financial and outcome obligations that Council must comply with.	The LGA and OiC provided set key financial and outcome obligations that Council must comply with.
<b>Consistency with Policies and Plans</b>	This option aligns with the strategic direction that Council has provided to date, including Elected Member Priorities and more significantly Project Thrive.	Relative to the extent of change, this option may also support the existing strategic direction in place.

### **Recommended Option**

This report recommends **Option1 – Endorse the Draft budget to enable the continued development of the Three-Year Plan** for addressing the matter.

## NEXT STEPS

The Draft budget estimates are indicative and still subject to further work prior to the adoption of the Three-Year Plan 2024–2027 Consultation Document. Therefore, there may be changes between this version and the version that appears in the draft Three-Year Plan 2024–2027.

Council and Officers will continue to develop and refine the budget, but importantly begin the development of the consultation document, based on the endorsement of the approach to the Three-Year Plan 2024–2027 outlined in this report.

The next key steps for the development of the plan are outlined in the table below:

29 February	<b>Workshop</b> Officers will workshop critical policies and strategies associated with the Three-Year Plan.
6 March	<b>Workshop</b> Officers will workshop critical policies and strategies associated with the Three-Year Plan.
14 March	<b>Council Meeting</b> This will be the formal opportunity for Council to receive a formal update on the programme, adopt key policies and strategies.
19 March 2024	<b>Risk and Assurance Meeting</b> To consider draft Consultation Document and draft plan.
20 March 2024	<b>Workshop</b> For Councillors to workshop any final feedback on the Consultation document and draft Three Year Plan.
4 April 2024	<b>Council Meeting</b> Adoption of Consultation Document for consultation.
5 April to 6 May 2024	<b>Consultation and Engagement</b> Formal consultation opens and runs over a four-week statutory timeline.
22 May 2024	<b>Hearings</b>
30 May 2024	<b>Deliberations</b>
13 June 2024	<b>Council Meeting</b> Adoption of Three-Year Plan.

## RECOMMENDATION

1. **That the report be noted.**
2. **That Council endorses the direction and draft estimated budget and rates requirement for the Three-Year Plan 2024–2027 outlined in this report for the continued development of the Three-Year Plan.**