



ATTACHMENTS MINUTES

Council Meeting

Wednesday, 27 August 2025

Table of Contents

25.17.20	Central Otago Helicopter View 2026-2035	
	Appendix 1 Central Otago - A Helicopter View to 2035	4
25.17.21	Mayor's Report	
	Appendix 1 CODC Submission on the Systems Improvement Bill.....	21



Purpose

To provide a clear picture of the development pipeline over the next decade and the Regional Deal work program response.

The following slides offer a snapshot on recent growth trends, and forecast impacts of future moderate to high certainty large scale developments.

All supporting data is sourced from Council records and Infometrics.



High Level Points

For period 2026-2035

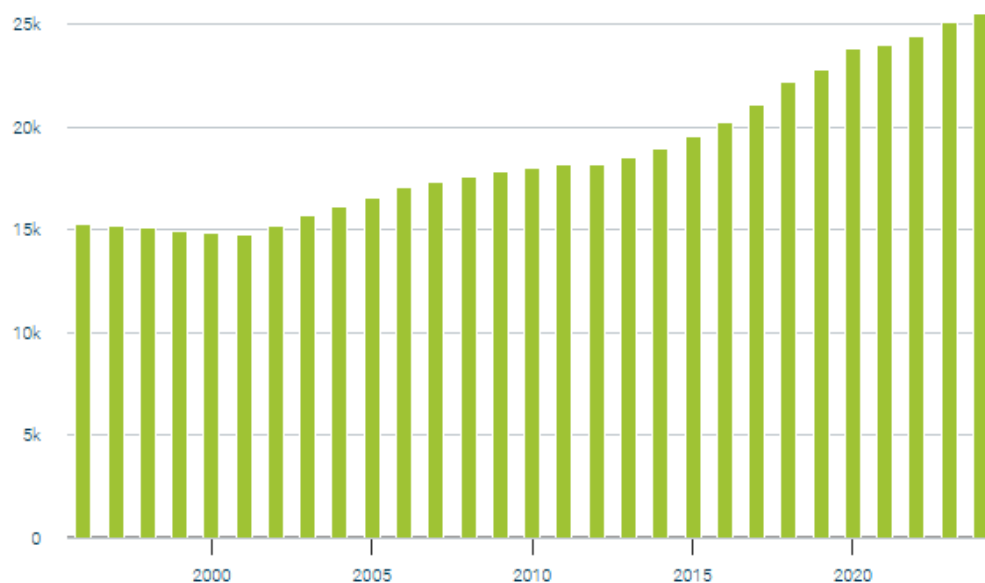
- With zero constraints, 6,650 new dwellings are forecast to be built
- Resulting in 41,500 total residents by 2035, that is 63% growth from 2025
- Significant risk of social infrastructure failure without interventions
- Through the Regional Deals program, OCL is working with Govt to plan for and manage the region's growth



Population

Population level

People, annual level, June years



Source: Infometrics

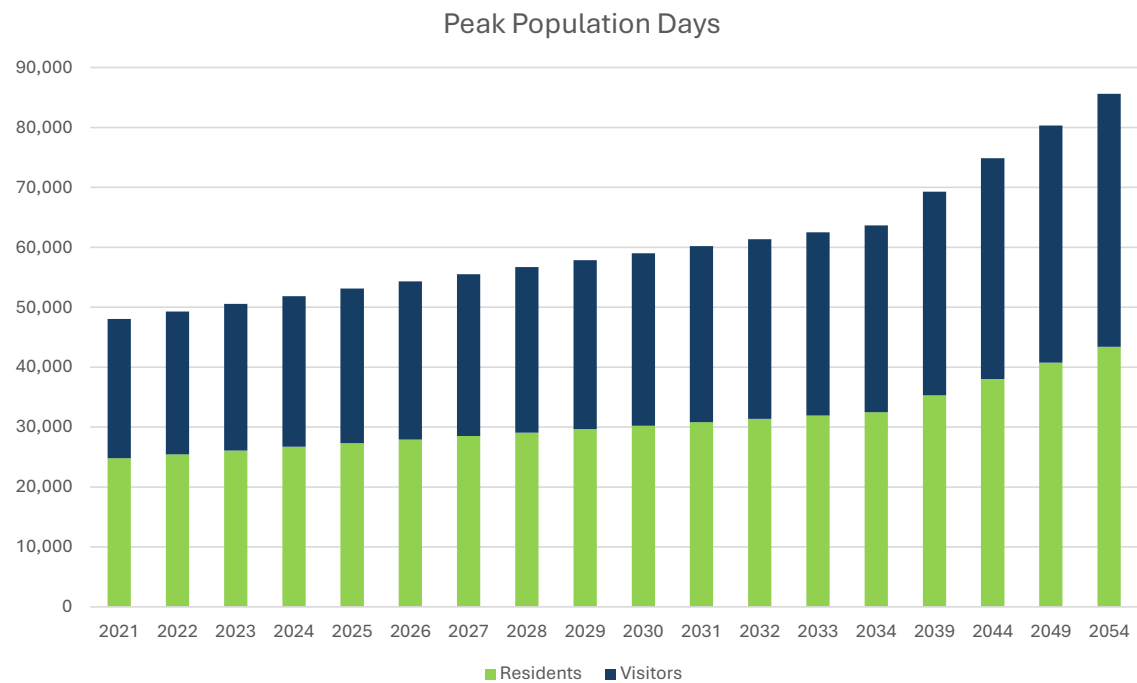
Central Otago District has been one of the fastest growing regions of New Zealand in recent time, with growth accelerating since 2015.

Over the next decade that growth is forecast to accelerate at a much faster rate than ever seen before. This is shown in the subsequent slides.

The growth has been driven by macro trends;

- Lifestyle focus
- Access to remote working
- Employment/business opportunities
- Enhanced regional connectivity

Visitor Population Impacts



Source: Rationale Population Forecasts 2021 (new forecasts are currently in development)

On peak days, Central Otago’s population doubles due to visitors.

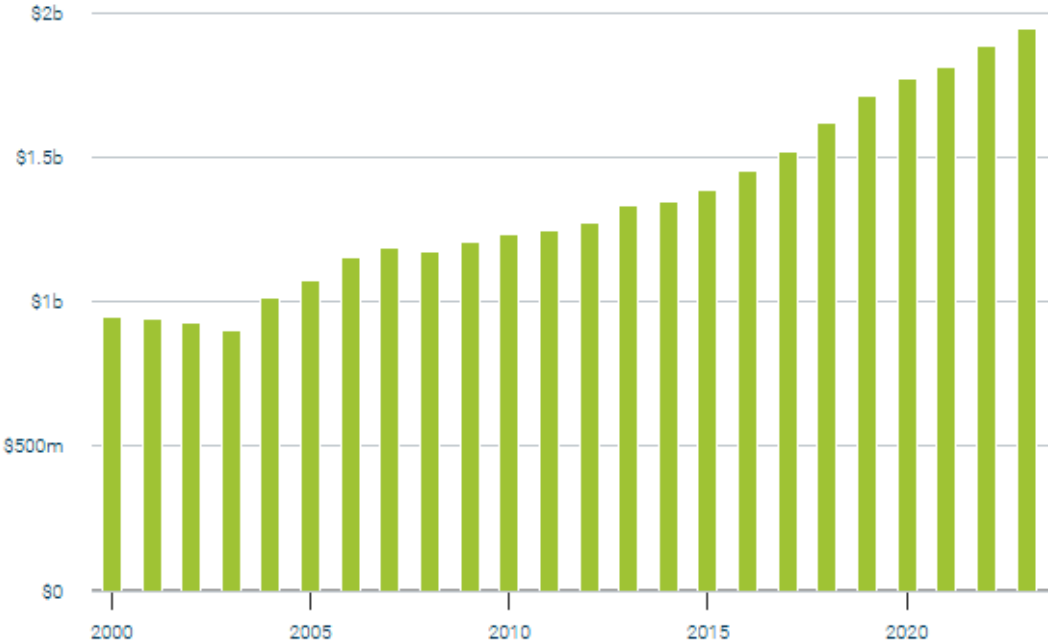
As a result, the infrastructure to support the community must be built with capacity to cater for twice as many that live in Central Otago and contribute to the infrastructure directly through rates.

Given the small ratepayer base of Central Otago, this puts significant burden on ratepayers to provide infrastructure that is double the capacity the community itself requires.

Economy

Gross domestic product

Annual level, March years, 2024 prices



Source: Infometrics

The Central Otago District economy growth has also accelerated since 2015.

Key highlights;

- Central Otago avg 3.9% growth over past 10 years compared to NZ avg of 3.0%
- Construction, Agriculture and Tourism are main drivers of the economy accounting for >30% of GDP
- Unemployment is historically very low, 1.4% compared to NZ avg of 4.0% in 2024

BaU Development Trends

Historical data from Building Control helps us identify a 'Business as Usual (BaU) Development Trend'.

Assuming the historical trends will continue over the next decade, there will be 3,200 new residential properties built in Central Otago by 2035.

Capacity constraints to consent and build properties may impact the BaU Development Trend, this has not been factored in to the 2026-35 forecast.

Last 3 years	Total New Dwellings Jul 2022- Jun 2025	Avg p/a
Cromwell	572	191
Vincent	331	110
Teviot Valley	27	9
Maniototo	27	9
Totals	958	319

This table represents BaU new dwellings between July 2023 and June 2025 by Ward.

Forecast 2026-35	New Dwellings by Ward 2026-2035	Population factor: 2.4 2026-2035
Cromwell	1906	4575
Vincent	1104	2649
Teviot Valley	92	220
Maniototo	92	220
Totals	3193	7664

The forecasts are based on the average number of new dwellings per annum over the last three years.

‘Large Scale’ Future Development Pipeline

The Development Pipeline is all the known large scale (50 lots or more) housing developments with either a Moderate or High degree of certainty.

This illustrates the next wave growth set to hit Central Otago. Of the nearly 3,500 new dwellings, 73% of those are regarded as ‘High Certainty’.

The data also tells us, new large scale developments will be focused mainly around Cromwell.

New developments in Vincent and beyond are less certain. Constraints relating to consenting and building have not been factored into these forecasts.

Large Scale' Housing Development by Ward	New Dwellings by Ward 2026-2035	Population factor: 2.4 2026-2035
Cromwell	2,639	6334
Vincent	826	1982
Teviot		
Maniototo		
Total	3,465	8316

It is critical to note, these tables represent the large scale known developments with a moderate to high degree of certainty. These tables do not include BAU developments that occur year on year and cumulatively have an infrastructure impact.

Development BaU + Pipeline

When we overlay the development pipeline with the BaU development trend forecasts, the forecast growth sees the population of Central Otago grow by 63% in the next decade.

This outcome is based on 100% of all developments (BaU forecast + pipeline) being built in the next decade.

Constraining factors such as resourcing to enable consenting and the availability of building contractors may have an impact on the total number of developments.

The table provides a scaled approach. If 60% of potential developments were to be realised due to constraining factors, that would still result in a population increase of 9,588 across Central Otago by 2035.

Future Trends 2026-2035	Residential Developments	Population Growth
130%	8656	20774
120%	7990	19176
110%	7324	17578
100%	6658	15980
90%	5993	14382
80%	5327	12784
70%	4661	11186
60%	3995	9588

*Combined BaU + Development Pipeline (moderate-high certainty)
developments with a 2.4 population factor applied.*

Population Impacts

Forecast 2026-35	Dwellings	Population
Cromwell	4545	10909
Vincent	1930	4632
Teviot Valley	92	220
Maniototo	92	220
Totals	6658	15980

Table represents new dwellings and new residents

Decade	Population	% change
1995	15250	
2005	16550	8.5%
2015	19550	18.1%
2025	25500	30.4%
2035	41480	62.7%

Table represents cumulative population growth for all of Central Otago

As the data suggests, there is a high level of confidence the majority of residential development will centre around the Cromwell Ward.

When a population growth factor of 2.4 is applied against every new dwelling, over the next decade the population is forecast to grow by 63% to 41,500 from the current 25,500.

While not picked up in the historical trend data or new development pipeline, it is a reasonable assumption that as demand lifts in Cromwell and Vincent, the Maniototo and Teviot will follow suit, but at a slower growth rate.



Social Infrastructure

Central Otago's social infrastructure will continue to come increased pressure. Based on growth forecasts, this will push to breaking point without interventions.

Areas needing attention are;

- Healthcare
- Education (all levels)
- Affordable housing
- Public transport
- Fibre network
- Social services



Regional Deals Proposal

Otago Central Lakes is working with Central Government to prioritize the unique challenges of the region.

Proposals being worked through;

- Capturing Value
- Transform Transport
- Electrifying OCL
- Healthcare Investment
- Visitors & Investors

Capturing Value

Otago Central Lakes seeks to capture value from the rapid growth in residents and visitors.

New tools will enable reinvestment back into the region to assist with its unique growth challenges;

- Visitor Levy
- Mining Royalties
- Affordable Housing



Transforming Transport

Otago Central Lakes is seeking to develop new forms of transport to support the region's growth, now and into the long-term future;

- Regional network planning
- Mass rapid transport
- Public bus network



Electrifying OCL

Otago Central Lakes' vision is to drive economic growth as a fully electrified subregion.

Powering innovation in untapped renewable energy potential and building a home for national, economically-important pilot projects;

- Rooftop solar uptake
- Future fit network



Healthcare Investment

Support for the continued growth in Otago Central Lakes through a partnered approach to delivering public health services that results in a significant increase in public health services for Otago Central Lakes;

- Clinical services planning
- Public/Private investments



Visitors & Investors

Focus on building economic resilience, capability and productivity across key industries, while also prioritising the increase of yield and holistic value of tourism;

- Investment shopfront
- Data driven insights
- Grow productive sectors





Submission on the Local Government (Systems Improvements) Amendment Bill

August 2025

Central Otago District Council

The Central Otago district covers 9,933km² in the lower South Island. 25,500 people call the district home - a population density of 2.6 people per km² - and there is high visitation due to the unique scenery and natural offerings.

Funding and financing the delivery of services is a significant challenge at this size, scale, remote distance, and due to the unique, rocky terrain. Just 14,200 ratepaying units service the area – and visitation can outsize resident population daily in peak season.

Incomes sit below the national average and high growth in some areas is leading to increasing pressure. Our population skews older than the national population.

77% of Central Otago District Council's expenditure is on roading, water infrastructure, and waste. Infrastructure cost increases are the true driver of rates increases. In 2024/25 well over half the increase in rates came from expenditure relating to Three Waters. CODC insurance costs rose \$200,000 per year, energy costs were similar.

Following suggestions we would trim community facilities, a record number of submissions were received highlighting the importance of these facilities to our community, and their desire to have an active role in council decision making.

There have been numerous reports on the challenges to local government funding and financing – and the risk that these funding arrangements are insufficient to meet the challenges of the future.

The pressures outlined in such reports from the Productivity Commission, work of the Future for Local Government Review, and reports from the Ministry for the Environment on climate related expenditure are all relevant to the management of Central Otago District Council's financial future.

Whilst Central Otago District Council has made commentary on specific aspects of the Local Government (System Improvements) Amendment Bill, these must be considered in this context of significant cost pressures on local government and a need for proactive consideration of funding and finance arrangements. The Bill does not offer solutions relevant to the scale of this challenge.



Local Government (System Improvements) Amendment Bill.

Central Otago welcomes systematic improvement of local government. We acknowledge the Government's intent to address cost-of-living pressures and improve the efficiency and transparency of local government.

We have significant concerns about the Bill's impact on the democratic integrity of local governance and the ability of councils to make decisions in the best interests of current and future generations. We are concerned that government has misunderstood the factors leading to rate increases, and the Bill will not address these factors – instead, it limits our ability to manage them. Elements of the Bill promote short term decision making at long term expense.

Central Otago District Council supports increased transparency and accountability

CODC is committed to transparency. We support the measures that aim to enhance this nationally, including:

- Improved reporting on contractor and consultant expenditure
- Greater access to council performance information
- Standardised governance tools

These changes have the potential to strengthen public trust and improve consistency across the sector. They must be used in conjunction with local context and priorities – for CODC, we use consultants to manage workflow peaks or access skills on a temporary basis.

Our public should know “what good looks like”, but what looks good for Christchurch or Wellington is not the same as what looks good for Ranfurly or Cromwell.

A large scale infrastructure project often has a long journey of conversations with the community to best meet their needs. There are elements of that story worth telling alongside the costs and figures.

Central Otago District Council seeks a bipartisan consensus on the purpose of local government

The Bill removes all references to the four aspects of community well-being: social, economic, environmental, and cultural. These aspects were reinstated in 2019 to reflect a holistic and inclusive approach to governance, that aligns with communities expectations against each wellbeing.

The removal narrows the purpose of local government to infrastructure and service delivery, sidelining the broader aspirations of distinct communities and limiting councils ability to respond to these needs and values.



However, section 14 somewhat contradicts this, outlining that a local authority should make itself aware of, and should have regard to, the views of all its communities – including both future and current communities. It also notes ‘the social, economic, and cultural interests of people and communities.’

The lack of clarity creates confusion for communities and does not provide a clear direction.

Our community has clearly asked us to manage increasing cost pressures with a mature, planned approach and a long-term perspective. We ask the government facilitate this with a bipartisan Government consensus on the purpose of Local Government and stability to navigate the future.

There is uncertainty, significant costs, and wasted resources for both ratepayers and taxpayers as the terminology is continuously put in and removed.

Central Otago District Council supports the centralisation of Governance Tools

The Bill empowers the Secretary for Local Government to issue binding codes of conduct and standing orders.

We support a system that supports professional standards, conflict resolution pathways, and ultimate accountability.

We note that there are limits to this standardisation – that there needs to be enough flexibility to serve the meeting, and its distinct needs – and that the best people to judge the performance of our governance is our community through a democratic election.

Central Otago District Council are concerned that tools such as rate pegs would severely constrain capacity

The Bill signals interest in tools such as rate pegs. This would restrict our ability to raise revenue for long-term investments, and restrict our capacity to plan for future generations – particularly housing provisions, infrastructure renewal, and climate resilience and adaptation.

Our council has a proud history of some of the lowest rates and debt in the country. We had a self-imposed limit on rates of 5% per annum from 2014. This was through a constant balancing act of affordability and sustainability, noting that ratepayers of the past were not paying for the true cost of the assets they were benefitting from – it was spread over time.

By 2024, our actual increase was 18.3%. Core services, as defined under this proposed Bill, made up 92% of the cost increase. Inflation and other increases to the cost of providing ‘core services’ are the primary driver of rates rises and costs increases. Non-core services, under the Bill, that our community still value and require include cemeteries, public toilets, animal control, liquor licencing, and consenting.



History has frequently shown that rates pegging leads to severe corrections at a future date, and points to a solution born from politicking rather than good governance.

Central Otago District Council are concerned that the Bill impacts future-focused decision-making

The Bill's emphasis on short term cost-effectiveness may limit councils' ability to invest in initiatives that are essential for long-term community wellbeing, or even investments to reduce future costs. These include:

- Alignment of priorities with Central Government as we negotiate for a Regional Deal together with Otago Regional Council, Queenstown Lakes District Council, and the Crown
- Environmental sustainability and climate adaptation, including disaster resilience
- Youth engagement and civic education as we work to grow community engagement with council
- Māori representation and partnership
- Economic Development and productivity growth in our agricultural sector
- Destination Management, as we deal with the spill over impact from Queenstown Lakes District and support the Government's "Going for Growth" agenda.

It is imperative that decision-making takes into account the true cost of kicking the can down the road, for generations beyond the current ratepayers.

Central Otago District Council emphasises the importance of community in local democracy

Local government is the most immediate and accessible form of democracy. It is where communities come together to shape their futures. The strength of our system lies in its responsiveness to local voices, local diversity, and local aspirations.

We urge the Government to retain and strengthen provisions relation to community interests in the Local Government Act, and to ensure that councils retain the autonomy and flexibility needed to serve their communities effectively.

Central Otago District Council urges that transitional provisions are considered

The majority of the Bill takes effect the day after Royal assent. Council notes that unfunded mandates from Central Government are a significant part of the rising cost challenges that face Local Government, and urges the Government ensure appropriate transitional measures are in place to manage any change or reform process relating to the Bill.

Central Otago District Council seeks clearer direction and local planning for Civil Defence Emergency Management



The Bill intends to list Civil Defence Emergency Management (CDEM) as a core role of council. This is appropriate but must be supported by a cohesive and clear direction from the National Emergency Management Agency (NEMA).

The definition of CDEM in the Bill aligns with the Civil Defence Emergency Management Act 2002, including measures to 'guard against, prevent, reduce, recover from, or overcome any hazard...'

Relevant hazards are those assessed as having a likelihood of occurring with an impact across a social, built, natural, or economic environment.

As CDEM groups review their group plans, they utilise methodologies developed by NEMA and essentially rely on feedback from those in the room when conducting the workshops.

This has two fishhooks:

1. The formulation of the group plan relies on the capabilities of those in the room
2. The risk is assessed at regional level, which is encouraging but also poses further risk to smaller communities.

The requirement to identify and qualify regional risk can mean that smaller communities are at risk of catastrophic impacts, but do not meet the threshold for substantial intervention – particularly if they lack 'critical infrastructure' from a regional perspective. This is particularly concerning for our isolated communities.

Local planning must be done well and bring a regional lens that covers not just the built environment, but the other three environments as well. The challenge is how we integrate local and regional plans with national expectations.

Furthermore, this should include a mechanism to support councils grappling with climate adaptation – a national issue that currently falls on individual councils to solve, without funding.

Central Otago District Council is concerned about the potential for unfunded mandates and communities falling through gaps in this legislation.

In conclusion

The Central Otago District Council supports efforts to improve transparency and efficiency in local government. However, we oppose provisions that narrow the purpose of local government, centralise governance tools, create uncertainty or a lack of clarity for our council and community, and constrain councils' ability to plan for the future.

We call on the Government to:

- Retain the four aspects of community well-being in the Act, even if you call them something else



- Provide frameworks and templates but preserve local autonomy in governance practices and enable us to champion good governance
- Ensure councils can continue to make decisions that reflect the values and needs of their communities—now and for generations to come

The future holds increasing financial challenges for individuals, communities, Local Government, and Central Government. We aim to work together to navigate it:

Grounded in respect for the environment
Advanced by increased economic prosperity
Empowered by a robust social fabric
Enriched by expressions of our culture.

A handwritten signature in blue ink, appearing to read "Tamah Alley".

Mayor Tamah Alley and the Central Otago District Council