

AGENDA/KAUPAPA



P O Box 747, Gisborne, Ph 06 867 2049 Fax 06 867 8076

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MEMBERSHIP: Her Worship the Mayor Rehette Stoltz (Chair), Aubrey Ria (Deputy Chair), Colin Alder, Alexandra Boros, Larry Foster, Samuel Gibson, Debbie Gregory, Anne Huriwai, Jeremy Muir, Rawinia Parata, Rob Telfer, Daniel Thompson, Rhonda Tibble and Nick Tupara

FINANCE & PERFORMANCE/WHAKAHAERE PŪTEA ME ŌNA HUA Committee

DATE: Wednesday 30 September 2026

TIME: 1:00PM

AT: Te Ruma Kaunihera (Council Meeting Room), Awarua, Fitzherbert Street, Gisborne

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Finance & Performance Committee

Reports to:	Council
Chairperson:	Mayor Rehette Stoltz
Deputy Chairperson:	Deputy Mayor Aubrey Ria
Membership:	Mayor and all Councillors
Quorum:	Half of the members when the number is even and a majority when the membership is uneven.
Meeting frequency:	Six weekly (or as required)

Purpose

To assist Council to oversee financial and non-financial performance, including the delivery of the Council's Capital Programme and oversight of the Council Controlled Trading Organisation (CCTO).

To monitor Council activities and services performance against budget, Annual Plans, the Long Term Plan, Annual Reports and corporate and financial policies.

The Finance and Performance Committee also receives enforcement and compliance performance activity reporting to ensure financial and non-financial performance oversight of its regulatory functions.

Terms of Reference

- Set, monitor and review plans, financial measures, practices and policies; the sources of funds, banking arrangements, insurance, investment and debt criteria, future financial arrangements.
- Monitor the performance of Council's treasury function – including strategic, investment and enterprise assets.
- Set fees and charges for Council services (including parking), where such fees are not set by laws (including bylaws).
- Approve preferred suppliers for capital projects and contracts where the value of the contract exceeds staff delegations.
- Approve expenditure (including substituted capital expenditure) items that are provided for in the Long Term Plan or Annual Plan where the value of that expenditure exceeds that authority delegated to officers.

- Approve debt write-offs where those debt write-offs are not delegated to staff.
- Consider all matters regarding the Local Government Funding Agency (LGFA).
- Monitor and review Council's strategic investment and enterprise assets – including consideration of the operational and financial effectiveness of Council Organisations, Council Controlled Organisations and Council's CCTO.
- In relation to the CCTO:
 - develop and approve the draft Statement of Intent for the CCTO
 - undertake any reviews of CCTO and make recommendations on any proposed changes to CCTO governance arrangements
 - consider and approve changes to service delivery arrangements arising from the service delivery reviews required under Local Government Act 2002 (LGA) that are referred to the Committee by the Chief Executive.
- Monitor the operational performance of Council's activities and services against approved levels of service.
- Monitor the operational performance of Council's regulatory activities and in particular enforcement and compliance, financial and non-financial performance reporting.
- Review and approve business plans including any related fees, charges and expenditure (including capital expenditure).
- Review the delivery of services under section 17A of the LGA.
- Monitor the delivery of the Council's Capital Programme, including inquiring into any material discrepancies from planned expenditure.

Power to Act

To make all decisions necessary to fulfil the role and scope of the Committee subject to the limitations imposed.

To establish subcommittees, working parties and forums as required.

To appoint non-voting advisory members (such as tangata whenua representatives) to assist the Committee.

Power to Recommend

To Council and/or any Council committee as it deems appropriate.

3.1. Confirmation of non-confidential Minutes 5 August 2026

MINUTES

Draft & Unconfirmed



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MINUTES of the FINANCE & PERFORMANCE/WHAKAHAERE PŪTEA ME ŌNA HUA Committee

Held in Te Ruma Kaunihera (Council Meeting Room), Awarua, Fitzherbert Street, Gisborne on Wednesday 5 August 2026 at 9:00AM.

PRESENT:

Her Worship the Mayor Rehette Stoltz (Chair), Colin Alder, Alexandra Boros, Larry Foster, Samuel Gibson, Debbie Gregory, Jeremy Muir, Rawinia Parata, Rob Telfer, Daniel Thompson, Rhonda Tibble

IN ATTENDANCE:

Chief Executive Nedine Thatcher Swann, Director Internal Partnerships & Protection James Baty, Director Lifelines Tim Barry, Chief Financial Officer Pauline Foreman, Acting Director Sustainable Futures Awhina White, Chief Advisor Maori Gene Takurua, Democracy & Support Services Manager Donna Shaw and Committee Secretary Sally Ryan

Secretarial Note: Cr Parata, Chief Advisor Maori Gene Takurua and Director Internal Partnerships & Protection James Baty attended the meeting via audio visual link.

The meeting commenced with a prayer/karakia.

1. Apologies

MOVED by Her Worship the Mayor Rehette Stoltz, seconded by Cr Gregory

That the apologies from Cr Huriwai, Cr Ria and Cr Tupara be accepted.

CARRIED

2. Declarations of Interest

There were no interests declared.

3. Confirmation of non-confidential Minutes

3.1. Confirmation of non-confidential Minutes 3 June 2026

MOVED by Cr Gregory, seconded by Cr Foster

That the Minutes of 3 June 2026 be accepted.

CARRIED

3.2. Action Register

Noted.

3.3. Governance Work Plan

Noted.

4. Leave of Absence

There were no leaves of absence.

5. Acknowledgements and Tributes

Cr Gibson acknowledged the outstanding achievements of Tairāwhiti judoka and Commonwealth Games champion, Sydnee Andrews, along with the professionalism and pride with which she represents the region and her judo club.

Her Worship the Mayor acknowledged the passing of Hastings District Council Chief Executive Nigel Bickle. He was remembered as an outstanding leader, valued colleague and friend, and a hardworking and respected member of the community. His sudden loss will be deeply felt across Hastings.

6. Public Input and Petitions

There were no public input or petitions.

7. Extraordinary Business

There was no extraordinary business.

8. Notices of Motion

There were no notices of motion.

9. Adjourned Business

There was no adjourned business.

10. Reports of the Chief Executive and Staff

10.1. INFORMATION Reports Finance

10.1.1. 26-178 Treasury Report - 30 June 2026

Secretarial Note Cr Tibble arrived at 9:04am

Chief Financial Officer Pauline Foreman attended.

Questions of clarification included:

- The current debt profile is weighted towards short-term debt, primarily due to contractual arrangements and the pending credit rating.

Secretarial Note Councillor Parata arrived via audio visual link at 9:10am.

- Total debt per capita and per rateable unit reflects the forecasts of debt made within the Long Term Plan and assumptions of growth within the rateable area. The growth of the rateable area within the Long Term Plan (LTP) was expected to remain consistent. The 2027-2037 LTP will revisit the growth assumptions along with the reforecast debt.

- Some of these Treasury measures are static, these include borrowing parameters under the Local Government Funding Agency (LGFA) and the Benchmark disclosures as set under the Local Government (Financial reporting and Prudence) Regulations 2014.
- The debt forecast considers factors such as ongoing water services costs and requirements. Council borrowing is expected to increase in line with the programme of works, timing and priorities, which inform debt forecasting and the Long Term Plan (LTP).
- Current planning and policies are expected to be sufficiently flexible to accommodate the new water service requirements, with adjustments required to extend and spread the debt profile over a longer period.

MOVED by Cr Boros, seconded by Cr Foster

That the Finance & Performance/Whakahaere Pūtea me Ōna Hua Committee:

1. Notes the contents of this report.

CARRIED

10.1.2. 26-179 Financial Report 31 May 2026

Chief Financial Officer Pauline Foreman attended.

Chief Financial Officer Pauline Foreman noted the reported surplus is an accounting surplus, as capital grants are recognised as income while the associated capital expenditure has not been recorded. This results in an overall surplus, where the surplus funds go towards reducing our need to borrow for our capital projects. The lower capital expenditure is primarily due to the timing of the approved programme of works and the timing of projects over the longer term, including the associated recovery. Council has delivered the highest level of capital programmes in its history.

Questions of clarification included:

- The majority of operating costs are covered by operational grants. The difference between grants and expenditure, together with Council's 50% share of the Category 3 relocation grant and 32% contribution towards emergency roading works, creates the quantum between the two elements.
- The surplus will be lower due to capital works expenditure being below budget. As the programme is delivered, the associated grant funding will be received, so there is no adverse impact on the cash position.
- Prior to approximately 2020, carryovers were not included in the Annual Plans, and budgets were not revised to incorporate carryovers into the Long-Term Plan. This can create some confusion when comparing figures from periods prior to carryovers being included.
- The delivery of water maintenance is monitored by Council and is also reviewed by the Office of the Auditor-General. Additional provisions in certain capital budgets that were included in the Long-Term Plan as a precaution in case additional work was required at the water services level.

- Water services delivery remains generally on track, with renewables on budget and key network, water and pipeline renewals progressing to schedule. Some projects face delivery challenges due to site access; issues identified during works and stakeholder engagement requirements. Increased regulatory oversight by the Commerce Commission and Taumata Arowai will provide closer governance of delivery and deadlines.
- Graham Road works are nearing completion, with a report expected shortly. Unforeseen underground services and site complexities have affected the original timeline, with staff adapting designs and delivery approaches as required.
- Employee Benefit Expenses represent the net cost, with capitalised costs recognised separately as part of the cost of capital. Employee Benefits, Liabilities and Suspense includes holiday pay and other current and non-current liabilities.
- The additional \$1.3m funding agreement for emergency works for the roading network in December 2025 was funded under a 50/50 cost -share arrangement with Central Government.

MOVED by Cr Alder, seconded by Cr Gregory

That the Finance & Performance/Whakahaere Pūtea me Ōna Hua Committee:

1. Notes the contents of this report.

CARRIED

10.1.3. 26-185 Rates and Sundry Invoice Debt Management to 30 June 2026

Chief Financial Officer Pauline Foreman attended.

Chief Financial Officer Pauline Foreman provided an update, noting that as part of the Long-Term Plan, the Revenue and Financing Policy will be reviewed alongside a comparable affordability report, expected around September. The review will assess affordability across a broader range of sectors, rather than focusing solely on residential properties.

Questions of clarification included:

- Central Government provides a rates rebate for eligible low-income ratepayers, who are encouraged to apply. Where ratepayers experience financial difficulties, individual circumstances are considered, with hardship or remission provisions considered to provide support where possible.
- A portion of the total rates debt for this period includes rates bills that are currently out for payment as well as older unpaid rate debts.
- Staff work with individuals to resolve unpaid rates debt through options such as payment plans and adjusting direct debit dates. Where debt remains unresolved for approximately two years, it may be referred to Baycorp for collection, with some cases progressing to court proceedings if necessary.
- The general land rates debt includes residential, rural and forestry aside from māori freehold land.

- As outlined in the report, affordability and economic pressures made worse by recent storms as well as those not in full-time work were some of the reasons given for missed or late rates payments.
- The figure shown for solid waste under sundry debtor aged debt for June 2026 vs June 2025 was a grant that has been paid.
- Rate increases generally fall within the indicated parameters, although in some cases individual properties may vary depending on changes in property value.

MOVED by Cr Alder, seconded by Cr Telfer

That the Finance & Performance/Whakahaere Pūtea me Ōna Hua Committee:

1. Notes the contents of this report.

CARRIED

11. Public Excluded Business

Secretarial Note: These Minutes include a public excluded section. They have been separated for receipt in Section 11 Public Excluded Business of Council.

12. Readmits the Public

MOVED by Her Worship the Mayor Rehette Stoltz, seconded by Cr Gregory

That the Finance & Performance/Whakahaere Pūtea me Ōna Hua Committee:

1. Readmits the Public.

CARRIED

13. Close of Meeting

There being no further business, the meeting concluded at 10:25am

Rehette Stoltz

MAYOR

3.2. Action Register

Meeting Date	Item	Status	Action Required	Assignee/s	Due Date
5-08-2026	10.1.2 26-179 Financial Report 31 May 2026	Completed	Provide the total cost of employment, including the portion allocated to capital expenditure.	Pauline Foreman	30-09-2026
Action Taken 17/09/2026 Pauline Foreman Total Employee Benefit Costs for 2026/27 is \$36.8 million, lower by \$1.6m against the Annual Plan Budget. This is made up of: - \$45.4m, \$3.2 m lower than the Annual Plan (\$48.6m). It includes employee costs, superannuation, and leave provision movements Less - \$8.6m Charge to projects (capital and operation)					
5-08-2026	14.1 Additional Action Items	Completed	Report 26-179 Financial Report 31 May 2026 Provide the total cost of the Category 3 buyouts to date, including the additional emergency roading works.	Pauline Foreman	30-09-2026
Action Taken 17/09/2026 Pauline Foreman Total Category 3 Voluntary Property Buyouts is \$32.6m. This includes additional properties that were added in relation to roading access option (refer to Public Excluded 25-172 26 June 2025). Excluding roading access properties is \$30.8m.					

3.3. Governance Work Plan

2026 Finance & Performance						Meeting Dates					
HUB	Activity	Name of agenda item	Purpose	Report type	Owner	18-Feb	22-Apr	3-Jun	5-Aug	30-Sep	18-Nov
Finance & Affordability	Financial Services	Treasury Management Update Report	Provide an update on Treasury	Information (I)	Lucy Gibson						
Finance & Affordability	Financial Services	Financial report to end of period	Provide a high-level overview of the Council's financial results for the period	Information (I)	Mel Hartung						
Liveable Communities	Financial Services	26-192 Rural Rubbish Sticker CPI Price Increase	Seek a Committee decision whether or not to proceed with proposed CPI increase of rural rubbish stickers.	Decision (D)	Luke Knight						
Liveable Communities	Financial Services	26-209 Gisborne Museum of Art and History Annual Report 2025 - 2026		Information (I)	Pene Walsh						
Sustainable Futures	Strategy	Review of DC Contributions for LTP27	To discuss with Councillors - public excluded regarding the level the charges should be set to and whether they want any remissions built into the policy.	Public Excluded (I)	Tessa Buchanan						

2026 Finance & Performance						Meeting Dates					
HUB	Activity	Name of agenda item	Purpose	Report type	Owner	18-Feb	22-Apr	3-Jun	5-Aug	30-Sep	18-Nov
Finance & Affordability	Financial Services	Gisborne District Rates Affordability Review	The purpose of this report is to present the findings of the independent Rates Affordability Review commissioned by Council and outline its relevance to the review of the Revenue and Financing Policy for the Long Term Plan 2027-2037.	Information (I)	Torepe Taumaunu						
Finance & Affordability	Finance & Affordability	Gisborne Holdings Limited - Indirect Local Government Funding Agency Borrowing Update	To approve the lending documentation between Council and GHL.	Public Excluded (D)	Lucy Gibson						
Finance & Affordability	Financial Services	Capital Summary 30 June 2026		Information (I)	Mel Hartung						

10.1. DECISION Reports Finance



26-192

Title: 26-192 Rural Rubbish Sticker Consumer Price Index (CPI) Price Increase
Section: Solid Waste
Prepared by: Luke Knight - Waste Solutions Manager
Meeting Date: Wednesday 30 September 2026

Legal: No	Financial: Yes	Significance: Medium
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Report to FINANCE & PERFORMANCE/WHAKAHAERE PŪTEA ME ŌNA HUA Committee for decision

PURPOSE - TE TAKE

The purpose of this report is to seek your decision to proceed with proposed Consumer Price Index (CPI) increase of rural rubbish stickers.

SUMMARY - HE WHAKARĀPOPOTOTANGA

The Finance and Performance Committee approved consultation on a proposed increase to rural rubbish sticker prices on 3 June 2026 [Report 26-137]. The proposed increase reflected a CPI inflationary adjustment to fees that have not been reviewed for six years as an interim measure to partially offset rising costs, while recognising affordability constraints.

Applying CPI at approximately 4.3% per annum over six years would increase the blue sticker price from \$2.80 to \$3.50, and the pink sticker price from \$10.00 to \$12.50.

Consultation was undertaken from 9 July to 7 August 2026 through the Participate page on the Gisborne District Council (Council) website, with notices also displayed at rural transfer stations.

76 submissions were received. For the key question about the impact of the proposed price increase:

- **66% Negative** (50 responses)
- **16% Mixed** (12 responses)
- **11% Neutral** (8 responses)
- **8% Positive** (6 responses)

The dominant theme was opposition to the proposed price increase, with respondents indicating that the change would have a negative impact on their household, farm, or business. The high proportion of negative responses reflects that cost pressures are a significant concern in the community.

A decision is now sought on whether to proceed with the CPI adjustment to rural rubbish sticker prices, in alignment with other Council fees and charges, or to retain the current pricing.

Retaining the current pricing level would result in a funding shortfall of approximately \$1.6m in recovering the cost-of-service delivery, the proposed increases provide a modest reduction in this shortfall.

As noted in the report presented on 3 June 2026, the broader structural gap between revenue and the cost of delivering solid waste services across the district is being considered as part of a wider programme of work arising from the Waste Minimisation and Management Plan (WMMP) and the Long-Term Plan (LTP).

The decisions or matters in this report are considered to be of **Medium** significance in accordance with the Council's Significance and Engagement Policy.

RECOMMENDATIONS - NGĀ TŪTOHUNGA

That the Finance & Performance/Whakahaere Pūtea me Ōna Hua Committee:

- 1. Approves an increase in rural rubbish sticker prices – raising the blue sticker price from \$2.80 to \$3.50 (5kg bag) and the pink sticker price from \$10.00 to \$12.50 (approximately 0.5 cubic metres of waste);**

OR
- 2. Does not approve any increase in rural rubbish sticker prices, noting that as a result these prices will not reflect the inflationary adjustment to Council Fees and Charges under the 2024 Three-Year Plan.**

Authorised by:

Michele Frey - Director Liveable Communities

Keywords: waste, transfer station, recycling, fuel, landfill

BACKGROUND - HE WHAKAMĀRAMA

- 1. Rural rubbish sticker fees have not been adjusted in line with inflation for approximately six years, while the cost of providing waste management services has continued to increase at least in line with CPI. As a result, the gap between revenue and cost has widened over time. The longer pricing adjustments are deferred, the more significant this gap becomes.
- 2. The reasons for the lack of adjustment are reflective of the complexity of solid waste management as a Council service. Achieving the right balance between environmental outcomes, service levels, and cost efficiency requires a comprehensive system-wide review, which takes time to develop and implement. This work is now progressing through the WMMP and associated planning processes.
- 3. At this stage, a detailed analysis of the cost recovery required to fully fund stickered waste services has not yet been completed.
- 4. In the interim, it was proposed to Council in June 2026 it would be appropriate to adjust fees in line with CPI as a minimum to prevent further erosion of cost recovery. Council approved consultation on the matter.
- 5. Consultation occurred during the period 9 July – 7 August.

We are seeking feedback on a proposal to increase rural rubbish sticker prices

Rural rubbish stickers help fund the collection and disposal of household waste from rural communities.

The current sticker prices have not been reviewed for approximately 6 years. During that time, the cost of providing waste services has increased significantly and the revenue collected from sticker sales no longer covers the cost of the service.

To help address rising costs and support the ongoing delivery of rural waste services, Council is proposing to increase sticker prices in line with inflation (Consumer Price Index) over this period as an interim measure.

While this increase will help offset rising costs, it will not fully cover the cost of providing waste services at rural transfer stations.

Rural rubbish sticker increase:

Blue sticker ◦ Current price: \$2.80 ◦ Proposed price: \$3.50	Pink Sticker ◦ Current price: \$10 ◦ Proposed price: \$12.50
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A broader review of the district's waste management system is underway through the Waste Management and Minimisation Plan and future Long Term Plan processes. This work will consider the long-term sustainability of waste services, including service levels, infrastructure and funding arrangements.

Have your say

Feedback closes 5pm Friday 7 August.

Open

🕒 Open until 7/08/2026 at 11:59 pm

What impact, if any, would the proposed increase in rural rubbish sticker prices have on you, your household, farm or business?

Please share any comments you would like Council to consider before a final decision is made.

You have 800 characters remaining

Community Feedback

6. A total of 82 responses and 76 submissions were received. Overall feedback indicated a strong level of concern regarding the proposal, with 66% of responses expressing a negative sentiment, compared with 16% mixed, 11% neutral and 8% positive.

Key Themes Raised

Affordability and Cost of Living Pressures

7. Affordability was the most frequently raised issue in submissions. Respondents consistently referred to increasing household expenses, including food, fuel, rates, and other living costs, and expressed concern that the proposed sticker price increase would place additional financial pressure on rural households, farms, and businesses. Many submitters considered the proposal particularly challenging given the current cost of living environment and recent rates increases. Several respondents highlighted the potential impact on vulnerable residents, including low-income families, single parent households, and older residents on fixed incomes.

Impact on Rural Communities

8. Respondents indicated that rural residents often have limited alternatives for waste disposal and therefore may be disproportionately affected by any increase in user charges. Feedback reflects concerns about the cumulative impact of increasing costs on rural communities.

Illegal Dumping and Environmental Impacts

9. Approximately 20 submissions (around one-quarter of all responses) explicitly referenced illegal dumping, fly-tipping, roadside dumping, beach dumping, river dumping, or burning rubbish as a likely consequence of the proposed increase.
10. Respondents anticipated that higher disposal costs may encourage some residents to dispose of waste on roadsides, beaches, riverbanks, stopbanks and other public areas, or to burn household rubbish rather than utilise transfer stations. Several submitters noted that illegal dumping is already occurring in parts of the district and considered a price increase likely to exacerbate the issue. Some respondents also suggested that any additional revenue generated through increased sticker charges could be outweighed by the costs associated with monitoring, collecting, and disposing of illegally dumped waste.

"All you will achieve is increased fly tipping."

"Cheaper the better team. A large increase in cost will encourage illegal dumping and discourage whānau from disposing waste appropriately."

Equity Between Rural and Urban Communities

11. A number of submissions raised concerns regarding equity between rural and urban residents. Respondents noted that rural households generally do not receive kerbside rubbish collection and must transport waste to transfer stations at their own expense, incurring additional fuel, travel, and vehicle costs. Many submitters considered the proposed sticker price increase unfair given the lower level of service available in rural areas.

"Town residents get kerbside pickup, while rural households receive no collection at all."

"We pay rates, but we do not get the same services as urban based people."

12. It should be noted that town residents are rated for and pay the full price for kerbside collection. Transfer stations operations are significantly subsidised by the city (60%-80% of the costs.) The setting rates for Rural Transfer stations were calculated on the same basis that a person disposing waste rurally should match what a person pays in the city (ie the city stickered price costs).
13. Several respondents also questioned whether rural ratepayers receive value commensurate with the rates they contribute, expressing a view that rural communities subsidise services and infrastructure primarily benefiting urban areas. Concerns were also raised about urban residents using rural transfer stations because disposal charges were cheaper than Gisborne's refuse facilities, placing additional pressure on rural facilities, and suggesting this issue should be addressed before considering increases to rural sticker charges.

"Too many townies coming to our rubbish dump out Te Karaka with overloaded trailer loads for \$10. I reckon they should be paying the same as town, \$40 for pink sticker."

"I propose the issue is addressed at the core by seeing what's going on with the Gisborne rubbish disposals that has forced them to travel all the way to rural stations to dump their rubbish."

14. The incremental increase proposed now, is to address some of these anomalies. Pricing between the city and rural transfer stations should be set on the same basis.

Support for the Proposal

15. A small number of submitters supported the proposed increase, generally acknowledging that waste management and transfer station operating costs have increased over time and that some adjustment to user charges may be necessary. Supportive respondents considered the proposal reasonable in principle, particularly where additional revenue would contribute to maintaining services and supporting transfer station operations. A small number indicated the increase would have minimal impact on their household due to their current level of waste generation (i.e. they minimise their waste through recycling and composting) or because they receive stickers through their rates. However, even among supportive submissions there was recognition of broader cost-of-living pressures and the need to manage impacts on rural communities.

Distribution of Responses

16. The total number of responses by transfer station was 82.

Transfer Station	Responses	%
Tolaga Bay	25	30.5%
Tokomaru Bay	15	18.3%
Te Karaka	13	15.9%
Waiapu	12	14.6%
Matawai	5	6.1%
Te Puia Springs	4	4.9%
Tikitiki	3	3.7%
Te Araroa	3	3.7%
Whatatutu	2	2.4%
Total	82	100%

DISCUSSION and OPTIONS - WHAKAWHITINGA KŌRERO me ngā KŌWHIRINGA

17. Overall, the feedback indicates limited community support for the proposed increase. The key issues identified through the consultation were affordability, perceived inequity for rural residents, and concerns that higher disposal costs may lead to increased illegal dumping and other undesirable waste disposal behaviours.
18. The level of opposition and reluctance to pay increased charges is not unexpected, particularly given current cost-of-living pressures referred to by many submitters.
19. The broader themes of affordability, equity, waste minimisation, and illegal dumping are recognised by Council and are already being considered through the ongoing review of waste management and minimisation services across the district. The feedback received through this consultation reinforces the importance of the work currently underway and highlights the need for long-term solutions that balance service affordability, environmental outcomes, and financial sustainability.

20. With respect to illegal dumping, Council acknowledges the concerns expressed by submitters that increasing sticker prices may contribute to this behaviour. However, it is not considered that the proposed CPI-based adjustment (an increase of approximately **\$0.70 per blue sticker** and **\$2.50 per pink sticker**) would, in itself, result in a significant or measurable increase in illegal dumping activity. Illegal dumping already occurs within the district and is influenced by a range of social, economic, and behavioural factors. While the impacts of this behaviour on communities, infrastructure and the environment are significant, continuing to provide waste management services at levels that do not meet the full cost of service delivery is not considered a sustainable response. Addressing illegal dumping will require a targeted and broader strategic approach through Council's waste management and minimisation work programme.
21. A number of submitters noted that the proposed rural pink sticker charge would continue to represent a significantly lower-cost disposal option for larger volumes of waste when compared with equivalent disposal charges at the Gisborne Transfer Station. Some submitters also raised concerns regarding the use of rural transfer stations by urban residents seeking to access lower-cost disposal options.
22. It should be noted that the fees are for the costs of disposing, are over and above the allocated "rate" stickers that are sent out to ratepayers. The User fee is the charge for the additional waste disposed. The proposed new fees do not cover the full cost of disposal and are still less than what it costs to dispose within the city.
23. On balance, staff consider the proposed increase to be a modest CPI-based adjustment in alignment with the increases in Fees and Charges adopted by Council in April 2026 [report 26 – 94].
24. The consultation has, however, highlighted important community concerns that will be considered as part of the wider Waste Management and Minimisation Plan review.

ASSESSMENT of SIGNIFICANCE - AROTAKENGA o NGĀ HIRANGA

Consideration of consistency with and impact on the Regional Land Transport Plan and its implementation

Overall Process: **Low** Significance

This Report: **Low** Significance

Impacts on Council's delivery of its Financial Strategy and Long Term Plan

Overall Process: **Medium** Significance

This Report: **Medium** Significance

Inconsistency with Council's current strategy and policy

Overall Process: **Medium** Significance

This Report: **Medium** Significance

The effects on all or a large part of the Gisborne district

Overall Process: **Low** Significance

This Report: **Low** Significance

The effects on individuals or specific communities

Overall Process: **Medium** Significance

This Report: **Medium** Significance

The level or history of public interest in the matter or issue

Overall Process: **Low** Significance

This Report: **Low** Significance

25. The decisions or matters in this report are considered to be of **Medium** significance in accordance with Council's Significance and Engagement Policy.

TREATY COMPASS ANALYSIS

Kāwanatanga

26. Council has upheld its governance responsibilities by applying the Special Consultative Procedure (SCP), ensuring open and transparent processes for decision-making. The consultation process was accessible to the public and included tangata whenua, allowing them to participate meaningfully.

Rangatiratanga

27. The report recognises the importance of engaging with the community, including tangata whenua, during the consultation process.

Oritetanga

28. Council's fees and charges are grounded in a user-pays principle that supports fairness and aligns with its Revenue and Financing Policy. This report acknowledges affordability as a key consideration, reflecting a commitment to equitable outcomes for the community. By maintaining minimal changes beyond inflationary adjustments, Council ensures that Māori and all residents have fair access to services without undue financial burden.

Whakapono

29. Feedback received is acknowledged with care and respect.

TANGATA WHENUA/MĀORI ENGAGEMENT - TŪTAKITANGA TANGATA WHENUA

30. No specific engagement has occurred with Tangata Whenua regarding the rural sticker prices.

COMMUNITY ENGAGEMENT - TŪTAKITANGA HAPORI

31. Community engagement has occurred as outlined in this report and presented for your consideration.

CLIMATE CHANGE – Impacts / Implications - NGĀ REREKĒTANGA ĀHUARANGI – ngā whakaaweawe / ngā ritenga

32. There are no impacts or implications on climate change.

CONSIDERATIONS - HEI WHAKAARO

Financial/Budget

33. The costs of delivering the nine rural transfer stations in 2025-26 was \$2,080,550. This includes the operation and maintenance of the sites as well as the collection and disposal of waste and recycling volumes received.

34. In addition to the targeted rates charged of \$425,000, there was just \$20,329 of revenue from sticker sales. The remaining cost of the service has been funded through general rates.
35. Operational costs have increased over time, particularly waste disposal costs due in part to changing commodity markets, the emissions trading scheme, and the waste levy. Fuel costs have also increased, having a significant impact on transport and operational costs.
36. Based on historic sale volumes and proposed sticker price cost increases, the additional revenue from rural sticker sales is likely to be in the region of \$6,000.
37. The proposed increase is a modest change to the user pays element of the service costs; further work is required to review the suitability of the service and funding model as part of the district wide waste management system.

POLICY and PLANNING IMPLICATIONS - KAUPAPA HERE me ngā RITENGA WHAKAMAHERE

38. A CPI inflationary adjustment would be consistent with the Council Policy and Plans.

RISKS - NGĀ TŪRARU

39. The risk of not applying a CPI inflationary adjustment to the price of rural rubbish stickers is that the shortfall between cost of service and cost recovery will continue to increase.

NEXT STEPS - NGĀ MAHI E WHAI AKE

Date	Action/Milestone	Comments
12/10/26	Price change notification period	If increase approved.
9/11/26	Price change implementation	

10.2. INFORMATION Reports Finance



26-224

Title: 26-224 Capital Summary 30 June 2026
Section: Finance & Affordability
Prepared by: Melanie Hartung - Finance & Performance Manager
Meeting Date: Wednesday 30 September 2026

Legal: No	Financial: Yes	Significance: Low
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Report to FINANCE & PERFORMANCE/WHAKAHAERE PŪTEA ME ŌNA HUA Committee for information

PURPOSE - TE TAKE

The purpose of this report is to provide an overview of the total capital expenditure in the financial year ending 30 June 2026.

SUMMARY - HE WHAKARĀPOPOTOTANGA

This report outlines the Gisborne District Council's (Council) capital expenditure for the 2025/26 financial year, covering the period to 30 June 2026. The full year financial results "Annual Report 2025/26" will be presented to Council 21 October 2027. Typically, the details around capital and how we report during the year, are not included within the Annual Report format.

Capital expenditure for the year ended 30 June 2026 was \$117m, the highest level of investment in Council's history. Further details of expenditure can be found in **Attachment 1**.

While the investment is higher than ever before, it is still lower than what was originally planned, Annual Plan amount of \$163m. The lower than expected expenditure was primarily due to the timing and phasing of major projects, with \$38.4m of capital expenditure carried forward into 2026/27. Please refer to previous report **[26-135]** 2026-27 Annual Plan, adopted by the Finance and Performance Committee on 3 June 2026, which outlined the timing of projects and "carryovers" for Years 2 and 3 of the 2024–2027 Three-Year Plan.

Most of the expenditure to date relates to roading network for reinstatement works and bridge repairs (\$53.7m); FOSAL Category 3 voluntary property buyouts (\$7.7m) and Waipaoa Flood Control Resilience project (\$9.7m).

Renewal programmes continued to be a significant component of the capital programme, particularly across the core infrastructure networks. Roding renewals accounted for \$21.4m of expenditure, on par with the full-year renewal budget of \$21.3m. Wastewater renewals accounted for approximately 89% of wastewater capital expenditure, with \$3.7m spent, while \$2.6m was spent on water supply renewals, representing 88% of the full-year renewal budget. This reflects the continued focus on maintaining and renewing existing infrastructure alongside the delivery of major recovery and resilience projects.

Last year, total capital expenditure for the full-year period (2024/25) was \$98.8m.

The decisions or matters in this report are considered to be of **Low** significance in accordance with the Council's Significance and Engagement Policy.

RECOMMENDATIONS - NGĀ TŪTOHUNGA

That the Finance & Performance/Whakahaere Pūtea me Ōna Hua Committee:

- 1. Notes the contents of this report.**

Authorised by:

Pauline Foreman - Chief Financial Officer

Keywords: Financial report, capital expenditure June 2026/2027

ASSESSMENT of SIGNIFICANCE - AROTAKENGA o NGĀ HIRANGA

Consideration of consistency with and impact on the Regional Land Transport Plan and its implementation

Overall Process: Low Significance

This Report: Low Significance

Impacts on Council's delivery of its Financial Strategy and Long Term Plan

Overall Process: Low Significance

This Report: Low Significance

Inconsistency with Council's current strategy and policy

Overall Process: Low Significance

This Report: Low Significance

The effects on all or a large part of the Gisborne district

Overall Process: Low Significance

This Report: Low Significance

The effects on individuals or specific communities

Overall Process: Low Significance

This Report: Low Significance

The level or history of public interest in the matter or issue

Overall Process: Low Significance

This Report: Low Significance

ATTACHMENTS - NGĀ TĀPIRITANGA

1. Attachment 1 - 12 June 2026 cover summary financials [10.2.1.1 - 9 pages]



Index	Page
Capital Expenditure by Activity	1 - 7

Gisborne District Council

Statement of Capital Expenditure for the period ended 30 June 2026

Activity	Notes	Jun-26 Actuals YTD \$000s	Jun-26 YTD \$000s	% Spent YTD Actuals of YTD Budget %	2025 / 2026 Full Year Budget \$000s
Including Major Projects					
Community Lifelines		100,770	146,323	69%	146,323
Roading	1	75,373	97,022	78%	97,022
Wastewater	2	4,189	7,505	56%	7,505
Stormwater	3	2,915	4,789	61%	4,789
Water Supply	4	3,845	7,346	52%	7,346
Solid Waste	5	1,292	13,342	10%	13,342
Land, Rivers, Coastal	6	13,156	16,319	81%	16,319
Liveable Communities	7	4,203	10,677	39%	10,677
Land Soil and Resources		1,288	1,952		1,952
Conveniences		409	536		536
Reserves & Community Property		1,788	4,452		4,452
Cemeteries		69	186		186
Community Property Mgmt		230	3,284		3,284
Art & Public Places		212	30		30
District Library Ops		208	237		237
Regional Leadership & Support	8	12,045	5,691	212%	5,691
Information Services		1,685	2,490		2,490
Townships & Sustainability	9	646	996		996
Civic		-	56		56
Fosal	10	7,695	-		-
Water and Coastal Resources		1,098	1,418		1,418
Civil Defence	11	48	210		210
Environmental Monitoring	12	447	95		95
Facilities & Plant Management		426	428		428
Environmental Services & Protection	13	42	-	0%	-
Monitoring and Enforcement		8	-	0%	-
Parking		34	-		-
Commercial Operations	14	233	521	45%	521
Property Management		44	45		45
Community Housing		189	476		476
		117,293	163,212	72%	163,212

Notes to the Draft Statement of Capital Expenditure 30 June 2026

Please also refer to 2026/27 Annual Plan report **26-135**, Finance and Performance that was on Agenda 3 June 2026. This reports upon projects that were not going to/ be completed by 30 June 2026, needing to be carried over in the first half of 2026/27 Annual Plan.

1 Roding

Full Year Program

The Roding full year budget is \$97m. This is made up of renewals (\$21.3m), Emergency reinstatement projects related to bridges, dropouts and Tiniroto road (\$74.3m) and includes walking and cycling and subsidised Township projects.

Costs to June

Capital spend to June is at \$75.4m, tracking below budget mostly due to timing of recovery projects against the 2024-2027 Three Year Plan.

Renewals through to June account for about 28% of the capital spend. This represents \$21.4m (ie on par with the Full Year budget).

Recovery and emergency reinstatement of bridges and roads is \$53.7m, against the yearly budget of \$74.3m. These recovery projects are 100% externally funded by CIP and Waka Kotahi. The Recovery projects are expected to be completed over the 2024-2027 Three Year Plan. Phasing of the projects are updated within the Annual Planning cycles.

2 Wastewater

Full Year Program

The Wastewater full year budget is \$7.5m. This full year budget consists mainly of renewals (\$4.8m), Campion pump station upgrade (\$2.2m) and Wastewater Treatment Plant further treatment (\$366k).

Costs to June

Year to date costs are \$4.2m. Renewals account for approximately 89% of the total spend, tracking under budget as we reached the year end (ie 79% against the Full Year budget). This is mainly due to the Te Karaka Waste Land Disposal project.

Tolaga Bay Septage site and Campion Road new pump station came under budget at the year end. Carryover of budgets have been factored into the 2026/27 Annual Plan.

The design for the Campion Road upgrade, including the rising main and pump station, is progressing in two stages. The rising main design has been completed and tendered. An alternative site for the pump station has now been identified, the team is progressing planning for works at the new location.

The design for the Tolaga Bay Septage Site has been completed, with construction scheduled to commence at the beginning of FY2027.

3 Stormwater

Full Year Program

The Stormwater full year budget is \$4.8m. This includes Graham/De Latour Road upgrade of stormwater infrastructure (\$1.6m), Whataupoko (\$1.3m) and public drains on private property (\$550k).

Costs to June

Total actual costs are \$2.9m, with \$0.6m spent on the renewals programme, which is behind the budget (ie. 51% against the Full Year budget).

The Graham/De Latour is nearing its completion, the project will be finished in early months of the next financial year.

The construction contract for the Whataupoko project is in place and works are underway. Delivery has been impacted by a supply chain issues and as a result this project is scheduled to finish around August 2026.

Public drain works on private properties along Huxley Road and Kelvin Street are complete. Project identified on Owen Road is in its design stages and will start over winter months.

4 Water Supply

Full Year Program

The Water Supply full year capital budget of \$7.4m includes Renewals (\$2.9m) and Resilience (\$3.6m). Included is the infiltration gallery refurbishment (\$0.2m).

Costs to June

Actual costs are \$3.8m, which is below the Year to date budget. Of this, \$2.6m was spent on water supply renewals (ie. 88% of the Full Year budget).

The design of the Water Treatment Plant infiltration gallery has been completed and the project is currently in the engagement phase. Construction is planned for next year, during the summer construction window.

The team has developed plans and cost estimates for dam remediation and resilience works, and the budget is not going to be fully spent within this financial year. Carry overs into FY 2027 will be recognized to allow for completion of required works.

5 Solid Waste

Full Year Program

The capital program for Solid Waste is \$13.3m aligning to the Waste Minimisation Plan. The majority of the projects are largely funded by external grants. This includes Wheelie Bins project, relocation of the Tokomaru Bay transfer station and Resource Recovery Centre.

In addition, there are provisions for renewal of capex, as and when they are needed. It includes provisions for transfer stations, litter bins, and Paokahu closed landfill.

Costs to June

Actual costs are \$1.3m, the majority of which relates to the purchase of woody debris extraction equipment. This expenditure is funded by external contributions received to support woody debris clean-up efforts.

Remediation of the Tokomaru Bay legacy landfill site is progressing. Qualified contractors have been engaged, the remedial assessment report has been completed, and a resource consent application has been submitted. Disposal options continue to be reviewed to identify potential cost savings. Physical works are expected to continue into the 2027 financial year.

A contractor has been engaged to prepare the concept design for the Tokomaru Transfer Station relocation, and the resource consent application is currently being prepared. The project is scheduled for completion in October 2026.

6 Land, Rivers and Coastal

Full Year Program

The total budget for Land, Rivers and Coastal is \$16.3m. The main project is the Waipaoa River Flood Control Scheme and other Flood resilience projects (\$16.1m) which are largely funded by Crown Infrastructure (CIP).

Costs to June

Actuals are \$13.2m, with majority of cost related to Waipaoa flood control (\$9.7m). The project is progressing well, with approximately 300 metres of stopbank remaining to complete the final section. These works are scheduled for spring 2026/27. Once the stopbank is complete, the remaining rock armouring, fencing, and gravelling/regrassing works will be undertaken.

The preferred option for the Te Karaka Flood Resilience project has been selected and funding arrangements have been confirmed. The resource consent application is progressing well, with a decision expected between August and December. Property negotiations are underway, with valuations currently being completed for affected properties. Design and procurement activities are also progressing.

Other flood resilience projects are currently in modelling and investigation stage.

7 Liveable Communities

Full Year Program

The budget of \$10.7m, includes major project of Waingake Transformation (\$1.9m), CBD Revitalisation (\$1.7m) and the Outdoor Pool at Kiwa Pools (\$3m).

Reserves projects are \$4.4m of the budget, Land & Soil Resources \$1.9m and Art and Community Property Management \$3.3m.

Costs to June

Costs are \$4.2m. The Waingake Transformation Project incurred total costs of \$1.3m, coming in under budget at the end of May. The release spray has been delayed due to late start in planting and weather conditions. The budget will not be fully spend this financial year.

The toilets at Waihirere Domain and Kaiti beach have been completed and are now open to the public. Works on Te Puia and Doneraile Park amenities are to be undertaken next.

Significant remediation and restoration works are planned for the end of the financial year in Uawa Reserve, Turanga Gardens and Titirangi hill.

The Kiwa Pool area has received further upgrades, including new landscaping and additional fencing. Community feedback on the outdoor pool project was received; different options of the project are now being evaluated.

Completion of the final cultural components, including the installation of the storyboards, marks the completion of the 1000 Year Walkway Bridge project, which officially opened in October 2025.

8 Regional Leadership & Support Services

Full Year Program

The Regional Leadership & Support Services full year capital budget of \$5.7m includes Information Services (\$2.5m), Townships (\$1m) partly funded by Better of Funding and Environmental Monitoring (\$100k).

Costs to June

Actual costs for this group total \$12.0m. The majority of these costs relate to FOSAL and information services activities undertaken to date. Further details are provided in Notes 9 -12.

9 Townships & Sustainability

Costs to June

\$256k was spent on equipment for the Marae Sustainability Project, which focuses on enhancing our emergency readiness. This initiative is fully funded through Better Off Funding grants.

Township upgrades in Matawai, Patutahi school safety works, and Ruatoria are complete. Planning and consultation continue for Te Puia, with initial engagement held at Tokomaru Bay and Manutuke ahead of major works next year. Patutahi and Te Karaka playgrounds works are in progress and scheduled to continue in the next FY.

Contracts have been awarded for the BOF-funded crossing works at Tikitiki, Rangitukia, and Te Araroa. Construction is scheduled to commence in July 2026.

10 FOSAL

Costs to June

FOSAL Category 3 Voluntary Residential Property Buyouts is \$7.7m (out of \$11.5m spent in Regional Leadership & Support Services). At the time of the 3YP, it was forecast that all the property buyouts would have been completed by 30 June 2025.

However, following adoption of the 3YP, additional properties were added to the Category 3 process, which extended the programme into the 2025/26 financial year. The Category 3 Voluntary Buyouts were originally funded at \$30m, based on a 50/50 cost-sharing arrangement between GDC and Central Government. Central Government since approved additional funding of \$1.3m in December 2025, with GDC committing an equivalent contribution to maintain the 50/50 cost-share arrangement.

11 Civil Defence

Costs to June

Spend for the year was \$48k against a budget of \$210k. The budget is earmarked for the installation of remote flood cameras and a new radio system. The project was delayed due to multiple weather events, with the unspent budget carried over to the next financial year.

12 Environmental Monitoring

Costs to June

\$447k was spent during the year, \$351k over budget. This was primarily due to the Flood Intelligence and Resilience project, which was originally scheduled for completion by 30 June 2025 but was carried over into the current financial year. The project was externally funded and is now complete.

13 Environmental Services & Protection

Costs to June

\$34k was spent on upgrading parking meters to 5G network.

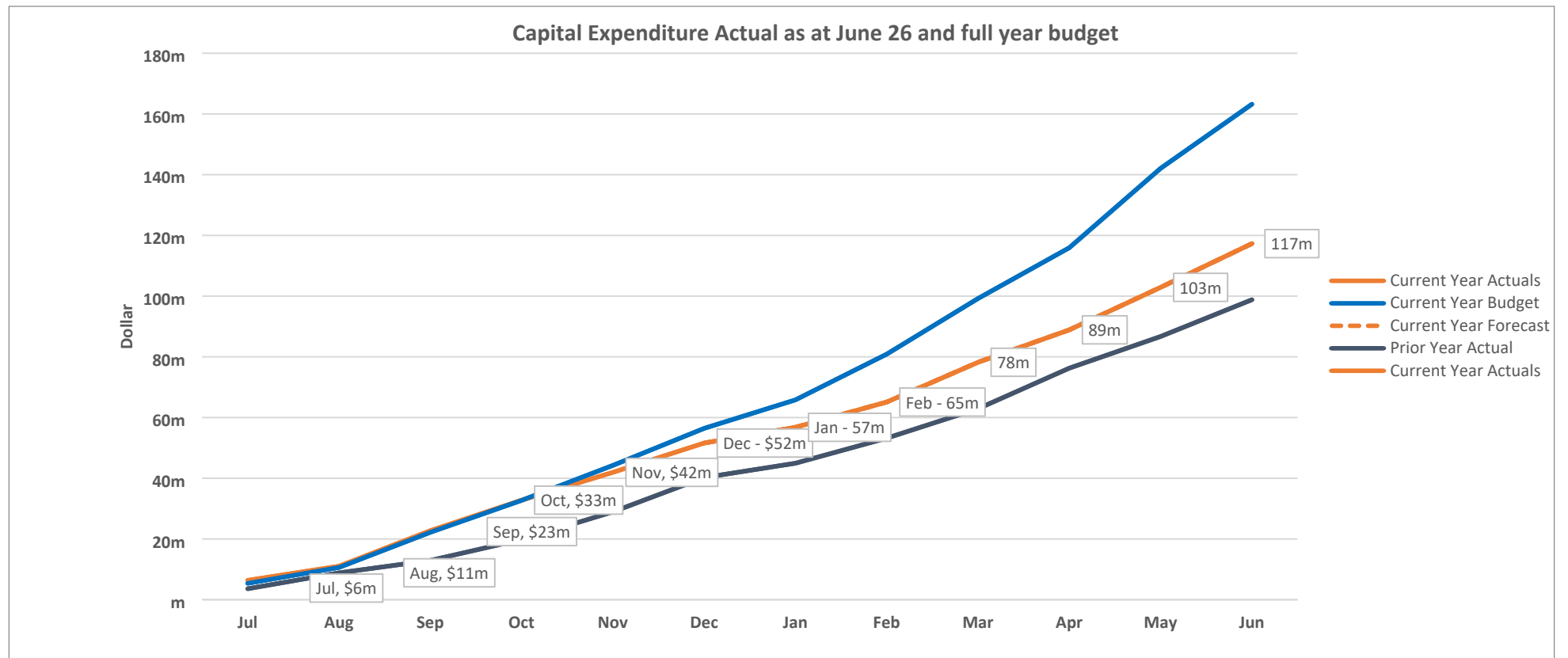
14 Commercial Operations

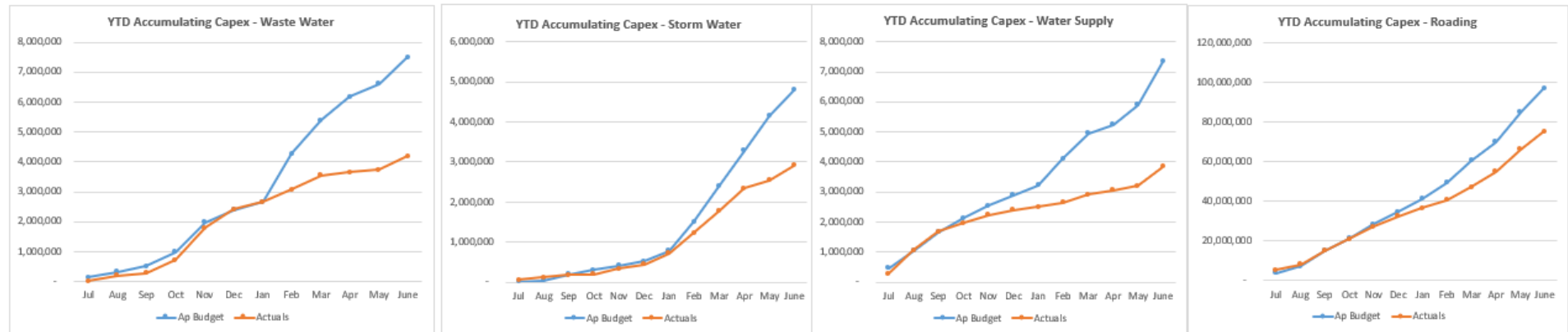
Full Year Program

This budget of \$476k is for Staff and Community Housing upgrades, where GHL manages and oversees this work. Funds are earmarked to be spent on double glazing of windows.

Costs to June

Total costs are \$190k. Work on the double glazing at Lytton housing is progressing according to plan.



YTD Accumulating CAPEX Charts

Title: 26-228 Gisborne District Rates Affordability Review

Section: Finance & Affordability

Prepared by: Torepe Taumaunu - Planning and Performance Advisor

Meeting Date: 30 September 2026

Legal: No Financial: Yes Significance: **Low**

Report to FINANCE & PERFORMANCE/WHAKAHAERE PŪTEA ME ŌNA HUA Committee for information

PURPOSE - TE TAKE

The purpose of this report is to present the research findings of the independent Rates Affordability Review commissioned by Gisborne District Council (Council) and outline its relevance to the review of the Revenue and Financing Policy for the Long Term Plan 2027-2037.

SUMMARY - HE WHAKARĀPOPOTOTANGA

The attached independent Rates Affordability Review assesses affordability across residential, lifestyle, commercial, industrial, and primary sector rating categories within the Gisborne district and benchmarks Gisborne against ten comparable districts.

Residential rates affordability is measured by looking at rates as a share of household income. This is a common measure for rates affordability. New Zealand-based research (the Shand report) has suggested that rates are unaffordable when they exceed 5 percent of household income.

In previous Gisborne review in 2020, average residential rates as a proportion of median household income were estimated to be 4.8%.

Key findings from the 2026 review include:

- Residential rates in Gisborne were equivalent to 3.7% of median household income, below the level identified in the 2007 Local Government Rates Inquiry (Shand Report), which suggested rates should not exceed 5% of household income.
- Across the 11 districts assessed, Gisborne's median residential rates were the second most affordable, behind Marlborough.
- Lifestyle rates were also the second most affordable.
- Commercial and industrial rates were generally assessed as being around the middle of the comparison group.
- Pastoral and pip fruit rates were broadly comparable with peer districts, while forestry, horticulture and vineyard rates were less affordable relative to capital values.

The review found that Gisborne's residential and lifestyle rates compare favourably with the benchmark districts. While affordability outcomes across some primary sector categories were mixed, the review notes that affordability measures are based on rates relative to capital values and should be considered alongside actual rates levels. Gisborne forestry rates remain lower than a number of comparator districts in absolute dollar terms.

The findings provide an independent evidence base to inform the review of the Revenue and Financing Policy and development of the Long Term Plan 2027-2037.

RECOMMENDATIONS - NGĀ TŪTOHUNGA

That the Finance & Performance/Whakahaere Pūtea me Ōna Hua Committee:

1. Notes the contents of this report.

Authorised by:

Pauline Foreman - Chief Financial Officer

Keywords: Rates Affordability, Revenue and Financing Policy, Long Term Plan 2027-2037, Infometrics

BACKGROUND - HE WHAKAMĀRAMA

1. Under sections 102 and 103 of the Local Government Act 2002, Council is required to adopt and review a Revenue and Financing Policy as part of the Long Term Plan process. The Revenue and Financing Policy sets out how Council intends to fund its activities and the sources of funding that will be used.
2. The review of the Revenue and Financing Policy forms part of the development of the Long Term Plan 2027-2037. Affordability is an important consideration in that review, alongside ensuring Council's funding approach remains fit for purpose and continues to support the delivery of Council activities and services.
3. To support consideration of affordability issues, Council commissioned Infometrics to undertake an independent Rates Affordability Review. The review assesses rates affordability across residential and non-residential sectors within the Gisborne district and benchmarks Gisborne against ten comparable districts.
4. A previous rates affordability review was undertaken in 2020 and focused on residential ratepayers. The current review expands the scope of the analysis to include residential, lifestyle, commercial, industrial, and primary sector rating categories.
5. The findings provide an independent evidence base to support affordability considerations, rate modelling, and funding discussions as part of the Long Term Plan 2027-2037 process.
6. Nick Brunsdon from Infometrics will attend online to present the findings of the review and respond to any questions from the Committee.
7. Attached as **Attachment 1** is the independent Rates Affordability Review prepared by Infometrics.

DISCUSSION and OPTIONS - WHAKAWHITINGA KŌRERO me ngā KŌWHIRINGA

Rates Affordability Review

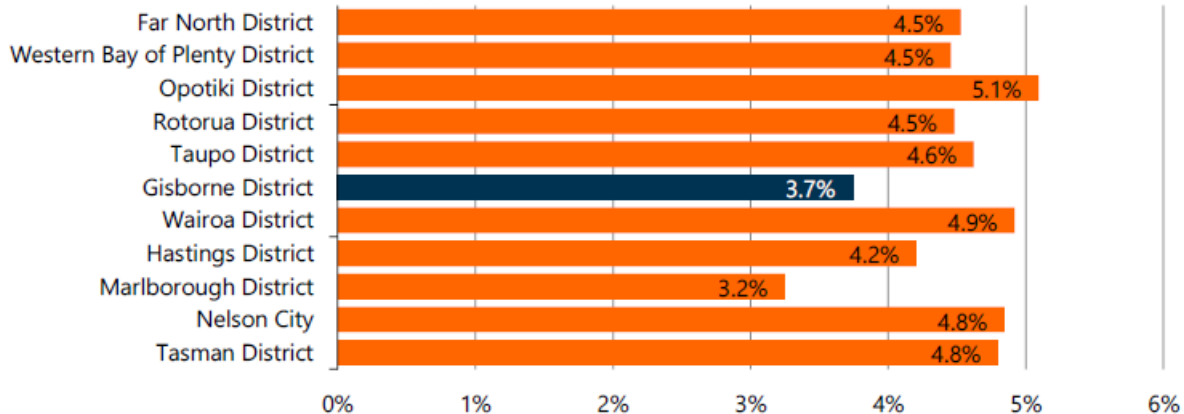
8. Rates affordability was assessed using rates as a share of household income for residential properties and rates relative to capital values for commercial and primary sector properties. For residential properties, this approach is consistent with the methodology used in the 2007 Local Government Rates Inquiry (Shand Report), which suggested that rates should not exceed 5% of household income. For commercial and primary sector properties, affordability was assessed relative to capital values as alternative measures, such as rates as a share of rent, profit or revenue, were not available on a robust and consistent basis.

Residential Affordability

9. The report found that residential rates in Gisborne are comparatively affordable when measured against the districts assessed. Median residential rates of approximately \$4,289 represented 3.7% of median household income, making Gisborne the second most affordable district in the comparison group.
10. While Gisborne performs favourably relative to other districts, the review highlights that affordability outcomes vary across communities. Household incomes vary significantly throughout the district, and rates place a greater burden on some communities than others. The report notes that affordability is not experienced uniformly across Gisborne.

Median residential rates affordability by district

Rates as share of household income, 2025/26



Residential rates – wide range in affordability by area and by suburb

11. Rates, household income, and rates affordability vary within the Tairāwhiti region. While on average median income is 3.7%; within the city (or inner zone) the average is higher (mostly above 4%) but outside the city it is lower than the median.
12. Within the city, the highest median income at 8.9% was within the Lytton area. It is higher than the district-wide mean, due to the concentration of retirement villages and older persons (53% of the suburb is aged 65 or over).
13. Beyond Lytton, the least affordable rates are found in Te Hapara East (5.6%), and three other areas. Across the city, median rates range from \$4,072 to \$4,989, with rates affordability ranging from 3.7% to 5.6% of household incomes (excluding Lytton).
14. Rates are most affordable outside of Gisborne City, in the “outer zone” (i.e., non-Gisborne City), particularly on the East Coast, largely because rural properties are not charged for the city's reticulated water and wastewater services. Within the outer zone suburbs, median rates range from \$2,074 to \$3,497, representing an affordability ratio of 2% to 2.9% of income. The report acknowledges that while most rural residential townships in the outer zone do not have reticulated services, they will face additional costs such as water pump services and septic tank cleaning.

Household Income Context

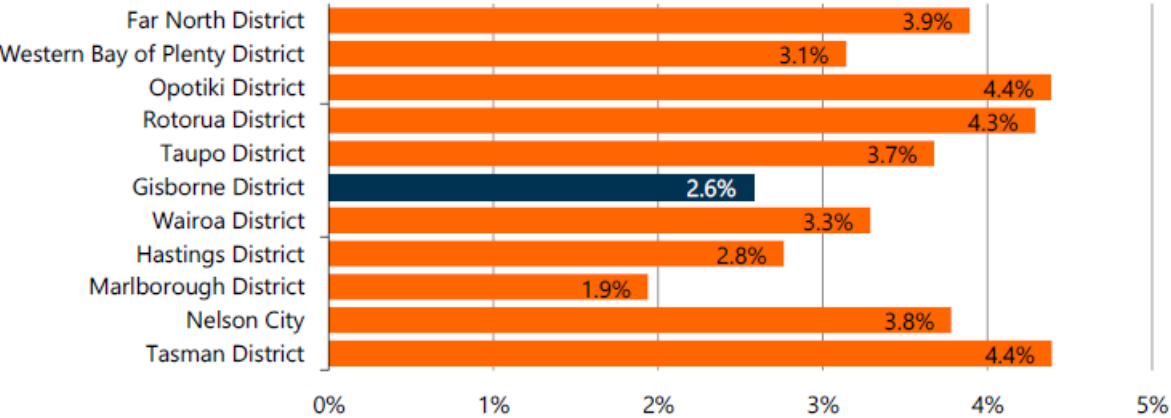
15. Median household income across Gisborne was estimated at approximately \$115,000; however, income levels vary considerably across communities. As a result, rates can represent a larger proportion of household income for some residents than for others.
16. These findings highlight the importance of considering affordability alongside future funding decisions. Although Gisborne is one of the more affordable districts assessed overall, affordability pressures continue to be experienced differently across sectors, communities, and individual ratepayers.

Lifestyle Property Affordability

17. The review found that lifestyle property rates were comparatively affordable when benchmarked against other districts. Median lifestyle property rates represented 2.6% of median household income, ranking Gisborne as the second most affordable district assessed.

Median lifestyle rates affordability by district

Rates as share of household income, 2025/26



Commercial and Industrial Affordability

18. The review found that commercial and industrial rates are generally around the middle of the comparison group. Overall commercial rates represented approximately 0.8% of capital values, placing Gisborne near the middle of the comparison group.
19. Retail and industrial properties were found to be relatively affordable when compared with the other councils. Accommodation properties were assessed as being less affordable than those in several comparator districts.

Primary Sector Affordability

20. Affordability outcomes across the primary sector were mixed. Pastoral and pip fruit properties were generally comparable with peer districts, while exotic forestry, horticultural and vineyard properties were found to be less affordable relative to capital values than many comparable districts.
21. The review notes that affordability measures are based on rates relative to capital values and should be considered alongside actual rates levels. Gisborne forestry rates remain lower than a number of comparator districts in absolute dollar terms.

Implications for the Revenue and Financing Policy Review

22. The review provides Council with an independent assessment of rates affordability across key rating sectors and how Gisborne compares with similar districts.
23. While the review identifies areas of relative affordability and areas where affordability pressures may be greater, it does not recommend future funding or rating changes.
24. The findings will inform future Revenue and Financing Policy discussions, rate modelling work, consideration of district-wide revaluation outcomes, and the development of Long Term Plan funding options.

25. The comparative analysis provides councillors with context on Gisborne's affordability position relative to similar districts, helping to inform future strategic funding discussions.

ASSESSMENT of SIGNIFICANCE - AROTAKENGA o NGĀ HIRANGA

Consideration of consistency with and impact on the Regional Land Transport Plan and its implementation

Overall Process: **Low** Significance

This Report: **Low** Significance

Impacts on Council's delivery of its Financial Strategy and Long Term Plan

Overall Process: **Medium** Significance

This Report: **Low** Significance

Inconsistency with Council's current strategy and policy

Overall Process: **Low** Significance

This Report: **Low** Significance

The effects on all or a large part of the Gisborne district

Overall Process: **Low** Significance

This Report: **Low** Significance

The effects on individuals or specific communities

Overall Process: **Low** Significance

This Report: **Low** Significance

The level or history of public interest in the matter or issue

Overall Process: **Medium** Significance

This Report: **Low** Significance

26. This report is part of a process to arrive at a decision that may be of **Low** significance in accordance with the Council's Significance and Engagement Policy

TREATY COMPASS ANALYSIS

Kāwanatanga

27. Council has fulfilled its governance responsibilities by commissioning an independent assessment of rates affordability to support informed decision-making. The review provides an evidence base to assist Council in considering affordability issues as part of the review of the Revenue and Financing Policy and development of the Long Term Plan 2027-2037. The report supports transparency by providing information on how rates affordability is experienced across sectors within the district and how Gisborne compares with other councils.

Rangatiratanga

28. The review recognises that rates affordability can affect communities differently across the district. By considering affordability outcomes across residential, lifestyle, commercial, industrial, and primary sector ratepayers, Council is seeking to better understand the impacts of funding decisions on tangata whenua, communities, and businesses. The findings support future decision-making that is informed by the circumstances and interests of different groups within the district.

Oritetanga

29. Affordability is a key consideration in achieving equitable outcomes for communities. The review identifies differences in affordability across sectors and communities and recognises that rates can represent a greater burden for some households than others. The information provided through the review will assist Council in considering fairness and affordability when reviewing its funding approach through the Revenue and Financing Policy.

Whakapono

30. This report demonstrates Council's commitment to informed and evidence-based decision-making. By commissioning an independent review and considering affordability impacts on ratepayers, Council is seeking to ensure that future funding decisions are informed by objective information and reflect the needs and interests of the community.

TANGATA WHENUA/MĀORI ENGAGEMENT - TŪTAKITANGA TANGATA WHENUA

31. No specific tangata whenua engagement was undertaken as part of the preparation of this report. The report presents the findings of an independent affordability review and does not propose changes to rates, funding mechanisms, or Council policy. Any future engagement requirements associated with the Revenue and Financing Policy review will be considered as part of the Long Term Plan process.

COMMUNITY ENGAGEMENT - TŪTAKITANGA HAPORI

32. Community engagement has not been undertaken specifically for this report. The report provides information to support Council's consideration of affordability issues as part of the Revenue and Financing Policy review. Future engagement requirements will be considered through the Long Term Plan and Revenue and Financing Policy review processes.

CLIMATE CHANGE – Impacts / Implications - NGĀ REREKĒTANGA ĀHUARANGI – ngā whakaaweawe / ngā ritenga

33. This report has no direct climate change impacts or implications. The report presents the findings of an affordability assessment and does not propose changes to service delivery, infrastructure investment, or operational activities.

CONSIDERATIONS - HEI WHAKAARO

Financial/Budget

34. The Rates Affordability Review was commissioned by Council to support the review of the Revenue and Financing Policy for the Long Term Plan 2027-2037. No additional funding is sought through this report. The findings will inform future consideration of affordability issues, funding decisions, and rate modelling.

Legal

35. There are no direct legal implications arising from this report. The report is provided for information purposes and supports Council's review of the Revenue and Financing Policy under sections 102 and 103 of the Local Government Act 2002.

POLICY and PLANNING IMPLICATIONS - KAUPAPA HERE me ngā RITENGA WHAKAMAHERE

36. The report provides information to support the review of the Revenue and Financing Policy ('Policy') for the Long Term Plan 2027-2037. The Policy includes how we set rates.
37. The findings will assist Council in considering affordability issues alongside other factors relevant to future funding decisions.
38. The review of the "Policy" is not focused on how much rates will be collected, but how rates will be distributed. That is, the review is not about the size of the rates pie, more around how the rates pie will be divided.

RISKS - NGĀ TŪRARU

39. There are no major risks associated with matters contained in this report. The report presents the findings of an independently prepared Rates Affordability Review and is provided for information purposes. The findings will inform future consideration of affordability issues as part of the Revenue and Financing Policy review and Long Term Plan 2027-2037 process.

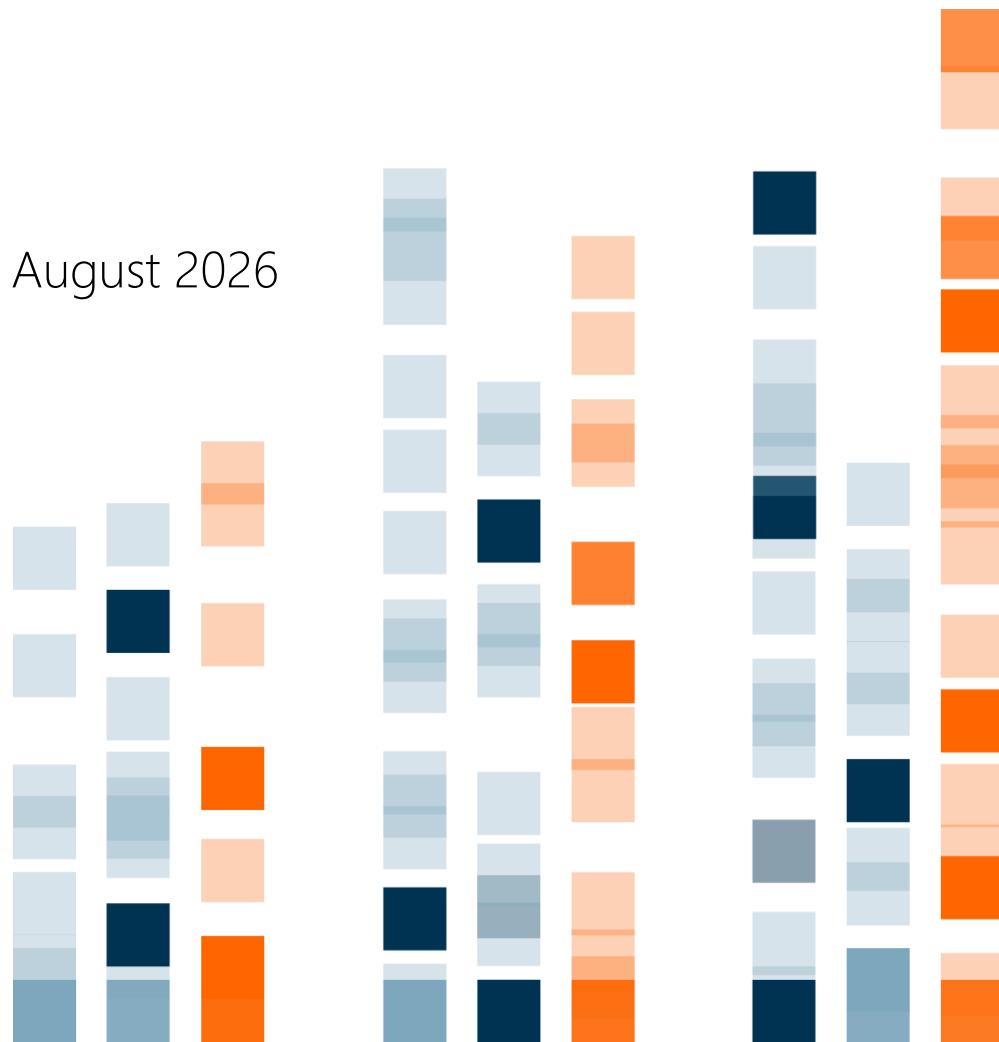
NEXT STEPS - NGĀ MAHI E WHAI AKE

Date	Action/Milestone	Comments
22 October 2026	Workshop 6	Provide information to councillors for review of Revenue and Financing Policy.

ATTACHMENTS - NGĀ TĀPIRITANGA

1. Attachment 1 - Gisborne District Rates Affordability Review - Infometrics (August 2026)
[10.2.2.1 - 40 pages]

Gisborne District rates affordability for Gisborne District Council



Authorship

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Executive summary

Introduction

Gisborne District Council commissioned Infometrics to assess rates affordability across residential and non-residential ratepayers, both within Gisborne district and relative to ten comparable districts. The analysis measures residential affordability as rates relative to household incomes, and commercial affordability as rates relative to capital values.

Residential rates 3.7% of household incomes

Overall, residential rates in Gisborne are relatively affordable compared with the other districts assessed. Median residential rates for standalone dwellings in Gisborne were \$4,549 in 2025/26, equivalent to 3.7% of the district's median household income.

Rates most affordable in Outer Zone

Affordability varies substantially within Gisborne district. Rates are most affordable outside of Gisborne City, in the Outer Zone and particularly on the East Coast, where communities have lower property values and reduced access to council services. Some rural-residential townships in the Outer Zone do not have reticulated water and wastewater infrastructure, which means they do not pay rates for these services, but they face additional costs such as water pump servicing and septic tank cleaning.

Across Outer Zone suburbs, median rates range from \$2,074 to \$3,497, with rates affordability ranging from 2.0% to 2.9% of household incomes. Rates are higher in urban Gisborne, reflecting the Inner Zone for rates and greater access to council services. Across the Inner Zone suburbs, median rates range from \$4,072 to \$4,989, with rates affordability ranging from 3.7% to 5.6% of household incomes (excluding Lytton with 8.9%).

Second most affordable residential rates

Across the 11 districts compared, Gisborne's median residential rates were the second most affordable, at 3.7% of household incomes, behind only Marlborough. Gisborne also has relatively affordable lifestyle block rates, with lifestyle rates amounting to 2.6% of household incomes, again the second lowest of the districts compared.

Middle of the pack for commercial and industrial rates

For commercial and industrial rates, Gisborne is generally middle-of-the-pack or relatively affordable for several property types. Overall commercial rates amount to 0.8% of capital values, placing Gisborne near the middle of the comparison group. Retail and industrial rates are relatively affordable, accommodation rates are slightly higher than in most comparison councils.

Less affordable rates for some primary sectors

Pastoral and pip fruit rates are broadly comparable with peer districts. However, exotic forestry, horticulture, and vineyard rates are less affordable relative to capital values than in most comparable areas.

Paying more in tax than rates

Central government tax totals 91% of total tax and rates collected by local and central government for a typical household in Gisborne. Median residential rates of \$4,289 pale in comparison to the \$41,154 collected from a two-income household through income tax and GST.

Introduction

Gisborne District Council (GDC) commissioned Infometrics to undertake an in-depth study into rates affordability. In this report, we separately consider residential and non-residential rates affordability, first by looking at the level of rates, then their affordability relative to household incomes and capital values respectively. The residential rates affordability analysis considers income distribution and affordability for different suburbs in Gisborne. The non-residential rates affordability considers ten different categories of rating unit, ranging from retail to pip fruit. Supporting the rates affordability analysis, we include a comparison of the 11 districts and discuss the broader environment for local government costs and funding.

Our approach

In this section we discuss our approach for measuring rates affordability, the limitations of our analysis, and the data sources used.

Affordability measures

Residential rates affordability

We have assessed the affordability of rates by looking at rates as a share of household income. The higher the rates-to-income ratio, the more money a household needs to spend to cover rates, leaving less money to pay for other items. This is a common measure for rates affordability, for example, used in the authoritative 2007 *Local Government Rates Inquiry* ("Shand Report"). The Shand Report suggested that rates should not exceed 5% of household incomes. We use household incomes rather than earnings to take into account all sources of income in a household – including where there are multiple people earning. This approach best reflects the ability of households to afford rates and is a common approach for measuring housing affordability more generally.

To understand the experience of different households in society, we looked at rates affordability by decile, as they are robustly defined, representative and objective.

Commercial rates affordability

We have assessed the affordability of rates for commercial ratepayers by looking at rates as a share of capital values. This measure reflects the ability of a business to afford rates, although in an indirect way. Capital values for commercial property reflect the income (or potential income, where an asset is under-developed) able to be derived from the property (rent), which ultimately reflects the ability of a business to earn an income in that property. Capital value is readily available through the rating database and is consistently assessed across other cities.

Alternative measures for commercial rates affordability, including rates as a share of rent, profit or revenue, are not available on a robust and consistent basis.

Limitations

Value for money not considered

Our assessment of rates affordability only considers the cost of rates, and not the level of service. Service levels may differ for different types of rating units within Gisborne, or for similar types of rating units across different councils. As we have not considered the level of service provided, our analysis cannot on its own support conclusions around the value for money that rates provide.

Residential affordability only considers income, not assets

Our assessment of residential rates affordability considers rates relative to household incomes. However, residents' ability to pay can also be influenced by their assets – for example, in the case of retired households that use savings to contribute to their living expenses. We have not factored in assets as there are no robust data sources on household wealth in New Zealand available at a local level.

Owner-occupier incomes not specifically assessed

Our estimates of household incomes are based on all households within each district and suburb, but not for owner-occupier households specifically. This reflects limitations of data availability in New Zealand, with robust and timely data on income by tenure not available at a local level.

Tax and non-taxable government support not considered

Our estimates of household incomes reflect pre-tax incomes and exclude non-taxable government support. This reflects data limitations and the complex criteria of government support schemes. The effect of tax on household incomes varies depending on the source of income and how many earners earned it. For example, a household with one person earning \$200,000 will have less post-tax income than a household with two people each earning \$100,000.

Non-taxable government support, including Working for Families tax credits, Accommodation Supplement, and rates rebates, can all affect rates affordability. These schemes have complex eligibility requirements, and it is not possible to model their eligibility robustly across a community due to data limitations. As a result, rates affordability for lower income households may be under stated.

Affordability not considered in absolute terms

Throughout our analysis, we consider rates affordability by comparing affordability across cities. This is a relative assessment of affordability, and can support conclusions of which area is more or less affordable. We have not considered affordability in absolute terms, that is, what level of rates is affordable or unaffordable.

Data sources

Rating data

We assembled rating unit data from GDC directly, and for the other ten territorial authorities through Headway Systems Limited, who in turn procured rating unit data from the respective city, district and regional councils.

The rating datasets shared common unique identifiers such as valuation reference and assessment numbers. The valuation reference number was connected to GIS files from LINZ, which enabled each rating unit to be geolocated, and aligned to Stats NZ data on incomes.

Gisborne District Council is a unitary authority – responsible for territorial authority and regional council functions. Where we have compared to non-unitary councils (where

there is a separate regional council) we have included both territorial authority and regional council rates.

Rating valuations

Rates affordability for commercial rating units is assessed relative to capital values. The date at which capital values are assessed varies by council. Gisborne, Tasman, Marlborough and Rotorua are as of 2023. Nelson and Wairoa are as of 2024. Far North, Hastings, Ōpōtiki, Taupō and Western Bay of Plenty are as of 2025.

Water rates

Application of water rates varies across the 11 districts. All 11 levy volumetric water rates on non-residential rating units, but only five levy them on residential rating units. Water rates are generally recorded in separate databases, therefore we could not readily access this information for other districts. In order to benchmark the impact of water rates across cities, we sourced water rates tariffs (fixed annual and volumetric) from council websites, and volumetric water use from GDC, to estimate water rates for each rating unit type. We standardised commercial water usage relative to capital values, to account for differences in the size of rating units between cities

Income data

We developed estimates of household incomes for the residential rates affordability analysis, drawing together several sources from Stats NZ. Infometrics maintains estimates of median household incomes by district, which is based on Stats NZ Census and administrative income data. We combined this district-wide median income estimate with Stats NZ's administrative population census data, which included information on incomes by decile at statistical area 2 (SA2 – akin to suburbs).

We did not use Census income estimates directly, for several reasons:

- Census data is only available for Census years (2013, 2018, 2023), which would limit our analysis to Census years, and prevent us from analysing more recent years (i.e. 2024, 2025).
- Census data doesn't provide information on the distribution of household incomes in a meaningful way – it only provides arbitrary bands (e.g. \$50,000-70,000).
- Census data generally underestimates household incomes, as people often fail to fully recollect their income sources when completing the Census. Our household income estimates are generally higher than Census, but they are consistent with national estimates based on IRD data and Stats NZ's national accounts.

2025/26 rates compared with March 2026 year incomes

For residential rates affordability analysis, we have compared rates for the 2025/26 year (June 2026 year) with household incomes over the March 2026 year. This reflects that incomes for the June 2026 year weren't available when preparing the analysis.

Residential rates affordability

In this section we assess rates affordability for residential ratepayers, over time within Gisborne district. Residential rates affordability is measured by rates as a share of household incomes.

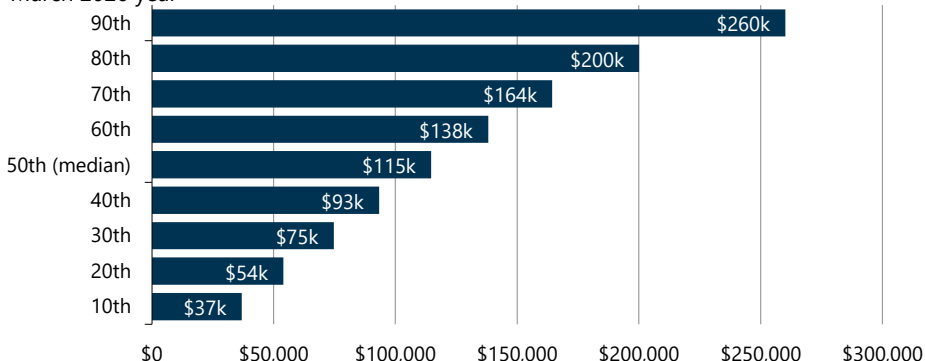
Wide range of household incomes

There is a wide range of household incomes in Gisborne district. Chart 1 shows incomes by percentile – for example, the 10th percentile represents the level of income that 10% of households earn less than, and 90% of households earn more than. Gisborne district's 10th percentile household income was \$37,000 in 2026, just under a third of the median or 50th percentile income of \$115,000. The 90th percentile household income, which is the income that 90% of households earn less than, was \$260,000, more than double the 50th percentile or median income.

Chart 1

Household income by percentile in Gisborne district

March 2026 year



Source: Infometrics, Stats NZ

This wide range of incomes underscores the importance of a nuanced measure of rates affordability – not only because rates vary across the district, but also because rates affordability is likely to be a more substantial challenge for lower income households.

Our affordability analysis uses the 10th percentile of incomes as a lower end rather than the absolute lowest income. This is common practice in statistical analysis because minimum values are likely to be distorted by unusual circumstances, and not representative of the community more broadly.

Common household incomes

To put the dollar values of the income percentiles into perspective, we have compared these to common household income sources. A key consideration is that rates affordability is based on household income, which is the total income of all usual residents in a household – which could be one person, a couple, or more. We have not

Gisborne District rates affordability – August 2026

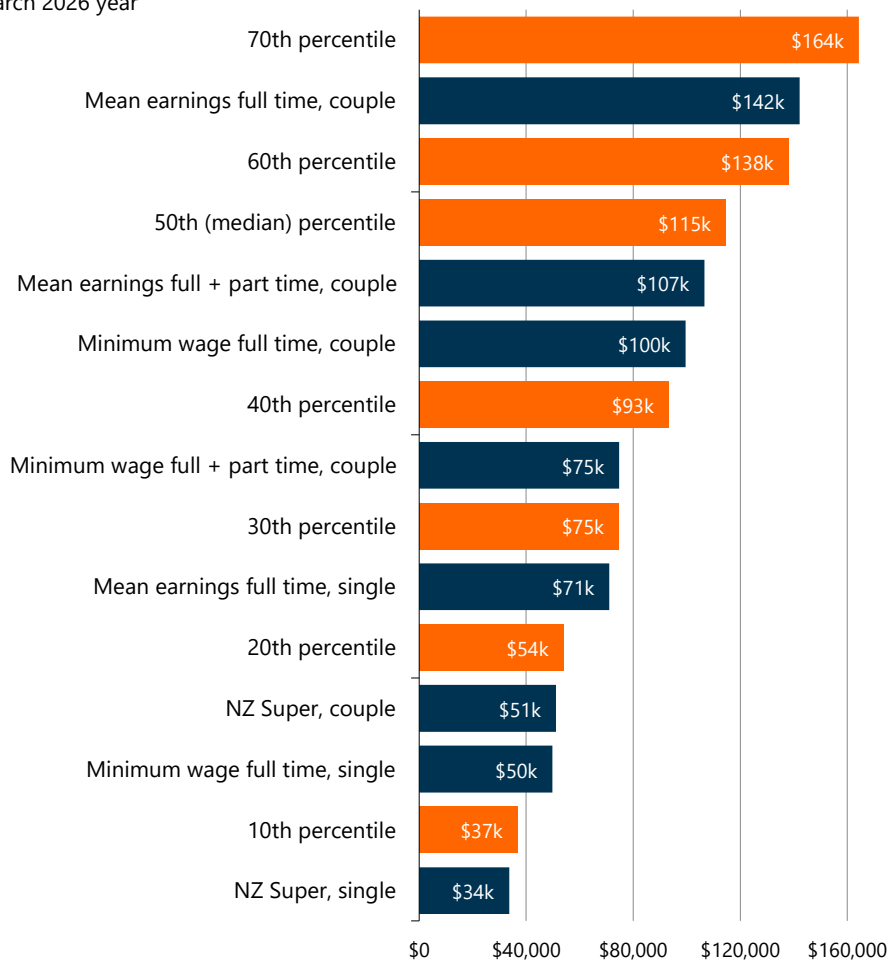
considered tax, Working for Families tax credits, Accommodation Supplement or rates rebates due to data limitations.

Chart 2 shows that a couple earning NZ Super with no other sources of income has a household income of \$51,000 per year, which places them just under the 20th percentile (\$54,000).

Chart 2

Common household incomes in Gisborne district

March 2026 year



Source: Infometrics, Stats NZ, Ministry of Social Development

Households made up of a single person with a lower income source invariably have a low household income, at or below the 20th percentile of \$54,000. A single person earning NZ Super earns \$34,000 per year, or \$50,000 earning minimum wage full time.

However, for households with two earners, incomes are appreciably higher. A couple both earning minimum wage full time earns \$100,000 per year, between the 40th and 50th percentile. A couple each earning Gisborne's mean earnings of \$71,000 per year would have a household income of \$142,000, placing them just under the 70th percentile.

Residential rates 3.7% of incomes in Gisborne

Median residential rates for standalone residential dwellings in Gisborne were \$4,289 in the 2025/26 year (year to June 2026). This level of rates amounts to 3.7% of Gisborne's median household income of \$114,700 in the year to March 2026.

In this section we focus on standalone residential dwellings, because this is the most common type of residential rating unit and is relatively homogenous – that is, similar in value and typically occupied by a single family.

Wide range in affordability by suburb

Rates, household incomes and therefore rates affordability all vary widely within Gisborne district. Table 1 shows that median rates in Lytton are the highest in the district, at \$4,989, amounting to 8.9% of the suburb's low median household income of \$56,300. Lytton's rates are slightly above the districtwide mean, but its incomes are very low, reflecting that the suburb has a concentration of older persons (53% of Lytton's population is aged 65 years or older) and retirement villages. Lytton may have a high incidence of retired persons who own their own home and use their savings to pay for rates. Furthermore, people, living in rest homes and earning minimal income are counted in the suburb's median household income, although they may not directly pay rates, which could overstate the unaffordability of rates in Lytton.

Beyond Lytton, the least affordable rates are found in Te Hapara East, where median rates of \$4,326 are close to the districtwide median, but incomes of \$77,463 are substantially below the districtwide median, meaning that rates amount to 5.6% of household incomes. In total, five Gisborne suburbs pay 5% or more of their income on rates on average.

Rates are most affordable outside of Gisborne City, in the Outer Zone and particularly on the East Coast, where communities have lower property values and reduced access to council services. Some rural-residential townships in the Outer Zone do not have reticulated water and wastewater infrastructure, which means they do not pay rates for these services, but they face additional costs such as water pump servicing and septic tank cleaning.

Across Outer Zone suburbs, median rates range from \$2,074 to \$3,497, with rates affordability ranging from 2.0% to 2.9% of household incomes. Rates are higher in urban Gisborne, reflecting the Inner Zone for rates and levels of service. Across the Inner Zone suburbs, median rates range from \$4,072 to \$4,989, with rates affordability ranging from 3.7% to 5.6% of household incomes (excluding Lytton with 8.9%).

Gisborne District rates affordability – August 2026

Table 1

Gisborne district residential rates affordability by suburb

Median, 2025/26

Suburb (SA2)	Rates	Household income	Rates % of income
Lytton	\$4,989	\$56,297	8.9%
Te Hapara East	\$4,326	\$77,463	5.6%
Gisborne Central	\$4,322	\$80,791	5.3%
Whataupoko West	\$4,648	\$87,578	5.3%
Centennial Crescent	\$4,189	\$83,698	5.0%
Te Hapara North	\$4,417	\$91,707	4.8%
Mangapapa North	\$4,324	\$90,139	4.8%
Te Hapara South	\$4,290	\$89,910	4.8%
Mangapapa South	\$4,359	\$91,625	4.8%
Elgin	\$4,184	\$91,376	4.6%
Kaiti North	\$4,514	\$99,618	4.5%
Riverdale	\$4,463	\$99,309	4.5%
Makaraka-Awapuni	\$4,277	\$95,513	4.5%
Kaiti South	\$4,158	\$97,798	4.3%
Mangapapa East	\$4,445	\$104,732	4.2%
Tamarau	\$4,162	\$99,384	4.2%
Whataupoko East	\$4,664	\$114,598	4.1%
Outer Kaiti	\$4,072	\$108,226	3.8%
Wainui-Okitu	\$4,365	\$118,781	3.7%
Tokomaru	\$2,392	\$74,536	3.2%
Waipaoa	\$2,718	\$93,215	2.9%
Ruatoria-Raukumara	\$2,325	\$83,210	2.8%
East Cape	\$2,074	\$74,361	2.8%
Hexton	\$3,497	\$125,767	2.8%
Wharekaka	\$2,309	\$86,035	2.7%
Te Arai	\$2,613	\$113,789	2.3%
Hangaroa	\$2,194	\$107,845	2.0%
Gisborne district total	\$4,289	\$114,672	3.7%

Highest rates not always in highest income suburbs

Table 2 highlights the relationship between median rates, median household incomes, and rates affordability, with 27 suburbs ranked across these three measures.

Outer Zone suburbs such as East Cape, Ruatoria-Raukumara, and Tokomaru have among the most affordable rates (23rd, 22nd, 20th), despite having low incomes (26th, 22nd, 25th), because their rates are substantially lower than the districtwide average (27th, 24th, 23rd).

Gisborne District rates affordability – August 2026

Table 2

Gisborne district residential rates affordability by suburb

Median, 2025/26

Suburb (SA2)	Rates (1=highest)	Household income (1=highest)	Rates % of income (1=highest/least affordable)
Lytton	1	27	1
Te Hapara East	10	24	2
Gisborne Central	12	23	3
Whataupoko West	3	19	4
Centennial Crescent	15	21	5
Te Hapara North	7	14	6
Mangapapa North	11	17	7
Te Hapara South	13	18	8
Mangapapa South	9	15	9
Elgin	16	16	10
Kaiti North	4	8	11
Riverdale	5	10	12
Makaraka-Awapuni	14	12	13
Kaiti South	18	11	14
Mangapapa East	6	7	15
Tamarau	17	9	16
Whataupoko East	2	3	17
Outer Kaiti	19	5	18
Wainui-Okitu	8	2	19
Tokomaru	23	25	20
Waipaoa	21	13	21
Ruatoria-Raukumara	24	22	22
East Cape	27	26	23
Hexton	20	1	24
Wharekaka	25	20	25
Te Arai	22	4	26
Hangaroa	26	6	27

Rates are relatively affordable in Whataupoko East as although they have the 2nd highest rates, they also have the 3rd highest household incomes. Conversely, Te Hapara East has 2nd least affordable rates because their rates are slightly higher than average (10th) and incomes are below average (24th).

In other suburbs, there is little resemblance between rates and incomes. Lytton is ranked 1st for rates and 27th for household incomes, which leads to a ranking of 1st for rates as a share of incomes.

Residential rates affordability across districts

In this section we assess rates affordability for residential ratepayers, comparing Gisborne with ten New Zealand districts and cities. Residential rates affordability is measured by rates as a share of household incomes.

Note: areas are presented in charts in geographic order (north to south).

Regional and water rates included

In comparing rates across districts, we have included territorial authority (district council and city council), regional council and water rates to allow for a fair comparison across areas. Gisborne is a unitary authority (providing both territorial authority and regional council functions), but several of the comparator areas have separate territorial authorities and regional councils.

Far North, Western Bay, Ōpōtiki, Nelson, and Tasman invoice residential rating units for their water usage on a volumetric basis. We have modelled water rates for these districts based on average residential water usage data from Gisborne, of 99m³ for standalone residential dwelling rating units, and 186m³ for residential lifestyle rating units. Ōpōtiki charges for water usage on a stepped basis, with no charge for lower levels of usage, consistent with average Gisborne usage.

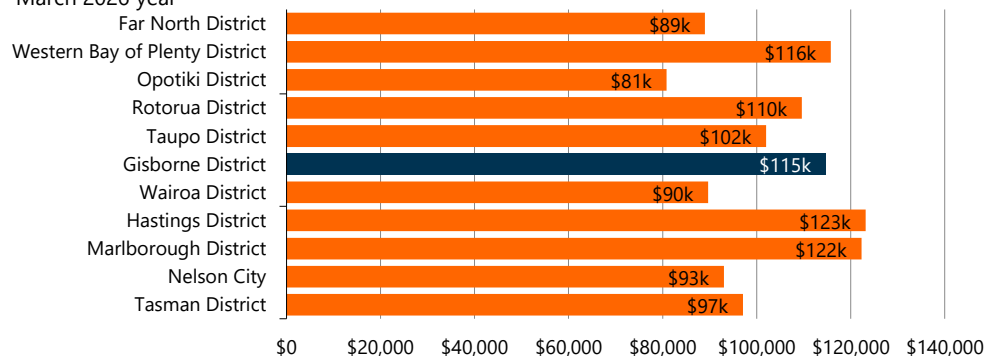
Gisborne incomes middle of the pack

Gisborne's median household income of \$115,000 in the year to March 2026 places the district around the middle of the pack. Chart 3 shows that Marlborough (\$122,000) and Hastings (\$123,000) both have higher household incomes than Gisborne. Western Bay of Plenty (\$116,000) has a similar household income to Gisborne.

Chart 3

Median household income by district

March 2026 year



Household incomes are appreciably lower in Far North (\$89,000), Ōpōtiki (\$81,000), Wairoa (\$90,000) and Nelson (\$93,000). Variation in household size can affect household incomes and expenses. Households with multiple working adults may have higher

Gisborne District rates affordability – August 2026

incomes than those with a single earner. Conversely, households with more dependents such as children may have less disposable income as their income is stretched to support the essential needs of more people. In 2023, the average Gisborne household had 2.8 people, among the highest of the 11 councils. Nelson, Tasman and Marlborough each have an average household size of less than 2.6.

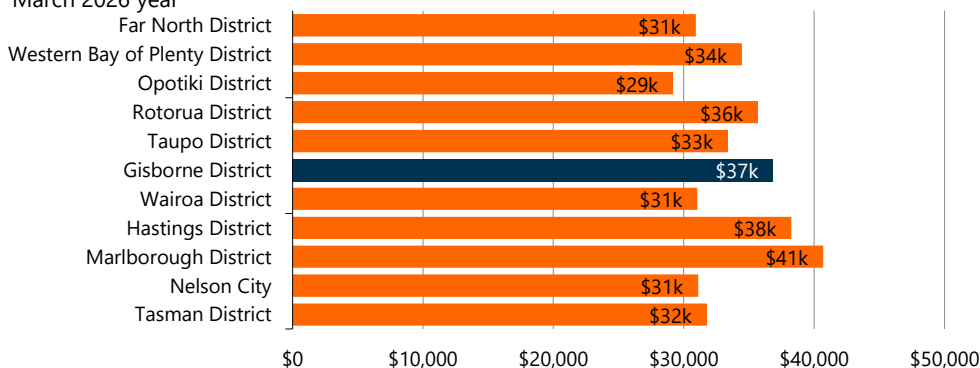
Lowest-income households similar across areas

Focusing on 10th percentile incomes, which reflects the lowest income households in each district, there is a tighter range across the district, which indicates that central government support such as benefits and NZ Super provide a consistent income 'floor'. Across the 11 areas in 2026, 10th percentile incomes range from \$29,000 in Ōpōtiki up to \$41,000 in Marlborough. Gisborne's 10th percentile income of \$38,000 sits in the middle to upper end of the 11 areas.

Chart 4

10th percentile household income by district

March 2026 year



Wider spread for top earners

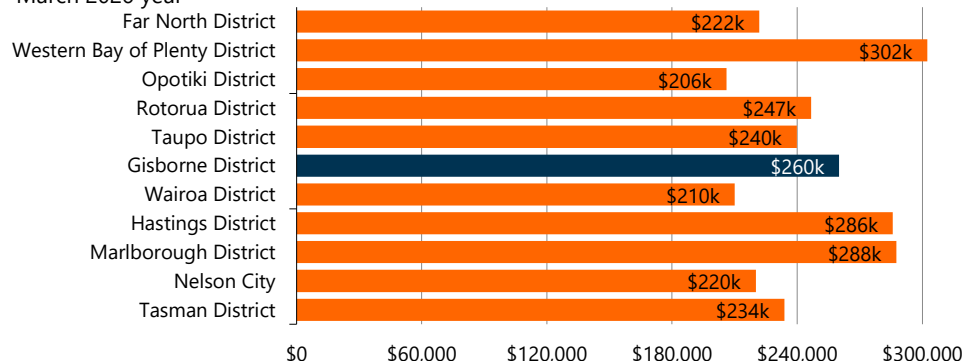
Focusing on the top-earning households – the 90th percentile – shows a wide spread of incomes. Western Bay has the highest 90th percentile income, at \$302,000, followed by Marlborough with \$288,000 and Hastings with \$286,000. Gisborne has the fourth highest 90th percentile incomes, with \$260,000. Wairoa and Ōpōtiki have the lowest, at \$210,000 and \$206,000 respectively. The 90th percentile income does not reflect the broader community's ability to afford rates but does serve to highlight the range of incomes in the community.

Gisborne District rates affordability – August 2026

Chart 5

90th percentile household income by district

March 2026 year



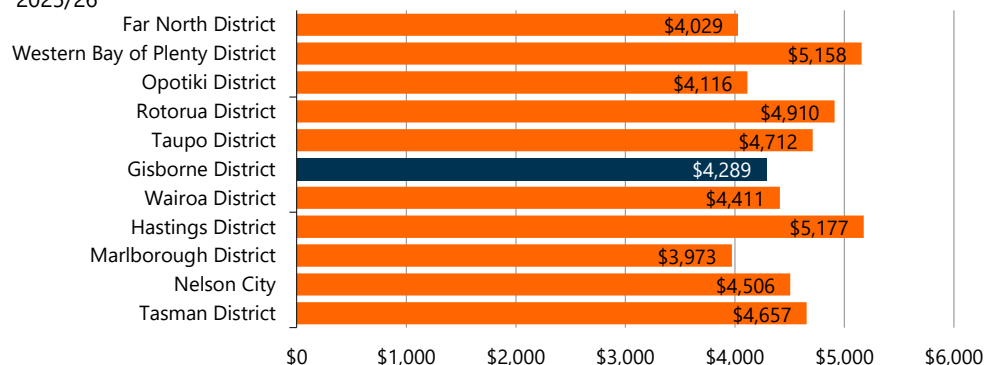
Rates vary across districts from \$3.9-5.2k

Median residential rates vary widely across cities, from around \$3,900 to \$5,200. Chart 6 shows that the lowest median rates are found in Marlborough (\$3,973), Far North (\$4,029) and Ōpōtiki (\$4,116). The highest rates are found in Hastings (\$5,177) and Western Bay of Plenty (\$5,158). Gisborne's median rates of \$4,289 sit among the lower-middle of the pack.

Chart 6

Median residential rates value by district

2025/26

Gisborne residential rates 2nd most affordable

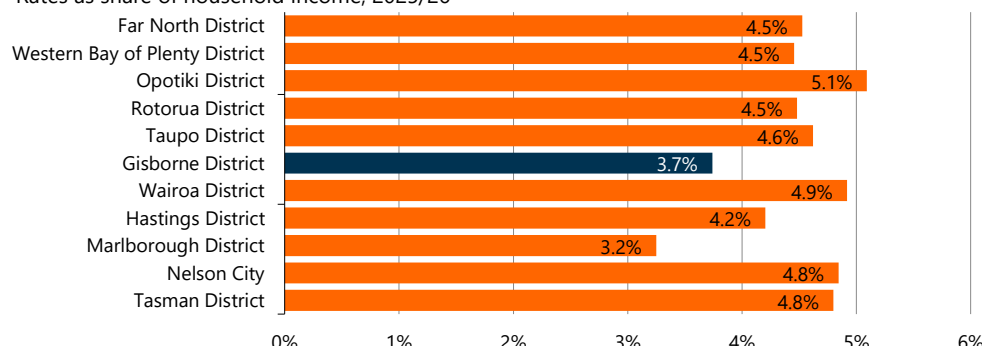
Gisborne's median residential rates are the second most affordable out of the 11 areas compared. Chart 7 shows that Gisborne's slightly lower rates and slightly higher incomes contribute to relatively affordable rates, with median rates amounting to 3.7% of household incomes, second only to Marlborough (3.2%). Marlborough's rates are the most affordable because their rates are relatively low and their household incomes are relatively high.

Gisborne District rates affordability – August 2026

Chart 7

Median residential rates affordability by district

Rates as share of household income, 2025/26



The other districts range from 4.2% (Hastings) up to 5.1% (Ōpōtiki). Ōpōtiki's relatively unaffordable rates reflect particularly low incomes, even though the value of rates sits in the middle of the pack.

Incomes vary across lowest earning suburbs

Now, we switch to focusing on suburbs as our unit of analysis, as we can relate data on household income and rates together at suburb level. We identify low-income suburbs across each district by the median household income in each suburb, and the 10th percentile suburb across each district. This means that if there were 100 suburbs in each district, ranked by median household income, the 10th suburb represents the 10th percentile for the district. Wairoa and Ōpōtiki have been excluded from this analysis because they have fewer than nine suburbs, so their suburbs can't be meaningfully sorted into deciles.

The spread of household incomes is much narrower when looking at a suburb rather than district level. Chart 1 shows that in Gisborne the 10th percentile household income is \$37,000, but in Chart 8 the median household income for the 10th percentile suburb is \$94,000. This difference in spread reflects that suburbs comprise a mix of households with differing income levels – they are rarely made up entirely of low earning households.

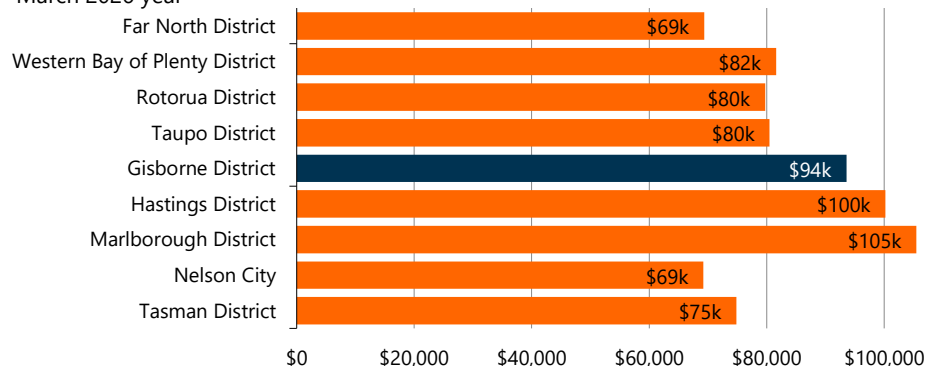
Gisborne has the third highest 10th percentile suburb household income, after Hastings (\$100,000) and Marlborough (\$105,000). The lowest 10th percentile suburb household incomes are found in Far North (\$69,000), Nelson City (\$69,000) and Tasman (\$75,000).

Gisborne District rates affordability – August 2026

Chart 8

10th percentile suburb household income by district

March 2026 year



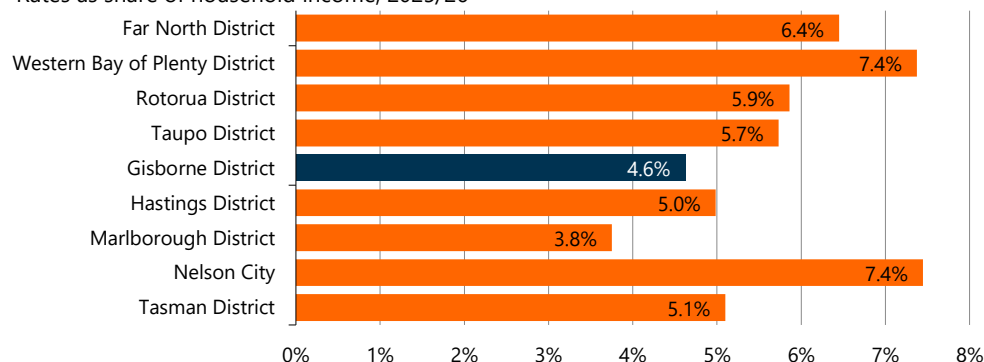
Gisborne rates 2nd most affordable in low-income suburbs

The relatively high incomes of Gisborne, Hastings and Marlborough's 10th percentile suburbs means that these areas have the most affordable rates for 10th percentile suburbs. Chart 9 shows that median rates amount to 3.8% of median household incomes in Marlborough's 10th percentile suburb, followed by 4.6% for Gisborne and 5.0% for Hastings.

Chart 9

10th percentile suburb rates affordability by district

Rates as share of household income, 2025/26



Rates amount to 7.4% of household incomes in Nelson and Western Bay of Plenty's 10th percentile suburb, reflecting low incomes for Nelson's 10th percentile suburb, and high rates for Western Bay of Plenty.

Rates affordability varies by suburb

Table 3 shows a wide range of rates affordability by suburb, supported by Table 5 (in *Appendix A. Percentile suburb list*) which names the suburb for each district and decile. In

Gisborne District rates affordability – August 2026

Gisborne, the highest rates burden is found in the 10th percentile suburb Te Hapara East, where median rates amount to 4.8% of median household incomes. The lowest rates burden is in the 80th percentile suburb, Hangaroa, where rates amount to 1.8% of household incomes.

Table 3

Residential rates affordability by city and suburb percentile

% of household income in 2026

District	10th	20th	30th	40th	Percentile 50th (median)	60th	70th	80th	90th
Far North District	6.4%	5.2%	5.2%	4.9%	2.9%	4.5%	4.6%	3.3%	2.7%
Western Bay of Plenty	7.4%	6.2%	4.7%	3.3%	2.9%	3.9%	2.2%	2.3%	2.6%
Opoitiki District	3.8%	3.8%	3.8%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%
Rotorua District	5.9%	4.8%	4.5%	3.9%	4.2%	4.4%	4.4%	6.4%	4.6%
Taupo District	5.7%	4.5%	5.2%	5.2%	4.3%	4.5%	3.4%	4.9%	4.2%
Gisborne District	4.6%	2.3%	4.4%	4.0%	4.0%	3.5%	3.5%	1.7%	1.9%
Wairoa District	5.5%	3.0%	3.0%	5.1%	5.1%	5.1%	3.1%	3.1%	2.1%
Hastings District	5.0%	4.7%	4.9%	4.6%	3.3%	3.9%	1.9%	2.0%	1.9%
Marlborough District	3.8%	3.6%	3.6%	3.8%	2.3%	3.3%	3.0%	1.7%	2.4%
Nelson City	7.4%	5.7%	6.0%	5.3%	4.6%	5.0%	4.2%	6.0%	4.3%
Tasman District	5.1%	6.2%	5.0%	2.9%	5.1%	5.5%	4.6%	3.6%	3.4%

Across the other districts, the highest rates burden is in Waihi Beach-Bowentown, the 10th percentile suburb in Western Bay of Plenty, where rates amount to 7.7% of household incomes. The lowest rates burden is a tie between Gisborne's Hangaroa and Marlborough's Tuamarina, with rates amounting to 1.8% of median household incomes in both areas.

Variation in rates and incomes mean that the highest earning suburbs don't necessarily have the lowest relative burden from rates. In Ōpōtiki, Rotorua and Tasman, the suburbs with the lowest rates burden are not the highest earning (90th percentile), in fact, they have below-median incomes. In other words, the higher capital values of houses in higher earning suburbs mean that rates can be disproportionately higher.

Highest rates spread across income levels

Table 4 shows that the highest rates are spread across suburbs with a range of income levels. For half of the districts, the highest rates are found in suburbs with above-median incomes, and for the other half (including Gisborne), the highest rates are found in suburbs with below-median incomes. In Gisborne, the suburb with the highest rates (Whataupoko West - \$4,648) has 40th percentile household incomes, and the suburb with the lowest rates (Hangaroa - \$2,194) has 80th percentile incomes.

Gisborne District rates affordability – August 2026

Table 4

Residential rates by city and percentile

2026. Based on median household in suburb representing each percentile

District	Percentile								
	10th	20th	30th	40th	50th (median)	60th	70th	80th	90th
Far North District	\$4,475	\$3,898	\$4,226	\$4,243	\$2,622	\$4,410	\$4,578	\$3,329	\$2,864
Western Bay of Plenty	\$6,017	\$5,463	\$5,008	\$3,646	\$3,499	\$5,019	\$3,207	\$3,500	\$4,006
Opotiki District	\$2,692	\$2,692	\$2,692	\$4,346	\$4,346	\$4,346	\$4,346	\$4,286	\$4,286
Rotorua District	\$4,672	\$4,919	\$4,816	\$4,236	\$4,562	\$4,991	\$5,195	\$7,957	\$5,928
Taupo District	\$4,614	\$3,847	\$5,016	\$5,100	\$4,384	\$4,653	\$3,833	\$5,666	\$5,396
Gisborne District	\$4,326	\$2,325	\$4,648	\$4,324	\$4,417	\$4,158	\$4,162	\$2,194	\$2,613
Wairoa District	\$4,410	\$2,463	\$2,463	\$4,548	\$4,548	\$4,548	\$2,937	\$2,937	\$2,106
Hastings District	\$4,997	\$5,216	\$5,736	\$5,515	\$4,217	\$4,958	\$2,737	\$2,816	\$2,948
Marlborough District	\$3,956	\$3,954	\$4,063	\$4,335	\$3,011	\$4,281	\$4,078	\$2,417	\$3,877
Nelson City	\$5,155	\$4,506	\$5,211	\$4,788	\$4,337	\$4,675	\$4,168	\$6,058	\$4,421
Tasman District	\$3,816	\$4,922	\$4,571	\$2,703	\$5,153	\$5,983	\$5,313	\$4,366	\$4,618

A separate look at lifestyle block rates

The previous sections focused on rates for standalone residential dwellings, because this is the most common type of residential rating unit and is relatively homogenous – that is, similar in value and typically occupied by a single household. In this section, we focus on rates affordability for residential lifestyle rating units with a dwelling. Rating affordability can be different for residential lifestyle properties because they often receive fewer council services (a lower level of service) and are therefore charged less rates than urban properties of a similar value. However, with fewer council services, lifestyle properties face additional costs – such as water pump maintenance and septic tank cleaning, so they should not be compared directly with fully-serviced urban properties for rates affordability.

Lifestyle rating units can also attract different types of households – in many areas, median incomes are higher in lifestyle areas, which also affects rating affordability. In assessing lifestyle rating affordability, we have used household incomes from the areas where lifestyle blocks are located.

Gisborne lifestyle rates among the lowest

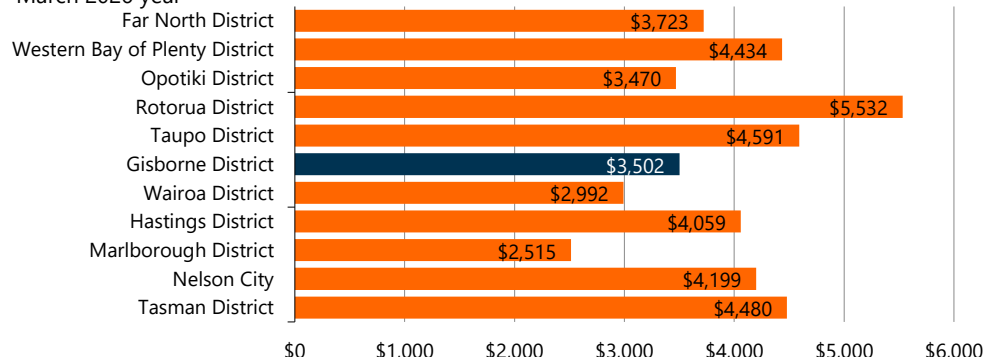
Chart 10 shows that Gisborne's median lifestyle rates of \$3,502 are among the lowest of the districts assessed. There are three districts with lower lifestyle rates than Gisborne, including Ōpōtiki with a very similar level of rates (\$3,470), and seven with higher lifestyle rates.

Gisborne District rates affordability – August 2026

Chart 10

Median lifestyle rates value by district

March 2026 year



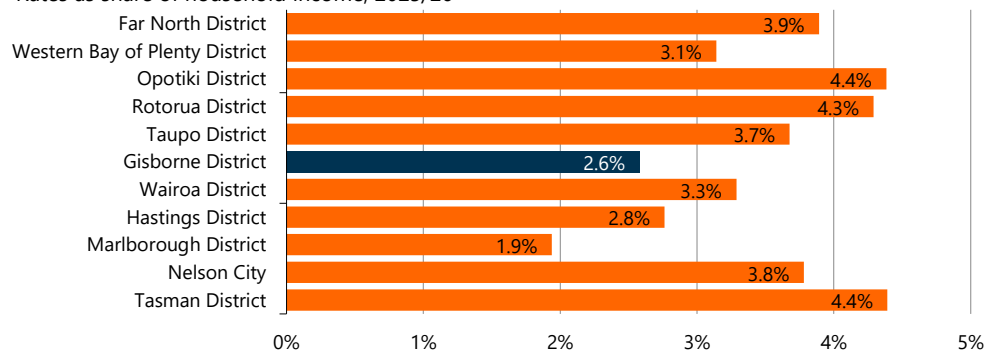
Gisborne lifestyle rates second most affordable

Chart 11 shows that lifestyle rates amount to 2.6% of household incomes in Gisborne district, the second lowest after Marlborough district (1.9%). Lifestyle rates affordability in Hastings of 2.8% is similar to Gisborne, and ranges much higher across other districts – from 3.1% in Western Bay to 4.4% in Ōpōtiki and Tasman.

Chart 11

Median lifestyle rates affordability by district

Rates as share of household income, 2025/26



Commercial rates affordability

In this section we assess rates affordability for commercial ratepayers, comparing Gisborne with ten New Zealand districts.

Common system for classifying rating units

All councils in New Zealand classify rating units in accordance with LINZ valuation rules¹ which include a hierarchy of different characteristics. Valuers working for councils ensure that each rating unit is classified consistently in accordance with the LINZ rules.

Commercial rates relative to capital values

Commercial rates affordability is measured by rates as a share of capital values. Capital values theoretically reflect the ability of a property to generate revenue, but are not as direct a measure as household incomes are for residential rates affordability. The date of capital valuations varies across councils, with Gisborne's capital values assessed in 2023, and the comparison councils assessed over 2023 to 2025. These differing valuation dates limit the accuracy of the commercial rates affordability analysis.

Sample selected for relevance to Gisborne

Through discussion with GDC and analysis of rating units across the 11 districts, we selected several rating unit types to focus on. These rating unit types are commercial (overall, as well as accommodation and retail), industrial, exotic forestry, pastoral, and horticulture (overall, as well as kiwifruit, vineyard and pip fruit).

This selection considered their relevance to Gisborne, ensuring they have a significant sample size in Gisborne, with the selected rating unit categories and sub-categories all representing at least 10 rating units. Where a district had fewer than 10 rating units of a particular category, then it was removed from analysis of that category. For example, analysis of vineyard rates only includes the four districts with more than ten vineyard rating units. There was only a meaningful number of vineyards in four of the eleven districts.

Gisborne commercial rates middle of the pack

Commercial rating units include accommodation (such as hotels and motels), rest homes, retail (including shops, restaurants, cafes and bars) and offices. Accommodation and retail are covered in further detail in subsequent sections.

Across commercial rating units in Gisborne, rates amount to 0.8% of capital values, placing the district middle of the pack among the 11 districts analysed (see Chart 12). Commercial rates are more affordable in Western Bay (0.6%), Tasman (0.6%),

¹ Land Information New Zealand (2010). *Rating Valuations Rules 2008*.

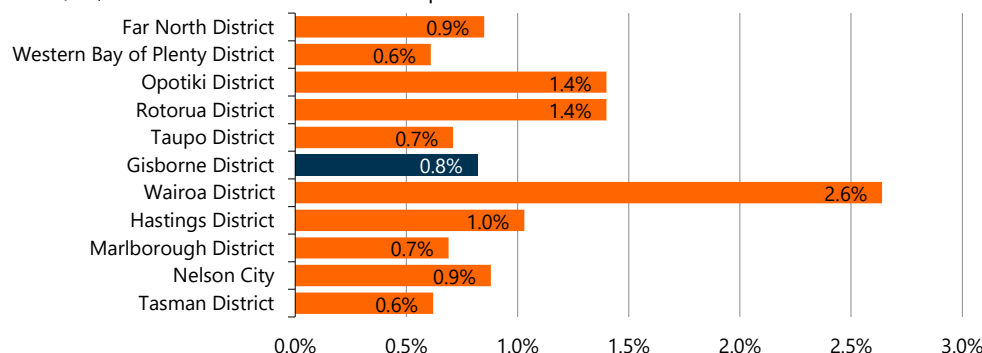
Gisborne District rates affordability – August 2026

Marlborough (0.7%), and Taupō (0.7%). Commercial rates are significantly less affordable in Wairoa (2.6%).

Chart 12

Median commercial rates affordability by district

2025/26, median rates as % of median capital value

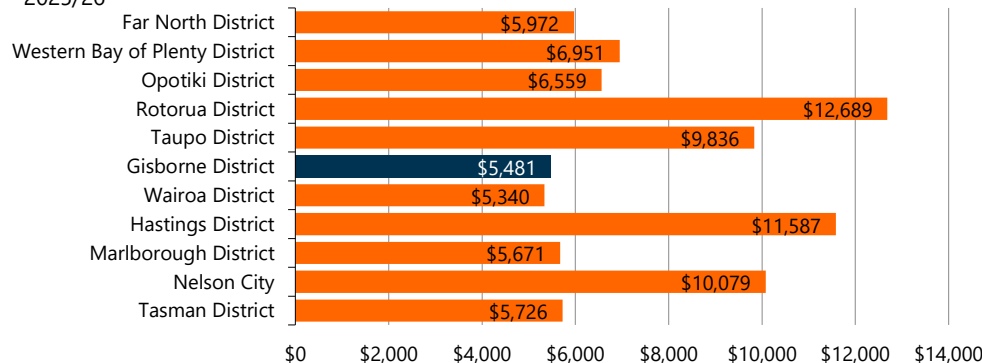


Across most districts, median commercial rates are around \$6,000 per year, including \$5,481 in Gisborne (see Chart 13). Median commercial rates are higher in Rotorua, Taupō, Hastings and Nelson, over \$9,000 per year, but this is driven by rating units with a higher capital value, rather than less affordable rates.

Chart 13

Median commercial rates value by district

2025/26



Slightly higher accommodation rates

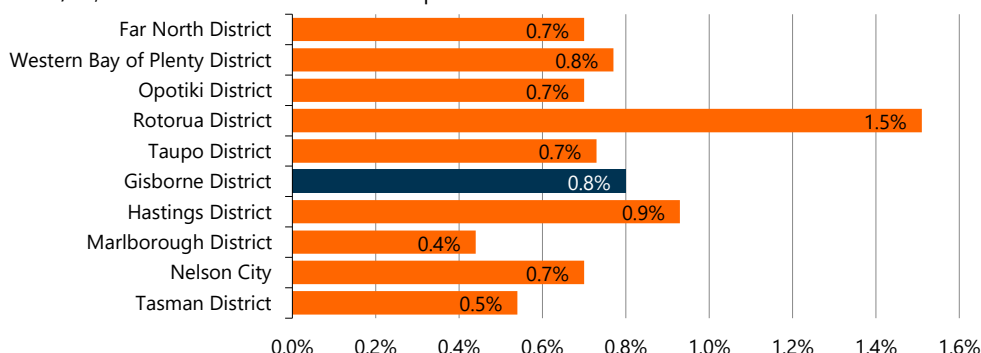
Accommodation rating units include hotels and motels. Across accommodation rating units in Gisborne, rates amount to 0.8% of capital values, which is slightly higher than most other comparison councils (see Chart 14). Five councils have similar accommodation rates affordability to Gisborne, at 0.7-0.8%, and much lower for Marlborough (0.4%) and Tasman (0.5%). Accommodation rates are much less affordable in Rotorua, at 1.5% of capital values, which could reflect a higher targeted rate to fund tourism promotion.

Gisborne District rates affordability – August 2026

Chart 14

Median accommodation rates affordability by district

2025/26, median rates as % of median capital value

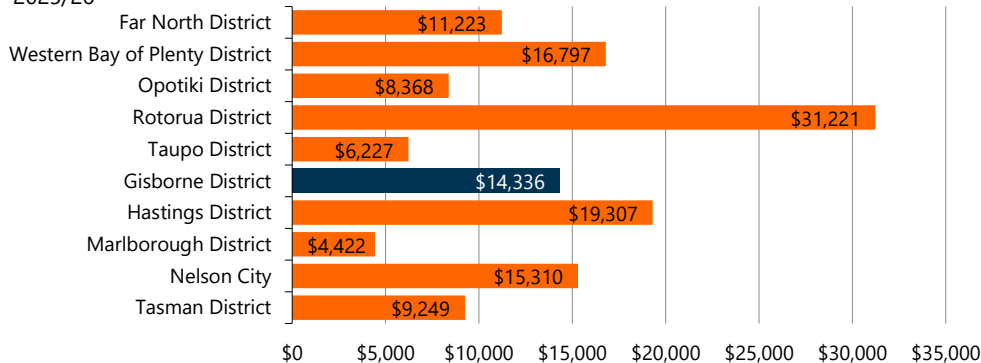


The value of accommodation rates varied widely across most districts, reflecting variation in the scale of accommodation rating units as well as affordability. Chart 15 shows the lowest median accommodation rates are in Marlborough (\$4,422), and the highest in Rotorua (\$31,221). Rotorua's high rates reflect a combination of less affordable rates and larger rating units (more hotels rather than motels). Gisborne's median commercial rates of \$14,336 sit around the middle of the 11 councils compared.

Chart 15

Median accommodation rates value by district

2025/26



Gisborne retail rates relatively affordable

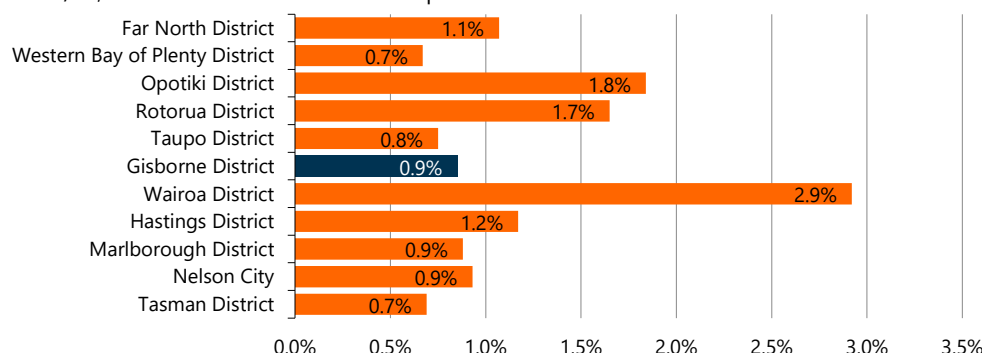
Retail rating units include shops, restaurants, cafes and bars. Across retail rating units in Gisborne, rates amount to 0.9% of capital values, which is relatively affordable compared to the 11 districts analysed (see Chart 16). Retail rates are more affordable in Tasman (0.7%), Western Bay (0.7%) and Taupō (0.8%), and similar to Gisborne in Marlborough (0.9%) and Nelson (0.9%). Commercial rates are appreciably less affordable Rotorua (1.7%), Ōpōtiki (1.8%), and Wairoa (2.9%).

Gisborne District rates affordability – August 2026

Chart 16

Median retail rates affordability by district

2025/26, median rates as % of median capital value

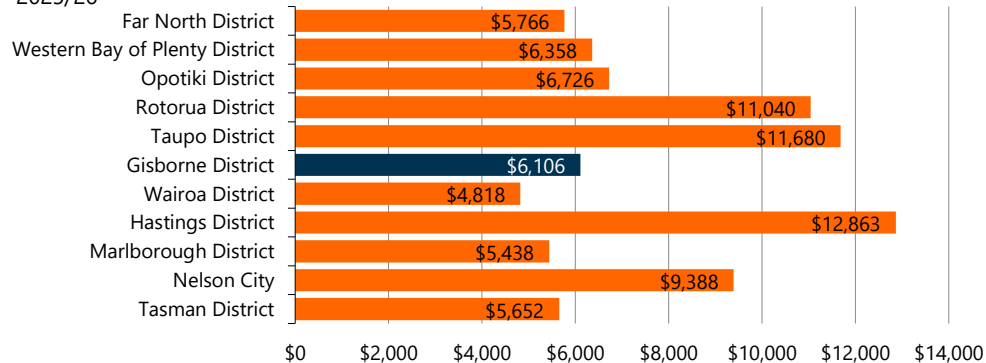


The value of retail rates varied widely across most districts, reflecting variation in the scale of retail rating units as well as affordability. Chart 17 shows a cluster of median retail rates around \$5,000-\$7,000, with Gisborne in the middle of this cluster with \$6,106. Retail rates are appreciably higher, over \$9,000, in Rotorua, Taupō, Hastings and Nelson, though this is largely driven by more valuable rating units. Rotorua is an exception, with the second least affordable rates and the third highest rates value.

Chart 17

Median retail rates value by district

2025/26



Relatively affordable industrial rates

Industrial rating units include a wide range of activities, from automotive mechanics up to large scale manufacturing facility. For this analysis, we have focused on three aspects of industrial – light manufacturing, services to the public (such as an automotive mechanic), and warehousing. We have excluded food processing and heavy large-scale manufacturing as there is an insignificant number of these rating units in Gisborne, and having a mix of small and large rating units within the same comparison can cloud the results.

Across industrial rating units in Gisborne, rates amount to 0.6% of capital values, the same as Western Bay and Tasman, with the three areas having the most affordable

Gisborne District rates affordability – August 2026

industrial rates out of the 11 districts analysed (see Chart 19). A further five areas have industrial rates between 0.8% and 1.1% of capital values, and three are substantially higher. Industrial rates amount of 1.2% of capital values in Gisborne, 1.4% in Ōpōtiki and 2.6% in Wairoa.

Chart 18

Median industrial rates affordability by district

2025/26, median rates as % of median capital value

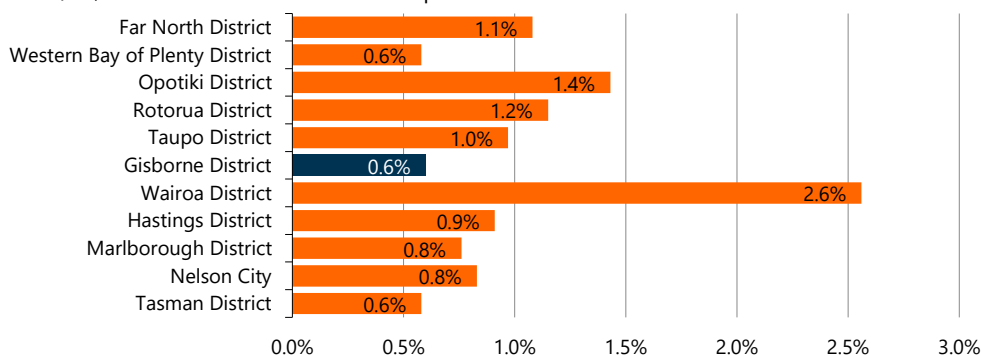
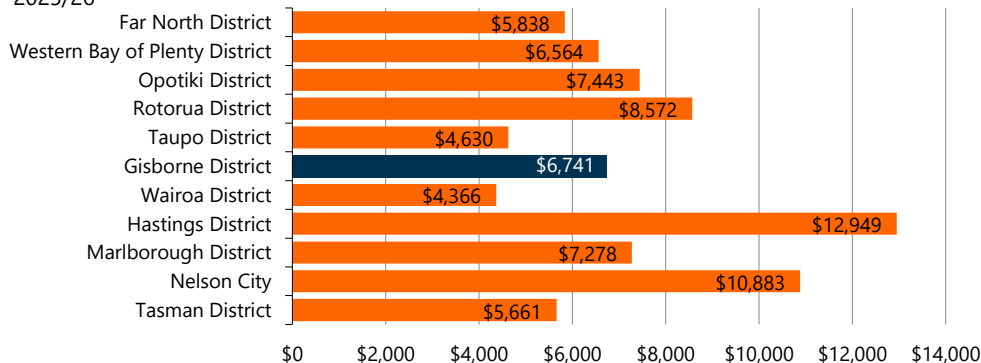


Chart 19 shows that the value of industrial rates ranges between \$4,000 and \$8,000 across most districts, with Gisborne sitting towards the upper end of this range, with median industrial rates of \$6,741. Industrial rates values are appreciably higher in Hastings (\$12,949) and Nelson (\$10,883), though rates are relatively affordable compared to capital values for both areas.

Chart 19

Median industrial rates value by district

2025/26



Pastoral rates affordability similar

Pastoral rating units cover land used for livestock farming, including grazing, finishing and high-country runs. For this analysis, we have focused on rating units that have been appraised as 'economic' farms and blocks. LINZ valuation rules¹ define a rating unit as economic if, "with good or average management, [it] is able to continue as a business enterprise".

Gisborne District rates affordability – August 2026

Across pastoral rating units in Gisborne, rates amount to 0.26% of capital values, comparable to Far North (0.27%), Taupō (0.27%), Hastings (0.25%) and Tasman (0.24%) (see Chart 20). Pastoral rates are appreciably more affordable in Marlborough (0.17%), and less affordable in Wairoa (0.30%) and Rotorua (0.39%).

Chart 20

Median pastoral rates affordability by district

2025/26, median rates as % of median capital value

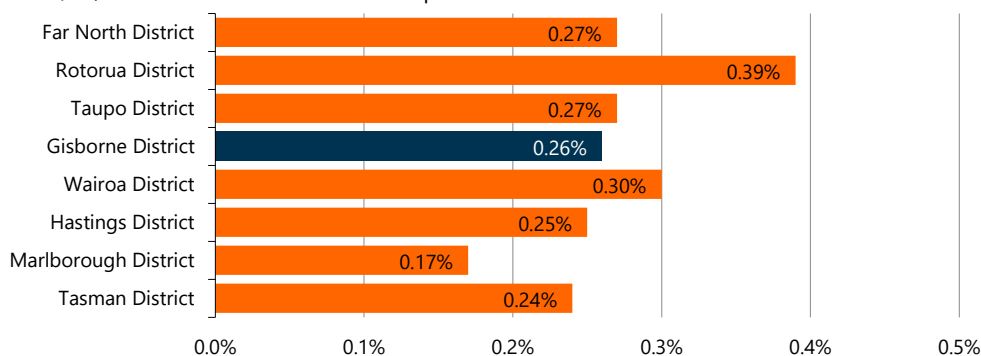
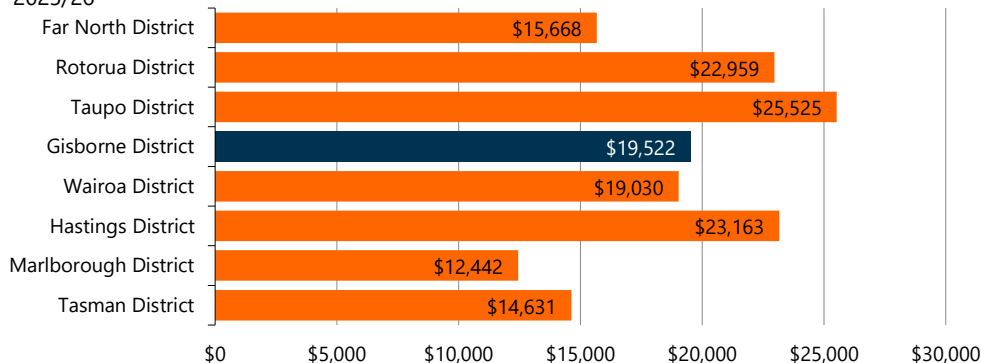


Chart 21 shows that the value of pastoral rates varies widely, reflecting a range of rating unit sizes and values. Gisborne's median pastoral rates of \$19,522 sit towards the upper end of the councils compared, suggesting slightly larger rating units, as Gisborne's pastoral rates affordability is comparable to other councils. Marlborough's lower median pastoral rates of \$12,442 reflects more affordable rates.

Chart 21

Median pastoral rates value by district

2025/26



Less affordable forestry rates

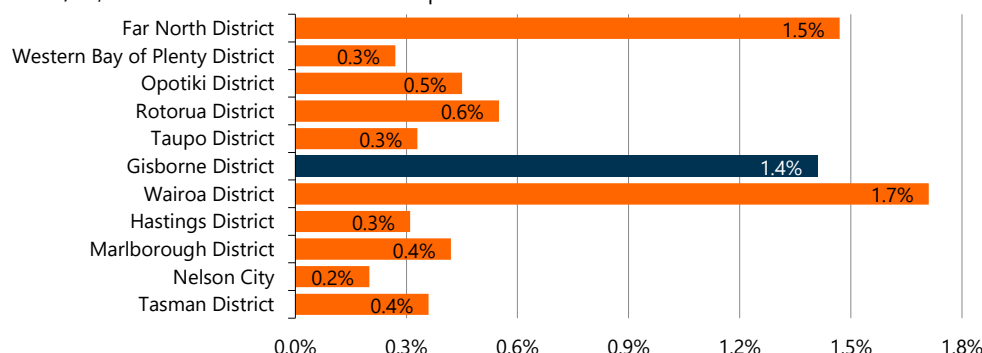
Exotic forestry rating units cover land "that may be either in production or currently available for planting"¹. Across exotic forestry rating units in Gisborne, rates amount to 1.4% of capital values, the third highest district after Far North (1.5%) and Wairoa (1.7%) (see Chart 22). Exotic forestry rates are appreciably more affordable across the other eight councils, ranging from 0.2% to 0.6%.

Gisborne District rates affordability – August 2026

Chart 22

Median exotic forestry rates affordability by district

2025/26, median rates as % of median capital value

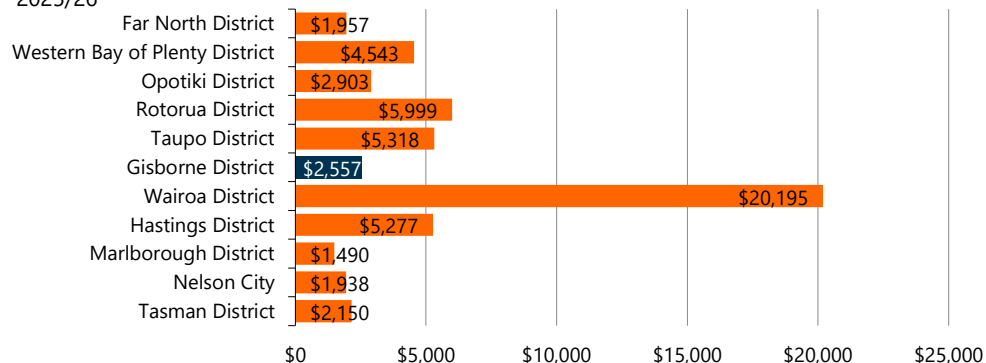


The value of exotic forestry rates varies widely across most districts, reflecting not only variation in rates affordability, but also variation in the size of rating units. Some districts, such as Gisborne, have a higher prevalence of small forestry blocks owned by small-scale investors, as opposed to larger forests. Chart 23 shows a cluster of median exotic forestry rates around \$1,000-\$6,000, with Gisborne in the middle of this cluster with \$2,557. Exotic forestry rates are appreciably higher, at \$20,195 in Wairoa, which reflects both less affordable rates and larger value rating units.

Chart 23

Median exotic forestry rates value by district

2025/26



Less affordable horticulture rates

Horticulture rating units cover horticultural land, and we have focused on rating units that have been appraised as 'economic' farms and blocks. We first assess horticulture rating units overall, which includes market gardens and multi-use rating units. Then, we focus on rating units dedicated to kiwifruit, vineyards and pip fruit. This assessment does not take into account GDC's permanent crop rates remission, nor any other rates remission policies.

Across horticultural rating units in Gisborne, rates amount to 0.32% of capital values, equal to Ōpōtiki, and followed closely behind by Hastings (0.29%) and Tasman (0.29%).

Gisborne District rates affordability – August 2026

Horticulture rates are much more affordable in Far North (0.17%), Western Bay of Plenty (0.20%) and Marlborough (0.17%).

Chart 24

Median horticulture rates affordability by district

2025/26, median rates as % of median capital value

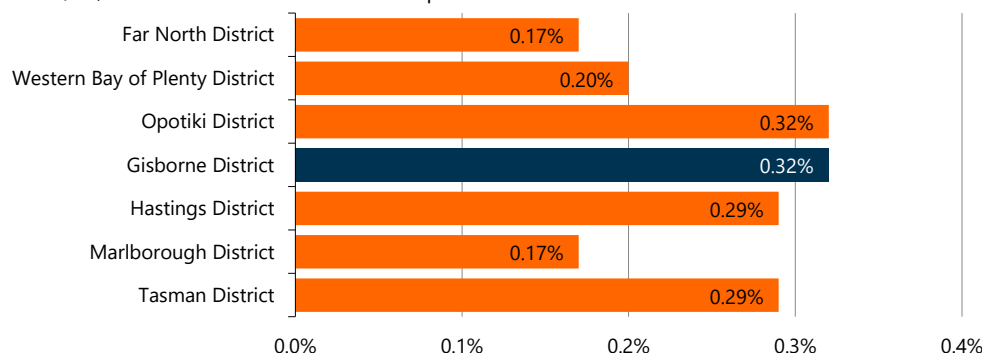
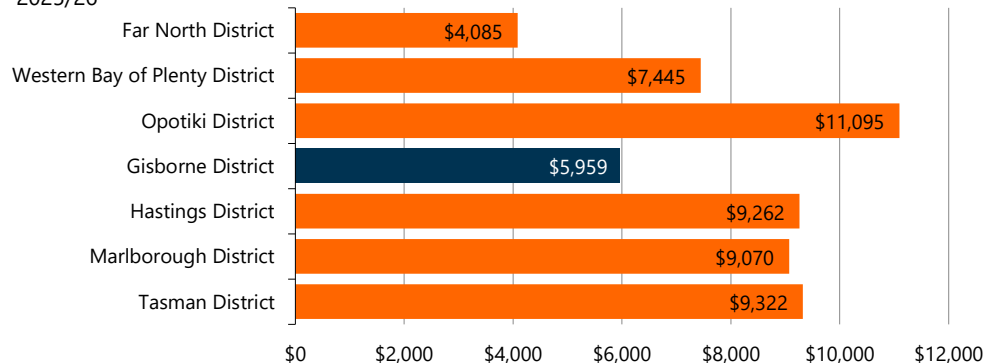


Chart 25 shows that the value of horticultural rates varies widely, likely reflecting a range of rating unit sizes and values. Gisborne's median horticultural rates of \$5,959 sit among the middle of the councils compared, suggesting smaller rating units than Ōpōtiki, which has the same level of rates affordability but median rates nearly double that of Gisborne.

Chart 25

Median horticulture rates value by district

2025/26



Similar kiwifruit rates affordability

Across kiwifruit rating units in Gisborne, rates amount to 0.22% of capital values, sitting in the upper-middle of comparable councils (see Chart 26). Kiwifruit rates are much more affordable in Far North (0.11%) and Hastings (0.15%). Kiwifruit rates affordability is similar in Western Bay of Plenty (0.22%), and less affordable in Ōpōtiki (0.30%) and Tasman (0.28%).

Gisborne District rates affordability – August 2026

Chart 26

Median kiwifruit rates affordability by district

2025/26, median rates as % of median capital value

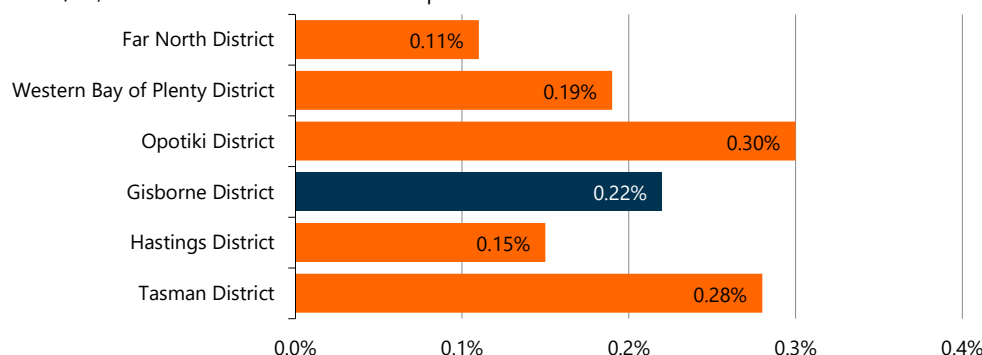
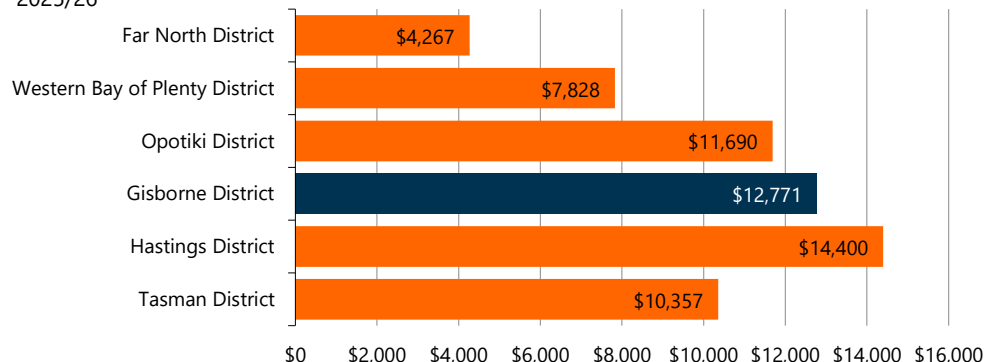


Chart 27 shows that the value of kiwifruit rates varies widely, likely reflecting a range of rating unit sizes and values. Gisborne's median kiwifruit rates of \$12,771 are the second highest of the councils compared, behind only \$14,400 in Hastings, suggesting much larger rating units in Hastings than Gisborne. Kiwifruit rates are much lower in Far North, reflecting more affordable rates and smaller rating units than Gisborne.

Chart 27

Median kiwifruit rates value by district

2025/26



Less affordable vineyard rates

Across vineyard rating units in Gisborne, rates amount to 0.32% of capital values, the highest of four councils with a meaningful number of vineyard rating units (see Chart 28). Vineyard rates affordability is similar in Tasman (0.30%), and much more affordable in Hastings (0.24%) and Marlborough (0.17%).

Gisborne District rates affordability – August 2026

Chart 28

Median vineyard rates affordability by district

2025/26, median rates as % of median capital value

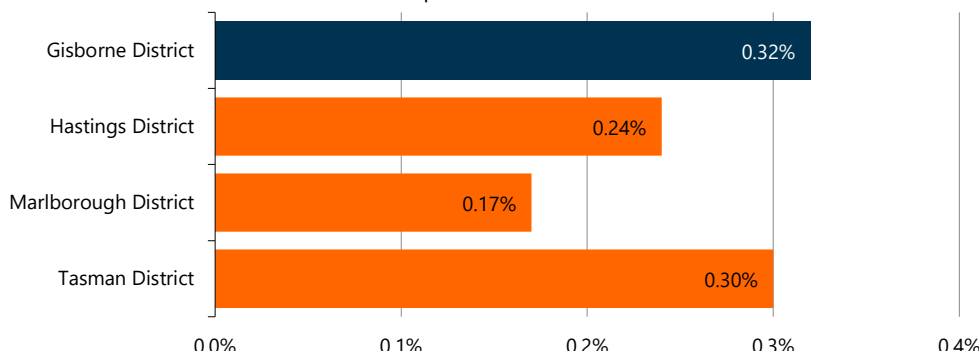
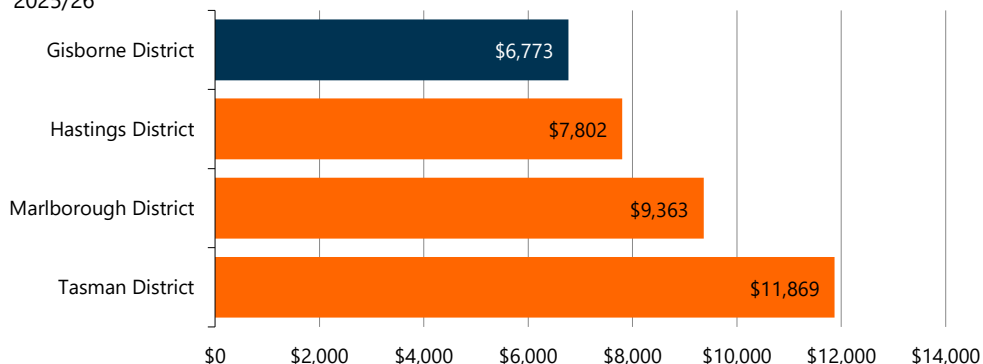


Chart 29 shows that Gisborne has the lowest median vineyard rates, of \$6,773, despite having the least affordable vineyard rates, reflecting small vineyard rating units in Gisborne than other districts. Conversely, Tasman has the highest median vineyard rates, of \$11,869, reflecting both larger rating units and less affordable vineyard rates.

Chart 29

Median vineyard rates value by district

2025/26



Similar pip fruit rates affordability

Across pip fruit rating units in Gisborne, rates amount to 0.29% of capital values, comparable to Hastings (0.30%) and Tasman (0.26%) (see Chart 30). Only three of the 11 councils assessed had a meaningful number of pip fruit rating units, and rates affordability was similar across all three.

Gisborne District rates affordability – August 2026

Chart 30

Median pip fruit rates affordability by district

2025/26, median rates as % of median capital value

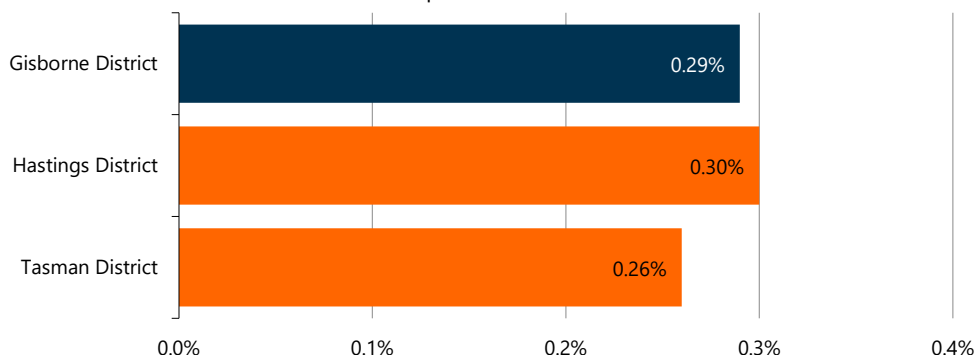
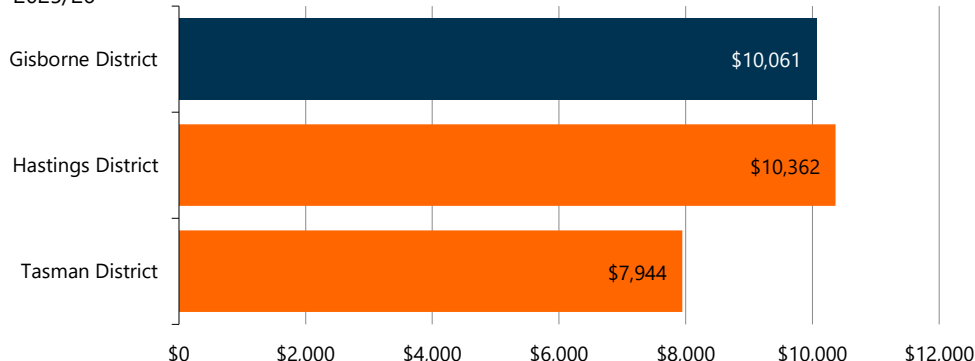


Chart 31 shows that the median value of pip fruit rates is similar in both Gisborne (\$10,061) and Hastings (\$10,362), but much lower in Tasman (\$7,944). Tasman's lower pip fruit rates reflects both more affordable rates and less valuable rating units.

Chart 31

Median pip fruit rates value by district

2025/26



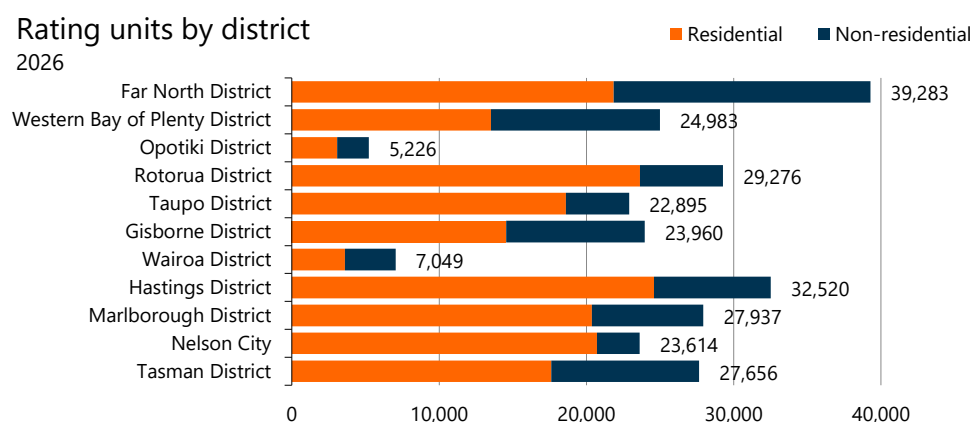
Economic and demographic comparison

In this section we provide wider economic and demographic context to support comparison of rates affordability between Gisborne and the other ten districts.

Most districts have 20-40k rating units

Across the 11 councils, most have between 20,000 and 40,000 rating units. Chart 32 shows that Gisborne has 23,960 rating units, in a similar range to most of the councils. Ōpōtiki and Wairoa are much smaller, each with fewer than 10,000. These estimates include non-rateable rating units, which have been excluded from our affordability analysis.

Chart 32



Source: Infometrics, Gisborne District Council, Headway Systems

Residential rating units make up the majority of rating units for all of the councils, ranging from 51% in Wairoa to 88% in Nelson. In Gisborne, 61% of rating units are residential.

Wide range of population size

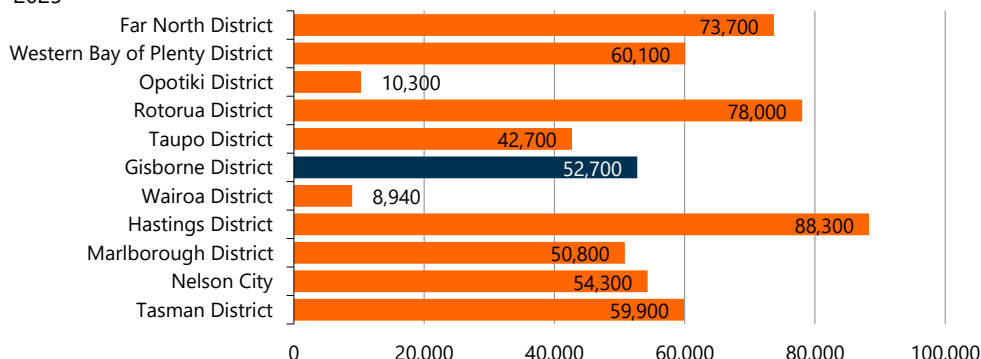
Gisborne and the ten comparator areas vary widely in population size. Chart 33 shows that Gisborne's 2025 population of 52,700 is roughly middle of the pack, with five other councils having a population of 40,000 to 60,000. Far North, Rotorua and Hastings have an appreciably larger population. Ōpōtiki and Wairoa have significantly smaller populations, less than a quarter of Gisborne's.

Gisborne District rates affordability – August 2026

Chart 33

Population by district

2025



Source: Stats NZ

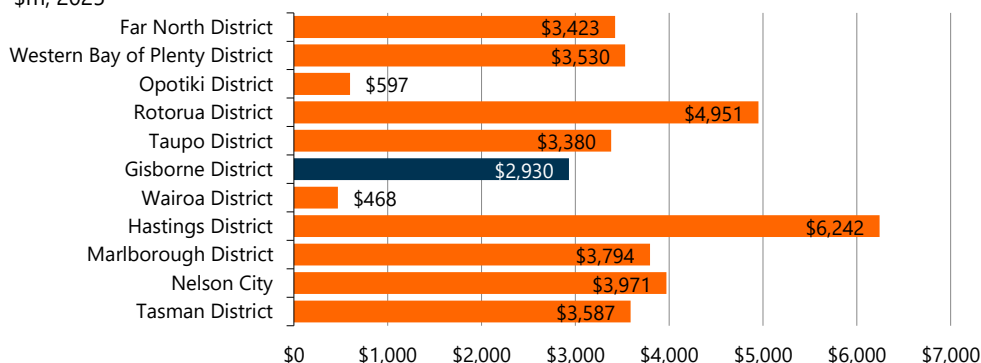
Wide range of economic activity levels

The size of the economy also varies widely across the 11 councils. Chart 34 shows that Gisborne's 2025 gross domestic product (GDP) of \$2.9b is the third smallest, but of a similar level to six other districts. Hastings has the largest economy of \$6.2b. Wairoa and Ōpōtiki are much smaller, with economies of less than \$600m.

Chart 34

GDP by district

\$m, 2025



Source: Infometrics, Stats NZ

Primary sector a key part of most districts

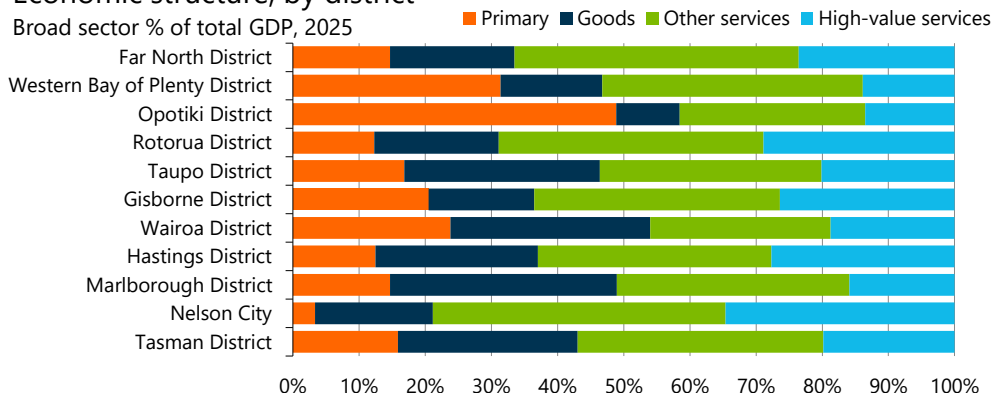
Although the 11 districts vary in size, most have a similar emphasis on the primary sector. Chart 35 shows that the primary sector (including agriculture, forestry and fishing) makes up at least 10% of the economy for most districts, with the exception of Nelson. The primary sector plays a larger role in Gisborne, accounting for 21% of GDP, similar to Wairoa (24%) and trailing Western Bay of Plenty (31%) and Ōpōtiki (49%). Nelson is unlike the other councils, with a highly-urban economy.

Gisborne District rates affordability – August 2026

Chart 35

Economic structure, by district

Broad sector % of total GDP, 2025



Source: Infometrics, Stats NZ

Goods producing industries, which include manufacturing and construction, make up 10-34% of GDP across the 11 councils, including 16% in Gisborne. High-value services make up 14-35% of GDP across the councils, including 26% in Gisborne. High value services include professional services, education, health and government. Other services represent the remainder of services not considered high-value, and make up 27-44% of GDP across the councils, including 37% in Gisborne.

Local government costs and funding

This section examines the challenges facing local government funding, such as how local government costs have escalated relative to consumer inflation, and how rates increases compare to central government's tax take.

Paying more in tax than rates

In the 2025, median residential rates for a household in Gisborne District were estimated to be, on average, 9% of total local and central government funds collected from that household.

Median residential rates totalled \$4,289 in Gisborne in the 2025/26 year. Assuming two working adults in an average household earning the Gisborne District mean earnings of \$71,070 each and spending the same as an average household, total tax paid to government would be \$41,154. This figure is made up of \$29,570 in income tax paid, plus \$11,583 in GST paid.

Chart 36

Gisborne: \$4.3k on rates, \$41k on tax

\$000s, average annual contribution to tax or rates, household estimate



Source: Infometrics, Gisborne District Council, IRD, Stats NZ. Assumes a two-adult household, earning the mean Gisborne annual earnings of \$71kpa in 2025, and GST based on average household spending - all for 2025

Overall, central government tax totals 91% of total tax and rates collected by local and central government in Gisborne.

Council network costs rise faster than household costs

Previously, local government has faced higher non-network operating cost pressures than households, on average over the last decade. Infometrics' Local Government Input Cost Index (see Chart 37) shows that local government non-network operational costs rose 3.6% per year on average over the past decade (to mid-2026), ahead of 3.3% for household costs (based on the Consumers Price Index). Cost pressure growth had moderated more across 2025 across most measures of local government-related costs,

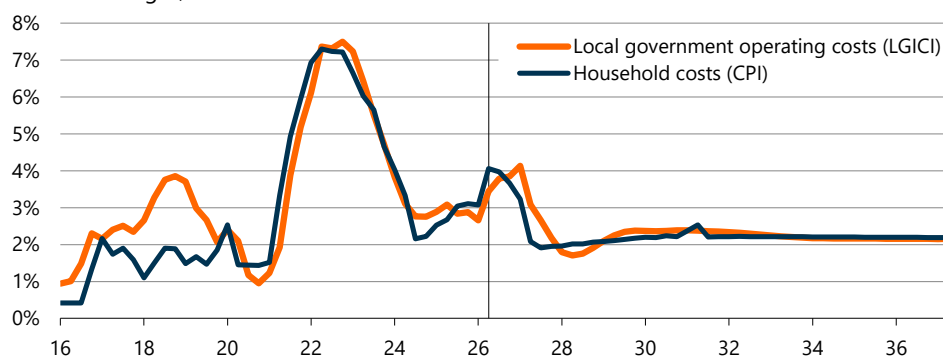
Gisborne District rates affordability – August 2026

as weaker demand pressure for various inputs – both materials and workforce – have limited firms' ability to raise prices.

Chart 37

Non-network council operating costs more in line

Annual % changes, household and council cost measures



Source: Stats NZ, Infometrics

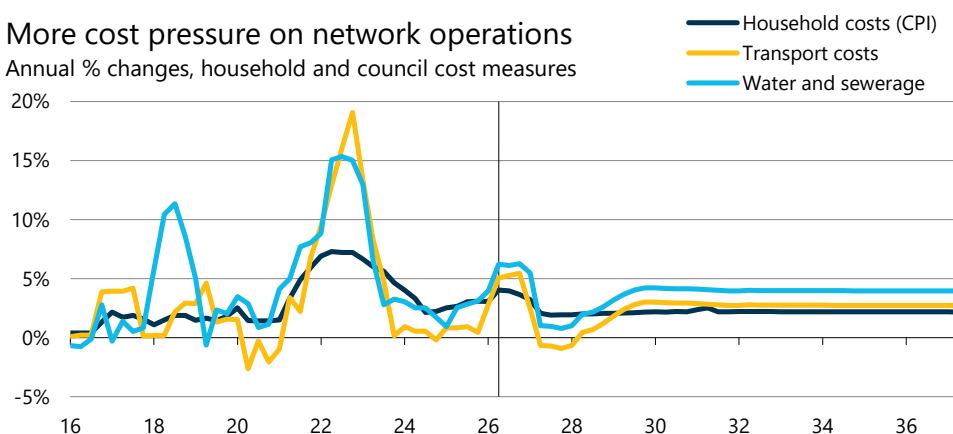
Local government non-network operating costs rose sharply in the June 2026 quarter as the first impacts of the Middle East conflict became clearer, with a 3.4%pa lift in costs. Headline household inflation rose to 4.1%pa as higher petrol prices drove overall costs higher. Looking forward, non-network operating cost pressures are expected to more closely align with general inflation pressures over the next decade. Infometrics forecasts non-network operating costs to rise 2.2%pa on average over the 2027-2037 decade, in line with the 2.2%pa average increase expected for household costs.

However, there remain pockets of more intense cost pressures for local government, particularly for water infrastructure and operating costs. A still-large volume of infrastructure work by local councils is maintaining momentum of work across various providers. Higher transport and water capital and operating costs are expected to continue, with water costs growth averaging 3.8%pa over the next decade and transport cost growth averaging 2.5%pa over the same period – ahead of household inflation.

Chart 38

More cost pressure on network operations

Annual % changes, household and council cost measures



Source: Stats NZ, Infometrics

Appendix A. Percentile suburb list

Table 5

Suburb representing each percentile and district

Stats NZ Statistical Area 2 (SA2) areas

City	10th	20th	30th	40th	Percentile 50th (median)	60th	70th	80th	90th
Far North District	Doubtless Bay	Russell Forest-Rawhiti	Kaeo	Kaitaia West	Herekino-Takahue	Kawakawa	Ahipara	Puketona-Waitangi	Okaihau
Western Bay of Plenty District	Waihi Beach-Bowentown	Omokoroa North	Te Puke East	Tahawai	Pahoia West	Te Puke West	Kaimai	Pahoia East	Minden
Rotorua District	Glenholme North	Ngongotaha West	Owhata West	Fordlands	Pleasant Heights	Owhata East	Kawaha	Kaingaroa-Whakarewarewa	Lynmore
Taupo District	Lake Taupo Bays	Turangi	Brentwood	Hilltop	Mountview	Nukuhau	Marotiri	Kinloch	Acacia Bay
Gisborne District	Te Hapara East	Ruatoria-Raukumara	Whataupoko West	Mangapapa North	Te Hapara North	Kaiti South	Tamarau	Hangaroa	Te Arai
Hastings District	Akina Park	St Leonards	Lucknow	Mahora	Flaxmere South	Clive	Bridge Pa	Sherenden-Crownthorpe	Omahu-Pakowhai
Marlborough District	Redwoodtown West	Mayfield	Whitney East	Yelverton	Awatere	Witherlea West	Burleigh	Tuamarina	Woodbourne
Nelson City	The Wood	Aldinga	Maitai	Daelyn	Maitlands	Britannia	Washington	Rutherford	Atawhai
Tasman District	Murchison-Nelson Lakes	Richmond West	Ben Cooper Park	Upper Moutere	Kaiteriteri-Riwaka	Ruby Bay	Richmond South	Waimea Inlet	Hope

11. Public Excluded Business

RESOLUTION TO EXCLUDE THE PUBLIC

Section 48, LOCAL GOVERNMENT OFFICIAL INFORMATION and MEETINGS ACT 1987

That:

1. The public be excluded from the following part of the proceedings of this meeting, namely:

Confirmation of Confidential Minutes

Item 4.1 Confirmation of Confidential Minutes 5 August 2026

PUBLIC EXCLUDED Business

Item 11.1 26-223 Gisborne Holdings Limited - Indirect Local Government Funding Agency Borrowing

2. This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information & Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole of the relevant part of the proceedings of the meeting in public are as follows:

Item 11.1	7 (2)(i)	Enable any Council holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).
Item 4.1	7(2)(h)	Enable any Council holding the information to carry out, without prejudice or disadvantage, commercial activities.