AGENDA

Council Workshop
User Fees and Charges Review

Thursday, 27 November 2025

I hereby give notice that a Council Workshop will be held on:

Date: **Thursday, 27 November 2025**

Time: **11:00 AM Fees & Charges Review**

Location: **Tauranga City Council Chambers Mareanui**
L1 90 Devonport Road
Tauranga

Please note that this meeting will be livestreamed and the recording will be publicly available on Tauranga City Council's website: www.tauranga.govt.nz.

Marty Grenfell

Chief Executive

Order of Business

1 BUSINESS

1.1 User Fees and Charges Review

File Number: **A19342578**

Author: **Holly Riddell, Corporate Planner**

Authoriser: **Christine Jones, General Manager: Strategy, Partnerships & Growth**

Presenters: Alison Law – Head of Spaces and Places
Ross Hudson – Manager: Strategic Planning and Partnerships
Amy Taylor - Team Leader: Planning

Workshop information

Purpose of workshop

1. The purpose of this workshop is to provide Council with information related to the user fees and charges for Parks and Recreation, Cemeteries and Crematorium, Use of Council Land and Boat Ramps to inform any proposed changes to the Fees and Charges Schedule for the 2026/27 financial year.

Attachments

1. **User Fees and Charges Workshop - 27 November - A19410229**
2. **Cemetery user fees workshop additional information November 2025 - A19387887**

Fees and Charges Review 2026/27

- Active Reserves
- Use of Council Land
- Cemeteries
- Boat Ramps

27 November 2025

Active Reserves

Active Reserves

Current Situation

- Sports field booking fees introduced through LTP 2024
- Fees currently only cover senior training, ~20% of booked hours
- Cost recovery is ~6% of attributable opex
- Revenue equates to $2.25 per field hour booked

Issues

- Lack of fee capture (of total booked hours) creates inequities amongst sports field users (e.g., Touch Rugby is mainly matches so not paying training fee)
- Proportion of cost recovery vs opex is significantly lower than for indoor court users
- Revenue is low and lower than projected due to changes in bookings to mitigate costs

Active Reserves

Objectives of Review

- Increase revenue to offset rates
- Create a fairer fee structure, considering proportionate opex recovery, across sports field user base and across other council sports facilities
- Maintain club sustainability, affordability and participation
- Administrative simplicity for Council and user base

Opportunities

- Charge for all booked hours
- Consider a flat fee per hour booked
- Begin direction of travel towards greater equity across codes and facility types

Options considered

1. Expand fee to capture junior training
2. Expand fee to capture all matches
3. Set a per hour fee (or use as basis for fee structure)
4. Introduce a casual use fee on a similar basis
5. Introduce charges for additional field services, such as renovations and line marking, over and above the standard service

Options development

- A flat fee across all booked use is a simple and relatively equitable way to recover a proportion of opex.
- $5 / hour would equate to 10% cost recovery. Hamilton City (who benchmarked their fees) recover ~10% of opex + upgrade costs.

- Could be translated to a per player fee (see impacts table) but may distort booking activity and does not provide the direct nexus to the operating costs of the space provided. Also, harder to administer.

- Differential charges can be created by type of use -
  - e.g. for a better lit field or to account for different use patterns by different codes
  - initial view is that this may be an unnecessary complication at this stage.

- Engagement with clubs will be a necessary first step to refine any new proposed fee structure.

Option	Revenue	Opex Recovery
$5 hour flat fee	$ 200,000	10%
$7.50 hour flat fee	$ 375,000	19%
10% of Opex inc. upgrades (e.g. Hamilton)	$ 234,236	12%

Comparison with Indoor Court Fees

- Indoor court users pay **$42 per hour** - 54% of opex, compared with 6% for sports field users.
- Opex per indoor court ($85k per annum) is 3x that per sports field ($27k per annum) and courts are not used by the community outside of booked hours the way sportsfields are.
- If field sports paid an amount proportionate to that of indoor court users, relative to the costs of the playing space, they would pay **$13.40 per hour.**
- This may be a direction to head towards but is likely to be too large a jump from the current situation ($2.25 per hour).

Impact on Clubs / Players

- Current sports field fees equate to an *average* of $5 per player per season.
- Basketball players pay $66 per season on average.
- Field Sports tend to have higher 'club costs' because they provide facilities, club environment etc.
- Impact of moving to a flat fee would vary depending on % of juniors in a club, # of matches, approach to field booking.

- E.g. Otūmoetai FC - largest club, lots of juniors, limited training field capacity.

Fee	OFC Annual fee	OFC Per Member
Current	$2k	$2
$5 / hour	$25k	$21
$7.50 / hour	$37k	$31
$13.40 / hour	$67k	$56

- For comparison, three largest Hamilton clubs pay $22k per annum on average.

Options

	Projected revenue per annum	Cost recovery	Comments
Current Fees (equates to $11.25 / hour for senior training only) (average is $2.25 / hour and $5 per player per season)	~$112k	6%	Lack of 'capture' – only approx. 20% of booked hours are charged. Inequitable across user base (juniors and matches not charged) and across other codes and council sports facilities.
$5 / hour flat fee (treat matches as 1 hour irrespective of length) ($21 per player per season on average)	~$200k	10%	Equitable across user base. Incremental change that is likely to remain affordable. Potentially signal further increases over time.
$7.50 / hour flat fee (treat matches as 1 hour irrespective of length) ($31 per player per season on average)	~$375k	19%	Equitable across user base. Significant increase from current level, expect some resistance. Moves fees closer to proportionate cost recovery from indoor court users.
$13.40 hour flat fee (make fees proportionate to indoor courts cost recovery on an opex cost per playing space basis) ($55 per player per season on average)	~$670k	34%	More equitable across sports codes, but note that sports fields have broader community open space function so potentially overstated. Likely to impact participation and receive negative feedback.
$6 / hour flat fee (10% of Opex including upgrades per Hamilton example)	$234k	12%	Approximates Hamilton City cost recovery

Option Refinement

- More bespoke fees for use types *could* be created to attempt to account for different use and cost impact patterns.
- Our initial observation is that a flat fee structure (with a match being charged as an hour irrespective of length) is broadly equitable across types of use and cost impact, especially if fees are intially relatively low.
- There may be value in considering a lower junior fee to encourage participation and account for affordability. But note that clubs have the option to account for that themselves.
- Early engagement with some key clubs will help identify any significant inequities.
- Depending on the scale of change from the current fees, clubs may need lead-in time to embed fees in annual membership fees.

Which options for February report?

Options	Comments
Flat fee at alternative per hour rates? (Option as per player per season?) ***Desired level(s) of cost recovery?***	**Recommended** general approach, due to simplicity, transparency and equity, especially at relatively low cost-recovery levels.
Different rates for seniors / juniors to generate similar revenue levels to above? (e.g. $8 / hour for seniors, $4 / hour for juniors)	May be worth considering, in addition to above to ensure wide junior participation, but note that clubs can distribute costs internally anyway.
Different rates for different types of use or facility differences? (e.g. summer vs winter; lit / unlit; training vs matches; or by code)	Provides for nuances in use and impacts but is harder to model accurately and to administer for clubs and staff. (Significant variances from standard use can be accommodated case by case already).

Next Steps:

- Pending a steer from Council today, we propose to undertake some initial engagement with key clubs, prior to an Issues & Options paper in February.

FINANCIAL APPENDICES TO ACTIVE RESERVES

Opex and Revenues on Active Reserves – Current Situation

Costs	2025/26
Sportsfield mowing	$ 643,056
Irrigation	$ 71,040
Line marking	$ 190,070
Lights power costs	$ 85,685
Lights repairs budget	$ 15,000
Light relocations budget	$ 50,000
Turf Renovation	$ 283,000
Cricket Renovations	$ 43,000
Cricket wicket maintenance	$ 188,606
Stormwater maintenance	$ 3,500
Unscheduled repairs	$ 330,000
Changing rooms	$ 45,112
Costs attributable to organised sport bookings	**$ 1,948,069**
Sportsfield upgrades	$ 318,701
Surrounds maintenance (non-sportsfield)	$ 124,200
Athletics track clean	$ 20,000
Athletics jump pit	$ 592
Events costs	$ 37,000
Storage	$ 6,095
Clubrooms	$ 43,684
Public toilets	$ 255,236
Rates & Utilities	$ 162,703
Total Budget FY26	**$ 2,916,280**

Revenues (projected)	2025/26	% Recovery
Sportsfield booking fees (projected) (based on 10,000 hours of senior training)	**$ 112,500**	**6%**
Athletics revenue	$ 7,603	
Events revenue	$ 25,000	
Storage revenue	$ 2,295	
Leases to sports clubs on Active Reserves	$ 62,399	
Rates and utilities cost recovery	$ 146,433	
Total Revenue (projected)	**$ 356,230**	

* The above tables are direct costs only. They exclude internal allocations. City Operations people costs are included.

Hours Booked, Costs Recovered

	Hours booked	Revenue / hour booked
Total hours booked 2024/25	63,000	
Senior training booked 2024/25	13,000	
Expected hours 2025/26	50,000	**$ 2.25** (average cost recovery per booked hour)
Expected fee paying hours 2025/26	10,000	**$ 11.25** (effective price for senior training currently)
Opex cost attributable to booked use of fields	$1,948,069	
Cost per field (71 FFEs)	$ 27,437	
Cost per booked hour	$ 39	
Cost recovery	6%	

Comparison with sports using other Council facilities

- Indoor court users (e.g. Basketball) pay a higher contribution to the opex – 54% compared with the current 6% for field sports.
- Costs per playing space are higher for indoor courts and they are not used by the community outside of booked hours the way sportsfields are.

Propotionate cost:

- Consider the opex per playing space - table below
- Field sports pay an amount propotionate to that of indoor court users, relative to the costs of the playing space

= field sports would pay $13.40 per hour

- May be a reasonable target to aim for over time, but represents a significant change from the current situation and is likely to impact participation.

Sport	Opex*	Opex per playing space	Revenue	% Recovery	Per court or field 'hour' / game	Per player per hour / game	Per player per season	Full cost to play per season
Netball (Baypark new)	$ 302,530	$ 13,153	$ 156,000	52%	$ 30	$ 2.00	$ 30	$ 188
Basketball (Indoor Courts)	$ 857,057	$ 85,706	$ 463,232	54%	$ 42	$ 4.41	$ 66	$ 193
Field Sports	$ 1,948,069	$ 27,438	$ 112,500	6%	$ 2.25	$ 0.13	$ 5	$ 218

*Opex is including depreciation, but excluding debt associated with capex. Netball info is for the new facility at Baypark.
'Full cost to Play' is based on an average of some example annual club / school / organising body fees from across those codes.

If Field Sports paid the same proportion of the 'opex per playing space' as Indoor Sports

$	***13.40***	***per hour***
$	669,758	revenue
	34% cost recovery	
$	55	per player per season

Example impacts on clubs / players at different fee levels

- The table below shows the impact on an example set of clubs, and per member, at different hourly fee levels.
- Compare also with the per player costs for basketball ($66) and netball ($30) on the previous slide.
- The three largest football clubs in Hamilton pay an average of $22k per year.

Club	Members	Booked hrs	Current fees	$ / Member	$5 / hour	$ / Member	$7.50 / hour	$ / Member	$13.40 / hour	$ / Member
Pāpāmoa FC	887	1,955	$4,050	$5	$ 9,775	$ 11	$ 14,663	$ 17	$ 26,197	$ 29.53
Tauranga City AFC	632	3,435	$4,050	$6	$ 17,175	$ 27	$ 25,763	$ 41	$ 46,029	$ 72.83
Otūmoetai FC	1200	4,999	$2,025	$2	$ 24,995	$ 21	$ 37,493	$ 31	$ 66,987	$ 55.82
Mount Cricket	210	1,218	$1,554	$7	$ 6,090	$ 29	$ 9,135	$ 44	$ 16,321	$ 77.72
Greerton Cricket	200	615	$777	$4	$ 3,075	$ 15	$ 4,613	$ 23	$ 8,241	$ 41.21
Papamoa Cricket	180	720	$1,036	$6	$ 3,600	$ 20	$ 5,400	$ 30	$ 9,648	$ 53.60
Average				**$5**		**$21**		**$31**		**$55**

Examples of Sport Field fees at **Hamilton City Council**

Junior Cricket Artificial	Casual Use (per wicket)	Half Day (up to 5 hours)	$30.00
Senior Cricket Artificial	Casual Use (per wicket)	Half Day (up to 5 hours)	$30.00
Summer sport	Casual (per equivalent field size)- Standard (soil) field	Half Day (up to 5 hours)	$40.00
Lights	100 lux - training	per field, per hour	$15.00
Senior Cricket artificial seasonal	Seasonal Use (per wicket, per day of the week)	3 months	$405.00
Summer Senior Sport seasonal	Seasonal Use (per equivalent field size, per day of the week)- Standard (soil) field	3 months	$365.00
Winter Junior Sport seasonal	3 months (per field)-Standard (soil) field	3 months	$145.00

Comparison of three largest sport clubs (TCC and HCC)

HCC recovers approx 10% of costs through fees and charges, includes depreciation

SPORT FIELD CHARGES

Council	Club	Code	Seasonal Charge
TCC	*Tauranga AFC*	*Winter code*	*$4,050.00*
HCC	**Wanderers**	**Winter code**	**$29,000.00**
TCC	*Papamoa FC*	*Winter code*	*$4,050.00*
HCC	**Melville**	**Winter code**	**$20,000.00**
TCC	*Otumoetai FC*	*Winter code*	*$2,025.00*
HCC	**Northern**	**Winter code**	**$17,000.00**

Use of Council Land

Reserve Land Lease & Building Rent Levels

	Draft LTP 2024	Final LTP 2024	Lease numbers and revenue	Comments
Reserve Land	$6.05/m^2 (+gst) (based at 50% of independently assessed average value of reserve land)	$3/m^2 for 1st 1,000m^2 (25% of average reserve land valuation +gst) $0/m^2 for next 9,000m^2 $0.30/m^2 for next 50,000m^2 Where rent is already higher, higher rent level is retained (e.g. two golf clubs have share of revenue rents).	103 lease of <1,000m^2 20 leases of >1,000m^2 9 building leases Total projected revenue (exc. on-charging of rates and utilities) is **$525k per annum**	Prior to LTP 2024, average rent was ~$1.50/m^2 Consultation feedback that proposed rent was unaffordable, especially for larger land leaseholders (e.g. tennis clubs, hockey), noting that spaces were managed on behalf of community sport and recreation, in some cases reducing potential costs to TCC. Final rent levels sought to account for larger leaseholders.
TCC Building on Reserve Land	$33/m^2 (+gst) (+ $50/m^2 +gst for rates, utilities, maintenance)	$25/m^2 flat fee (with building specific opex costs)		Prior to LTP 2024, average rent was ~$9m/m^2 Consultation feedback on affordability, led to revised level.

Proposed approach –

Undertake revaluation of land prior to LTP and make incremental adjustments through LTP 2027; clarifying on-charging of rates and utilities in policy.

Example leaseholders and fee impacts

Leaseholder	Land Area	Rent prior to LTP 2024	Current Rent	Rent at draft LTP 2024 level
Mount Sports Club	958m^2	$2,267	$3,305	$5,796
Otūmoetai Tennis Club	7,988m^2	$763	$3,450	$48,327
Tauranga Hockey	34,001m^2	$1,670	$11,731	$205,706

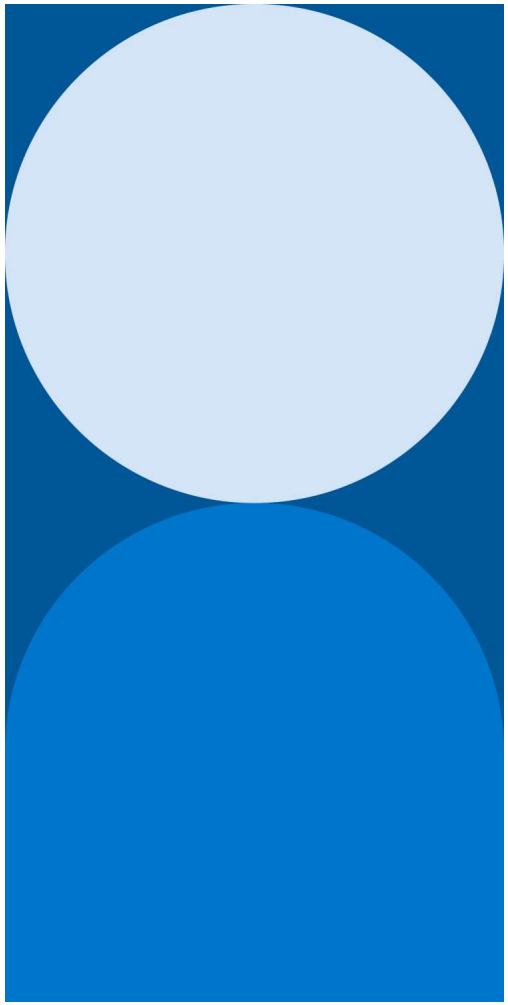
Examples of other fees to use Council land

- **Landowner approval** – $515 to process requests, includes two hours of processing time (i.e., access through a reserve, easements, stormwater etc.)
- **Tendered mobile shops –** an amount of $ tendered to trade from specific locations across the City, most notably Marine Parade. Run annually.
- **Activations** - $2060 charged per day for brand/product activation and community engagement, predominantly in the Mount Maunganui area (Generating $15k a year, proposal to add non-Mount charge at a lower amount)

Additional charges to consider

	Current	Proposed	Notes
Storage (mainly sports clubs)	$85 p/a	$106 - $310 pa	Size dependent
Tendered foreshore licenses	$711 - $914	$1500 pa	Minimum tender increase
Tendered mobile traders	$914 p/carpark	$4500 p/carpark	Minimum tender increase
Activations Mount	$2060 per day	$2200 per day	Propose slight increase
Activations non-mount	NA	$250 per day	No current demand
McLaren Falls tour operators	Access charge	Cost recovery + negotiated fee	Fee not covering costs

Cemeteries

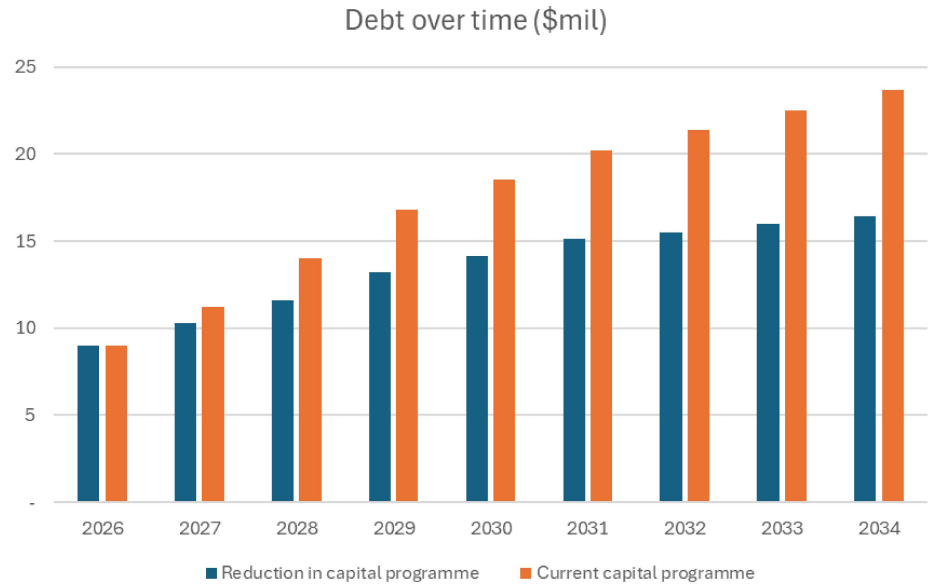


Recap of last session:

1. Users:
   - 1300-1400 cremations, 140-170 burials
   - 25% (~40,000 people) visit each year
2. We need to meet statutory requirements.
3. The Revenue and Financing Policy currently limits rates funding, so forces user fee increases each year, which are already comparatively high.
4. Cremations make up much of the cemetery revenue; however, they are ~30% higher than other close providers.
5. Population growth requires capital development.
6. User fee increases pay for capital improvements, debt servicing and operations and maintenance.

The cemeteries business model

- When there is an operating deficit, it is added to debt.
- **To stop debt continuously growing** over time, levers to consider are:
  - zero-operating deficit
  - changes to user fees
  - rates funding
  - and/or reduce the capital programme.



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Rates funding across Councils compared to prices

- Council average burial price $2032, cremation $910
- Regions with the lowest rates contribution have mixed models with Council and private providers of cremations.
- See attachment for full list.

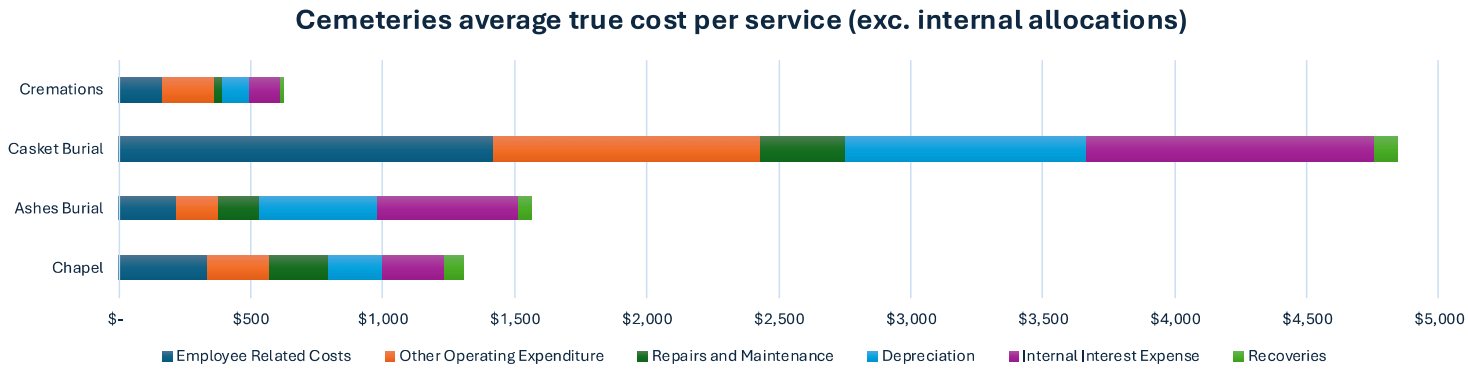
True costs for each service

	Other Council price average*	TCC Price ranges	Average forecast revenue per service (FY27)	Average true cost per service**	Average true cost without internal allocations
Casket burials	$2,032	$953 - 4,846	$3,798	$5,648	$4,846
Ash burials	-	$142 - 1,500	$520	$1,684	$1,560
Cremations	$910	$213 - 979	$913	$718	$623
Chapel/Tui	-	$187 - 357	$238	$1,490	$1,302

*Council average burial plot price (listed in additional information). Range $619 - $5,200.

**Operating at an estimated FY27 $520k deficit which is then added to debt. Current debt ~$6m.

Detailed breakdown



	CASKET BURIAL	ASH BURIAL	CREMATION	CHAPEL SERVICE
Employee costs	$1,421	$219	$168	$332
Repairs & maintenance	$319	$157	$31	$228
Operating expenses	$1,012	$156	$193	$236
Depreciation	$911	$447	$101	$201
Internal allocations	$802	$124	$95	$187
Internal interest expense	$1,094	$537	$121	$242
Recoveries	$89	$44	$9	$187
Total	$5,648	$1,684	$718	$1,613

The cost and revenue for each service

Finance have developed a model which can:

- model mixed scenarios
- see the impact of a reduced capital programme
- see impact of rates funding
- see the impact on price
- prices to enable a zero operating deficit P&L for 2027

Assumptions:

1. Volumes don't radically change
2. Inflation 2.5%
3. FTE allocations
4. Ozone data (invoicing)
5. Expense allocations
6. Scenarios adjust revenue and expenditure across services

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Scenarios (full details in the appendix)

Example services	Adult casket burial	Adult cremation	Disadvantages / Risks
Current prices	$4,256	$979	
Scenario 1 – Families pay 100% • Zero-operating deficit	$6,461	$783	• Revenue risks • Puts pressure on families in cost-of-living crisis • Targets 7% of our population (those that bury or prefer to bury) • Burial and chapel demand? • Chapel: nondenominational, those not using FDs, wrap around service on site
Scenario 2 – Find a balance • Zero-operating deficit • Ask the community • Rates contribution 12.6% • Reduce capital programme by $7.5m	$5,433	$669	• Rates impact • Chapel demand likely to fall, less options for families • Unknown impact on demand
Scenario 3 – Incentivise cremations • Zero-operating deficit • Reduce cremation price • Reduce capital programme by $7.5m • Step toward true costs	$7,150	$700	• Revenue risks • Puts pressure on families who bury in cost-of-living crisis • Targets 7+% of our population (those that bury or prefer to bury) • Demand affect on burials and chapel? • Chapel community benefits: non denomination, wrap around service on site, viewing, non-FD services
Scenario 4 – Affordability • ~$861k operating deficit added to debt • Reduce capital programme by $7.5m • Reduce cremation prices • CPI increases on other services	$4,362	$700	• Operating deficit for FY27 grows to ~$861k increasing debt

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Next steps

- What direction would you like to take?

Boat Ramp Parking

Options proposed previously as alternatives to LTP 2024 fee structure

- Reduce daily fee
- Extend availability of the annual pass to non-residents
- Exempt boat trailers used in association with Māori customary fishing rights and traditional practices from the annual fee
- Amend the annual pass fee for residents or businesses with multiple trailers at the same address
- Exempt Community Services Cardholders from the annual pass fee

Options Model

Assumptions

- 25,200 launches / parked trailers per annum
- 15 launches per annual pass
- 30% of launches/parks by annual pass holders
- 15% non-collection (exemptions, non-compliance, reduced trailer parking due to fee)
- Average opex (inc. depreciation) = $269k per annum
- Set up costs up to $60k. Significantly lower if App only, no machines.

Capex budget of approximately $10m (FY28 – FY31) for upgrades and additional boat ramps at Marine Park

Split of passes sold previously:

Resident permits raised	504
Day passes from machines	710
Day passes from the app	113

	Option	Projected revenue (net of GST)	% of average annual opex
1	**LTP 2024** $20/day $200/year	$335k ($126k received from Jul to Aug 2024 and then paid back).	125%
2	$10/day $100/year	$168k	62%
3	$7/day $70/year	$117k	44%
4	As option 3 but non-resident pass at $80 (5% of passes)	$132k	49%

Options 3 & 4 show broadly proportionate cost recovery to indoor courts

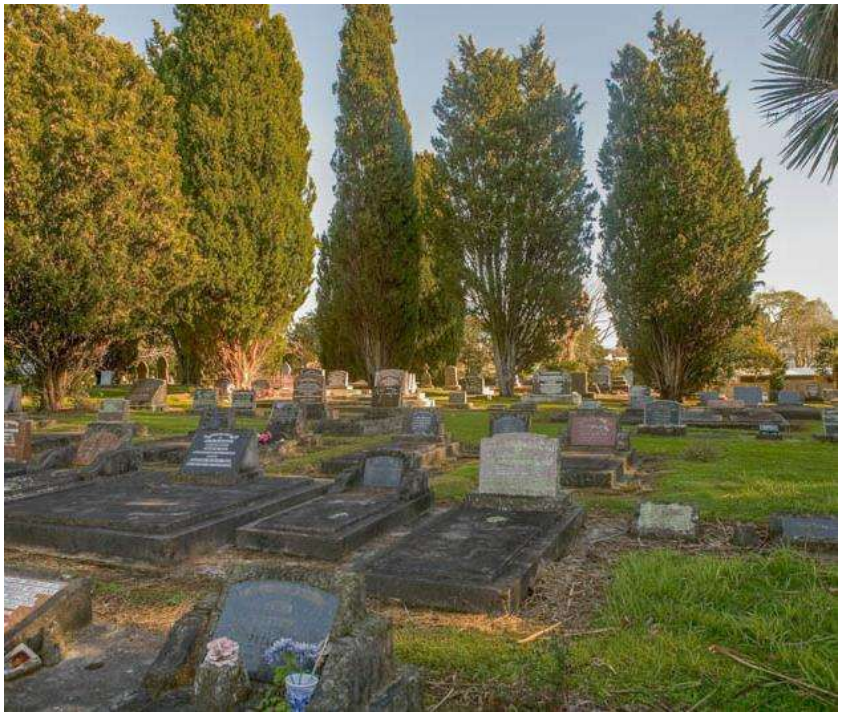
Appendices

Cemeteries Appendix

Scenarios detail

Can we change burial demand with price?

1. No evidence of price sensitivity for burials.
2. Communities who bury their loved ones are generally Pasifika, Muslim, Filipino, Indian, Latin American, Christian or Catholic.
3. Pasifika, Muslim, Filipino, Indian and Latin American represent ~7% of our population.
4. Slowly changing, however our burial statistics are quite low (13.1%).
5. If we specifically targeted increases in this fee (to reduce land use), we are directly targeting these communities.



The city cemetery has religious denomination areas.

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Scenarios – following slides

Using the model we have run **four** different scenarios to show the range of potential impact across the different functions.

Note:

1. The model allows us to adjust certain variables (rates, capital programme, cremation price)
2. The model works off a zero-operating deficit for FY27

Scenario 1 - Families pay 100%

- Full cost recovery on each service (independent of other services)
- No change in the capital programme, continue as planned in the LTP ($21.2m)
- No rates impact
- Zero-operating deficit in FY27, assuming volumes stay the same

Scenario 1 – Family Pays 100%

Examples	Current price	AP FY27 with CPI	Scenario adjusted price FY27
Adult casket burial	$4,256	$4,362	$6,461
Rose garden ash burial	$1,500	$1,538	$4,968
Adult cremation	$979	$1,080	$783
Chapel 1hr	$357	$366	$2,290

Advantages:

1. Full cost recovery
2. No rates impact
3. Zero-operating deficit in FY27 if demand stays the same
4. Potential to incentivise cremations

Disadvantages/risks:

1. Puts pressure on families in cost-of-living crisis
2. Targets 7% of our population (those that bury or prefer to bury)
3. Burial and chapel demand?
4. Chapel: nondenominational, those not using FDs, wrap around service on site

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Scenario 2 – Finding a balance

- Ask the community what they want - affordable fees or some rates contribution?
- Fund internal Cemetery allocations via rates contribution (12.6% = roughly $5 per rate bill).
- Zero-operating deficit in FY27.
- Decrease capital programme by $7.5m, sweat some assets (e.g. chapel).
- Note - Rates contribution subject to changes in the Revenue and Financing Policy through the LTP so a transition would be required in FY27.

Scenario 2 – Finding a balance

Examples	Current price	AP FY27 with CPI	Scenario adjusted price FY27
Adult casket burial	$4,256	$4,362	$5,433
Rose garden ash burial	$1,500	$1,538	$4,467
Adult cremation	$979	$1,080	$669
Chapel 1hr	$357	$366	$1,986

Advantages:

1. Affordability for families
2. Might incentivise cremations
3. Still meet statutory requirements & ability to respond to civil emergencies with capital developments
4. Zero-operating deficit in FY27

Disadvantages/risks:

1. Rates impact
2. Chapel demand likely to fall, less options for families
3. Unknown impact on demand

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Scenario 3 – Incentivise cremations

- Reduce capital programme by $7.5m.
- Reduce cremation price to $700.
- Increase all other prices to create a zero-operating deficit in FY27.

Scenario 3 – Incentivise cremations

Examples	Current price	AP FY27 with CPI	Scenario adjusted price FY27
Adult casket burial	$4,256	$4,362	$7,150
Rose garden ash burial	$1,500	$1,538	$5,438
Adult cremation	$979	$1,080	$700
Chapel 1hr	$357	$366	$2,559

Advantages:

1. Might create behaviour change
2. Families pay (users) closer to true costs
3. No rates impact
4. Still meet statutory requirements & ability to respond to civil emergencies with capital developments
5. Zero-operating deficit in FY27

Disadvantages/risks:

1. Revenue risks
2. Puts pressure on families who bury in cost-of-living crisis
3. Targets 7+% of our population (those that bury or prefer to bury)
4. Demand affect on burials and chapel?
5. Chapel community benefits: non denomination, wrap around service on site, viewing, non-FD services

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Scenario 4 – Affordability

- Reduce capital programme by $7.5m ($39k opex impact in 2027)
- CPI increases on all except cremation prices
- Reduce cremation prices to $700 (revenue impact of $381k)
- Operating deficit of $861k, adding to debt, further exacerbating debt

Scenario 4 – Affordability

Examples	Current price	AP FY27 with CPI	Scenario adjusted price FY27
Casket burials	$4,256	$4,362	$4,362
Ash burials	$1,500	$1,538	$1,538
Cremations	$979	$1,080	$700
Chapel	$357	$366	$366

Advantages:

1. Affordability for families
2. Still meet statutory requirements & ability to respond to civil emergencies with capital developments
3. Chapel will continue to be used

Disadvantages/risks:

1. Operating deficit for FY27 grows to ~$861k increasing debt

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Additional Information

User information:

- 25% of residents have visited cemeteries in the last 12 months. This annual resident survey percentage is very consistent.
- 1300-1400 cremations per year.
- 140-170 burials per year.
- Anticipated growth in demand with population growth.
- In the last 10 years 87% of TCC services were cremations and 13% were burials. This is a high proportion of cremations compared with other regions, who generally still bury 20%.
- Communities that bury are generally Muslim, Jewish, Catholic or Christian including:
    - Pasifika
    - Filipino
    - Indian
    - Latin American
- Excluding Catholic or Christian, our growing diverse communities that bury or prefer to bury represent ~7% of our population.

Operations and maintenance costs:

1. The closed mission cemetery (now a historic reserve) is paid for by rates funding under spaces and places parks and reserves. This costs ~$18.9k per year. Council receives an annual grant from the Ministry of Culture and Heritage of ~$3k to support operations and maintenance.
2. The city cemetery is 100% paid for by users of this cemetery and Pyes Pā cemetery. Five to six burials per year occur at the city cemetery, otherwise ongoing maintenance is required. There is an additional travel fee for city cemetery burials for staff, machines and equipment to carry out the burial.
3. Pyes Pā cemetery is 100% paid for by users of this cemetery and the city cemetery.

Rates Contribution and Pricing for Cemetery Services

Summary:

1. The average across listed local authorities is **45% rates contribution**.
2. Regional comparisons for cremations show:

    a. Regions with only private providers for cremations have an average of 50% rates contribution to their cemeteries. These are mainly small districts. The only city/district over 100k people is Christchurch and cemeteries are in the 75-100% rates contribution band within parks.

    b. Regions with Council only models for cremations have an average of 35% rates contribution to their cemeteries.

c. Regions with mixed models (Council and private models) have on average 33% of rates contribution to their cemeteries.

Council	Rates contribution (%)	User fees contribution (%)	Council price for adult cremations ($)	Council price for adult burial plot ($)
Average				
Tauranga	0	100	979	4256
Invercargill city	20-40	60-80	1300	2220
Hastings district	Not listed	Not listed	1250	3985*
Dunedin city	60	40	1182	2766
Nelson city	40-60	40-60	1157	1403
New Plymouth district	0-10	90-100	965	4579
Whanganui district	0-33	67-99	980	985
Wellington city	30-50	50-70	865	2693
Palmerston North city	20-39	60-79	780	1195
Auckland city	0-10	90-100	750	5200
Hamilton city	20-40	60-80	695	4435
Porirua city	25-50	50-75	689	2458
Whakatane district	30-70	30-70	687	2360
Rotorua Lakes	Not listed	Not listed	472	1927
Western Bay of Plenty district	25-35	65-75	No Council provision	1756
Christchurch city	75-100	0-25	No Council provision	2009
Napier city	70-80	20-30	No Council provision	910
Waimakariri district	70-80	20-30	No Council provision	1000
Kapiti coast	20-40	60-80	No Council provision	4334
Marlborough district	0	100	No Council provision	5658
Taupo district	0-30	70-100	No Council provision	1040
Waipa district	20-40	60-80	No Council provision	1460
Queenstown Lakes	40	60	No Council provision	2155*
Hutt City	81-100	0-19	No Council provision	1016
Upper Hutt	15-30	70-85	No Council provision	1016
Gisborne district	40-60	40-60	No Council provision	1290
Masterton district	40	60	No Council provision	2100
Buller district	75-85	15-25	No Council provision	1136

Otorohanga district	70-80	20-30	No Council provision	1650
Wairoa district	70	30	No Council provision	2200
South Waikato district	40	60	No Council provision	2510
Waitomo district	70	30	No Council provision	1847
Rangatikei	5-40	60-95	No Council provision	1710
Kawerau district	20-40	60-80	No Council provision	1460
Carterton district	90-100	0-10	No Council provision	1200
Horowhenua district	30-50	50-70	No Council provision	1867
Ashburton district	40-50	50-60	No Council provision	1693
Central Otago district	20-40	60-80	No Council provision	1030
Gore district	40-59	40-59	No Council provision	2000
Mackenzie district	50-75	25-50	No Council provision	1800
Selwyn district	40-59	40-59	No Council provision	1776
Tasman district	80-100	0-20	No Council provision	2035
Waimate district	60	40	No Council provision	1200
Waitaki district	40-60	40-60	No Council provision	1207
Grey district	75-90	10-25	No Council provision	1400
Westland district	80-100	0-20	No Council provision	2062
Clutha district	45	55	No Council provision	1960
Timaru district	30-60	40-70	No Council provision	2300
Far north district	21-40	60-79	No Council provision	1210
Kaikoura district	40-55	45-60	No Council provision	1350
Kaipara district	60	40	No Council provision	1780
Thames district	Not listed	Not listed	No Council provision	1650
Matamata-Piako district	Not listed	Not listed	No Council provision	2988
Hauraki district	Not listed	Not listed	No Council provision	1390

Ōpōtoki district	Not listed	Not listed	No Council provision	1415
South Taranaki district	Not listed	Not listed	No Council provision	2681
Tararua district	Not listed	Not listed	No Council provision	1800
South Wairapa district	Not listed	Not listed	No Council provision	780
Chatham Island	Not listed	Not listed	No Council provision	619
Hurunui district	Not listed	Not listed	No Council provision	2000

*Cemetery dependent – this is the highest fee

Learning from other Councils – themes:

1. When private providers have entered the market, they all saw a decrease in cremation demand, which steadily came back over time.
2. If private providers shut down demand sharply increases. All noted they need to be prepared in case a private provider shuts down, especially in the event of a civil emergency.
3. All are experiencing increases in cremations and decreased burials.