



**ROTORUA
LAKES COUNCIL**
Te Kaunihera o ngā Roto o Rotorua

Kaupapataka

Agenda

NOTICE OF AN ORDINARY MEETING OF COUNCIL

Date: Wednesday 5 April 2023

Time: 11am

Venue: Council Chamber

MEMBERSHIP

Chair Mayor Tapsell

Deputy Chair Cr Kai Fong

Members

- Cr Barker
- Cr Brown
- Cr Kereopa
- Cr Lee
- Cr Maxwell
- Cr O'Brien
- Cr Paterson
- Cr Wang
- Cr Waru

Quorum 6

NGĀ TUKUNGA HAEPAPA A TE KAUNIHERA

COUNCIL DELEGATIONS

Type of Committee	Council Committee
Subordinate to	N/A
Subordinate Committees	<ul style="list-style-type: none"> • District Licencing Committee • Audit and Risk Committee
Legislative Basis	Schedule 7 s30 (1) (A), Local Government Act 2002 Committee delegated powers by the Council as per Schedule 7, s32, Local Government Act 2002
Purpose	The purpose of the Council is to make decisions on all matters that cannot be delegated, that it has not delegated or that it has had referred to it by staff or a committee.
Reference	01-15-016
Membership	Mayor (Chair) Deputy Mayor (Deputy Chair) All councillors
Quorum	6
Meeting frequency	Monthly
Delegations	<ul style="list-style-type: none"> • the power to make a rate • the power to make a bylaw • the power to borrow money, or purchase or dispose of assets, other than in accordance with the Long-term Plan • the power to adopt a long-term plan, annual plan, or annual report • the power to appoint a chief executive • the power to adopt policies required to be adopted and consulted on under the LGA 2002 in association with the long-term plan, or developed for the purpose of the local governance statement • the power to adopt a remuneration and employment policy • the power to set and support strategies in measures related to emergency matters. • all the powers, duties and discretions under the Civil Defence Act for the proper operation and administration of the approved Civil Defence Plan; such delegation to be executed solely within the defined policy guidelines as determined from time to time by the Council and subject to the Financial limits imposed by the approved Council estimates. <p>Additional responsibilities retained by the Council committee:</p> <ul style="list-style-type: none"> • Advise and support the mayor on the development of the long-term plan and annual plans • Approval of long-term plan or annual plan consultation documents, and supporting information and consultation process prior to consultation • Approval of a draft bylaw prior to consultation

	<ul style="list-style-type: none"> • Resolutions required to be made by a local authority under the Local Electoral Act 2001, including the appointment of the electoral officer • Adoption of, and amendment to the Committee Terms of Reference, Standing Orders and Code of Conduct • Relationships with the Te Tatau o te Arawa board, including the funding agreement • Monitor the overall financial management and performance of the council • Make financial decisions required outside of the annual plan budgeting processes • Approve the council's insurance strategy and annual insurance placement for Council • Write-offs • Acquisition of property in accordance with the Long-term Plan • Disposals in accordance with the Long-term Plan • Review the Chief Executive's performance annually and establish performance targets for each year • Undertake a performance review at the end of the first term of appointment as required by Schedule 7, clause 35 of the Local Government Act 2002. Undertaken no less than 6 months before the date on which the chief executive's contract of employment for the first term expires.
Relevant Statutes	All the duties and responsibilities listed above must be carried out in accordance with the relevant legislation.
Limits to Delegations	Powers that cannot be delegated to committees a per the Local Government Act 2002 Schedule 7 S32.

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1. Karakia Whakapuaki - Opening Karakia

TŪTAWA MAI

Tūtawa mai i runga
Tūtawa mai i raro
Tūtawa mai i roto
Tūtawa mai i waho
Kia tau ai te mauri tū
Te mauri ora, ki te katoa
Hāumi e. Hui e. Tāiki e!

TŪTAWA MAI

I summon from above
I summon from below
I summon from within
I summon the surrounding environment
The universal vitality and energy to infuse and
enrich all present
Enriched, unified and blessed

2. Ngā Whakapāha - Apologies

The Chair invites notice from members of:

1. Leave of absence for future meetings of the Rotorua Lakes Council; or
2. Apologies, including apologies for lateness and early departure from the meeting, where leave of absence has not previously been granted.

3. Whakapuakitanga Whaipānga - Declarations of interest

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have.

4. Ngā Take Whawhati tata kāore i te Rārangi Take - Urgent Items not on the Agenda

Items of business not on the agenda which cannot be delayed

The Chair will give notice of items not on the agenda as follows:

Matters Requiring Urgent Attention as Determined by Resolution of Rotorua Lakes Council

The Chair shall state to the meeting.

1. The reason why the item is not on the agenda; and
2. The reason why discussion of the item cannot be delayed until a subsequent meeting.

The item may be allowed onto the agenda by resolution of the Rotorua Lakes Council.

s.46A (7), LGOIMA

Discussion of minor matters not on the agenda.

Minor Matters relating to the General Business of the Rotorua Lakes Council.

The Chair shall state to the meeting that the item will be discussed, but no resolution, decision, or recommendation may be made in respect of the item except to refer it to a subsequent meeting of the Rotorua Lakes Council for further discussion

s.46A (7), LGOIMA

5. Te Whakaū i ngā Meneti - Confirmation of Minutes

5.1 Council Meeting Minutes (Draft) 22 March 2023

01-15-016
RDC-1372264

Minutes (draft)

**Council meeting held Wednesday 22 March 2023 at 10.30am
Council Chamber, Rotorua Lakes Council**

- MEMBERS PRESENT:** Mayor Tapsell (Chair)
Cr Kai Fong (Deputy Chair), Cr Barker, Cr Brown, Cr Kereopa, Cr Lee,
Cr Maxwell, Cr O'Brien, Cr Paterson, Cr Wang, Cr Waru
- STAFF PRESENT:** G Williams, Chief Executive;
T Collé, Deputy Chief Executive, Organisational Enablement;
J.P Gaston, Deputy Chief Executive, District Development;
O Hopkins, Deputy Chief Executive, District Leadership & Democracy;
S Michael, Deputy Chief Executive. Infrastructure & Environmental
Solutions;
A Pewhairangi, Deputy Chief Executive, Community Wellbeing;
G Rangi, Deputy Chief Executive, Te Arawa Partnership;
D Jensen, Director of Finance;
D Cossar, Governance & Democracy Manager;
G Kieck, Corporate Planning and Strategy Manager;
T Rutherford, Executive of Communications, Mayor's Office;
I Brell Governance Support Advisor.

The meeting opened at 10.30am.

The Chair, Mayor Tapsell welcomed elected members, staff and members of the public.

1 **KARAKIA WHAKAPUAKI** **OPENING KARAKIA**

Cr O'Brien opened the meeting with a Karakia.

2 **NGĀ WHAKAPĀHA** **APOLOGIES**

None

3 **WHAKAPUAKITANGA WHAIPĀNGA** **DECLARATIONS OF INTEREST**

Cr O'Brien advised of an interest in items relating to the Draft Annual Plan Development 2023-2024 report due to being involved with non-profit volunteer organisations that have received council

funding. Cr O'Brien said he would abstain from voting on those items.

Cr Barker advised of an interest in an item due to being a board member of an entity, which had previously received council funding.

4 NGĀ TAKE WHAWHATI TATA KĀORE I TE RĀRANGI TAKE URGENT ITEMS NOT ON THE AGENDA

Notice of Motion – Cr Lee request for hardcopy agendas

Chair advised this matter would be followed up.

5 HE WHAKATAUNGA KIA HOKI ATU TE ARONGA O TE HUI HAI HUI TŪMATAWHĀITI RESOLUTION TO MOVE INTO PUBLIC EXCLUDED

Resolved:

1. That Council move into Public Excluded session.

Moved: Cr Kai Fong

Seconded: Cr Lee

CARRIED

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987, for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for passing of this resolution
Draft Annual Plan Development 2023/24- service delivery proposals	Protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.	Section 48(1)(a) Section 7(2)(b)(ii)
	Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).	Section 48(1)(a) Section 7(2)(i)
	Protect information where making available would be likely otherwise to damage the public interest.	Section 48(1)(a) Section 7(2)(c)(ii)

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for passing of this resolution
	Maintain effective conduct of public affairs through protection of such members, officers, employees and persons from improper pressure or harassment.	Section 48(1)(a) Section 7(2)(f)(ii)
	Prevent the disclosure or use of official information for improper gain or improper advantage.	Section 48(1)(a) Section 7(2)(j)

This resolution is made in reliance on Section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Sections 6 or 7 of the Act or Sections 6, 7 or 9 of the Official Information Act 1982, as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as shown above (in brackets) with respect to each item.

OPEN SESSION

9 TE KARAKIA WHAKAMUTUNGA CLOSING KARAKIA

Cr O'Brien closed the meeting with a Karakia.

The meeting closed at 6pm

To be confirmed at a Council meeting on 5 April 2023

.....
Chair

Note:-Rotorua Lakes Council is the operating name of Rotorua District Council

6. Pūrongo Kaimahi - Staff Reports

01-15-016
RDC-1374775

ROTORUA LAKES COUNCIL

Mayor
Members
COUNCIL

6.1 Adopt Draft Annual Plan 2023-2024

Report prepared by: Oonagh Hopkins, Deputy Chief Executive – District Leadership and Democracy
Report approved by: Geoff Williams, Chief Executive

1. TE PŪTAKE PURPOSE

The purpose of this report is for Council to approve the Draft Annual Plan 2023-2024 budget inclusive of a proposed rates increase, a capital works programme and the level of borrowing to support the capital works programme.

2. NGĀ TŪTOHUNGA RECOMMENDATION

1. That the report Adopt Draft Annual Plan 2023-2024 be received.
2. That Council approve to go to public consultation from 11 April to 12 May based on a proposed rates increase of 7.2%, a capital works programme of \$138 million and borrowing of \$47 million.

2. TE TUHINGA WHAKARĀPOPOTOTANGA EXECUTIVE SUMMARY

The Annual Plan is a legislated document that is required to be adopted by 30 June each year.

Section 95 of the Local Government Act 2002 outlines the requirements for an Annual Plan. These include the annual budget and funding impact statement for the year and a summary of variation to the long-term plan to the year which the annual plan relates. This Annual Plan is year three of the Long-term Plan 2021-31.

An Annual Plan is adopted in the intervening years between long-term plan development, with the long-term plan being the key direction setting and finance strategy for the council spanning a ten year horizon.

Council will review and develop a new long-term plan once the annual planning cycle is complete to take effect from 1 July 2024.

The Annual Plan 2023/24 commenced preparatory work following the adoption of the Council's priorities in December 2022.

3. TE TĀHUHU BACKGROUND

Before Council broke for the Christmas and New Year holidays, Councillors were provided with copies of the Council's activity statements. These statements included every activity the Council delivers, the purpose and the objective of the activity. Financial summaries for each activity were also provided.

Annual plan development commenced on 26 January with a briefing to Council on the direction and timeline needed to fulfil requirements for the adoption of an annual plan by 30 June 2023.

Subsequent to the briefing, Councillors participated in two forums where the current state was presented and direction was obtained from Councillors on what going forward could look like.

Forum 1 – 15 February

Council discussed all the activities and considered the alignment of each activity against the Council priorities (economy, community, housing and infrastructure). The outcome was that Council considered that all activities did align to the priorities, however it was a question of what is the most pressing priority at this time.

The Chief Financial Officer presented a current financial state. This was based upon the challenges that are impacting on the organisation at this time, (inflation, capital programme, asset revaluation and staffing costs). If the Council was to continue to deliver as proposed in year three of the Long-term Plan 2021-31, a rates increase requirement of around 11.95% would be required.

Council then undertook an exercise where they indicated where activities could be enhanced, reduced, stopped, or funded differently. In addition to this Council indicated based on the priorities and activity alignment what an appropriate rates increase for consultation might look like.

Forum 2 - 8 March 2023

Based on direction from Councillors, officers developed 45 proposals for consideration that could set out to deliver a rates increase of approximately 6.8%, a capex programme of approximately \$132 million and required additional borrowing of approximately \$45 million. By the end of the forum Council had traversed the 45 possible options for areas of business that could be done differently and were made aware of the impacts of proceeding with or without each proposal and what that would mean for the rates increase, capital programme and level of borrowing required.

Council meeting - 22 March 2023

Following the forum on 8 March, Council debated the merits of each proposal and made decisions on whether to accept or not, the proposal. In making decisions on each proposal it has provided for finalising a draft annual budget and what the proposed rates increase (7.2%), capex programme (\$138mil) and borrowing requirements (\$47mil) will be, which in turn forms the basis for public consultation.

4. TE MATAPAKI ME NGĀ KŌWHIRINGA DISCUSSION AND OPTIONS

The intent behind the Local Government Act 2002 for the development and adoption of a Long-term Plan is to ensure councils make the necessary visioning, planning and delivery plans to drive towards better outcomes for the future of the district. The Long-term Plan should demonstrate that councils can act as good stewards of the assets they administer on behalf of the community and that they have considered the intergenerational impacts of decisions made presently against the impacts or burden on future ratepayers and residents.

To achieve this the Long-term Plan has an expected horizon of ten years that must be reviewed every three years. In the intervening years Council publishes its annual budget (annual plan). When global and district issues are stable, Council need only publish its annual budget and inform the community that all is on track against the Long-term Plan.

Review of the intended Year 3 budget as prepared in the Long-term Plan shows that this is not a business as usual time the district is facing and therefore the need to review what is being delivered is necessary and prudent. Based on this Council will be publically consulting on matters of importance. This includes conversations about proposals that aim to:

- Deliver measurable results against the Council priorities – economy, infrastructure, housing and community;
- Consolidate some work programmes and focus on doing the essentials well;
- Generate alternative sources of revenue, removing a reliance on rates as a source of funding for the majority of council services;
- Demonstrate prudent financial management (rates, capital expenditure and borrowing).

The Chief Financial Officer will present the draft annual budget at the meeting on 5 April.

A consultation document is currently under development that is consistent with the key themes listed above. This will be distributed to Councillors in draft ahead of the meeting on 5 April.

Finalising the consultation document will be undertaken following Council's decision on 5 April and will be made available publically on 11 April when consultation opens.

5. TE TINO AROMATAWAI ASSESSMENT OF SIGNIFICANCE

Individual conversations related to the themes are in themselves not deemed significant in accordance with Council's significance and engagement policy. However, the overall direction of the draft annual plan with its differing focus to that in the current Long-term Plan is worth consideration as significant and hence the Council have opted to undertake consultation on the proposed draft annual plan (budget and work programme)

6. NGĀ KŌRERO O TE HAPORI ME TE WHAKATAIRANGA COMMUNITY INPUT/ENGAGEMENT AND PUBLICITY

A public consultation programme will commence 11 April 2023.

In order for the community to actively engage with Council on the Draft Annual Plan an engagement programme based upon meeting people where they are, being digital and being in person has been planned.

Digital	<p>Council's engagement platform - Let's Talk/Korero Mai</p> <ul style="list-style-type: none"> • Read the draft annual plan consultation document • Follow frequently asked questions/ask your own question • Submit online feedback • Request to be heard <p>Council's Facebook</p> <ul style="list-style-type: none"> • Follow the conversations • Get prompts to engage and submit • Get updates on where and when face to face engagement sessions are being held • Event creation to link to public engagement <p>Other Facebook groups</p> <ul style="list-style-type: none"> • Share Council's posts with other groups to reach a wider audience • Get prompts to engage and submit • Get updates on where and when face to face engagement sessions are being held <p>Email notification</p> <ul style="list-style-type: none"> • Stakeholder groups notified of consultation and links to - Let's Talk/Korero Mai and the consultation document provided <p>EPanui updates</p> <ul style="list-style-type: none"> • Advertising opportunities for face to face engagement • Prompts to submit <p>LinkedIn</p> <ul style="list-style-type: none"> • Educate the business community and sectors about the plan and provide links to Let's Talk and media coverage etc <p>Te Arawa FM online channels</p> <ul style="list-style-type: none"> • Using their platform to send the message out <p>Online advertising/digital advertising</p>
Print	<ul style="list-style-type: none"> • Publications in Weekender – maximum reach and value for money • Hard copy of consultation document • Pamphlet in rates invoices sent out
Face to face	<p>Community or local based events</p> <ul style="list-style-type: none"> • Presentations on groups agenda/make available consultation collateral <p>Annual plan meetings</p> <ul style="list-style-type: none"> • Dedicated forums set up and advertised • Opportunities for community to come hear about the plan, ask questions and provide feedback <p>'Open home' – drop in sessions</p>

The following is the timetable for consulting and final development of the Annual Plan 2023-2024:

Action	Date
Approve draft annual plan budget	5 April 2023
Public release of consultation document	11 April 2023
Community Engagement – go live Let's Talk/KoreroMai	11 April 2023 – 12 May 2023
Engagement and feedback close	12 May 2023
Hearings	24-26 May TBC
Deliberations	7 June
Adoption of Annual Plan 2023-2024	28 June 2023

7. HE WHAIWHAKAARO CONSIDERATIONS

7.1 Mahere Pūtea Financial/budget considerations

Audit of the discussion document is not required under legislation. The engagement costs relate to staff time and advertising costs with budget held within Corporate Planning and Strategy department.

7.2 Kaupapa Here me ngā Hiraunga Whakariterite Policy and planning implications

Work undertaken by Councillors in the development of this draft annual plan following the setting of Council priorities has been an opportunity to reset and realign the governing body and the organisation delivery.

Consolidating effort and focus into this Annual Plan is about the beginnings of a longer term conversation to be had in the community, one that looks out beyond 10 years, one that looks at the future aspirations of the district. These will need to be factored into our next long-term plan. So this annual plan cycle does become the beginnings of future long term plan discussions.

7.3 Tūraru Risks

The key risks influencing approving a draft annual plan budget and going to public consultation are identified as:

- **Timeline** – in terms of the annual planning cycle decisions required at this point are critical. A failure to make decisions on the draft annual plan budget will mean that a consultation document requires longer to be finalised and therefore less time to consult. This could also put at risk the adoption of a final annual plan by the deadline of 30 June.
- **Financial** – failure to adopt an annual plan by 30 June means that Council can't strike the rates for the new financial year. That in turn will mean that Council's revenue (rates instalments) can't be met which potentially means that contractors, service delivery staff etc can't be paid.
- **Effect on the community** – there are a number of proposals that could have a direct and perceived negative effect on the community. Addressing this by way of including into the draft annual plan consultation process ensures that the community will have the opportunity to express either their support or not for the proposals

7.4 Te Whaimana Authority

Full Council must adopt the Draft Annual Plan 2023-2024.

**9. NGĀ ĀPITI HANGA
ATTACHMENTS**

N/A

**7. He whakataunga kia hoki atu te aronga o te hui hai hui tūmatawhānui -
Resolution to move into public excluded (to consider and adopt confidential items)**

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987, for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for passing of this resolution
Confidential minutes of previous meeting held 22 March 2023	Please refer to the relevant clause/s in the open meeting minutes.	Good reason for withholding exists under Section 48(1)(a).

This resolution is made in reliance on Section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Sections 6 or 7 of the Act or Sections 6, 7 or 9 of the Official Information Act 1982, as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as shown above (in brackets) with respect to each item.

8. Te Karakia Whakamutunga - Closing Karakia

Kia whakairia te tapu
Kia wātea ai te ara
Kia turuki whakataha ai
Kia turuki whakataha ai
Hāumi e. Hui e. Tāiki e!

Restrictions are moved aside
So the pathway is clear
To return to every day activities
To return to every day activities
Allied, enriched, unified, and blessed