



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

Kaupapataka Agenda

NOTICE OF AN ORDINARY MEETING OF COUNCIL

Date: Wednesday 28 June 2023

Time: 9.30am

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. |

Order of Business

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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 He Puka Inoi Tūmatawhānui - Public Petitions

5.1 Petition (Keep our Rates Low)

6 He Whakaū i ngā Meneti - Confirmation of Minutes

6.1 Council Meeting Minutes (Draft) 31 May 2023

ID 19375009

Minutes (draft)

**Council meeting held Wednesday 31 May 2023 at 9.30am
Council Chamber, Rotorua Lakes Council**

| | |
|--------------------------------------|---|
| MEMBERS PRESENT: | Mayor Tapsell (Chair) Cr Kai Fong (Deputy Chair), Cr Barker, Cr Brown, Cr Lee, Cr O'Brien, Cr Paterson, Cr Wang, Cr Waru |
| MEMBERS PRESENT VIA AUDIO VISUAL: | Cr Maxwell |
| APOLOGIES: | Cr Kereopa |
| IN ATTENDANCE: | J McRae -Chair, T Morrison and B Whibley – Board Members – InfraCore Limited; E Murray – Chief Executive Officer - InfraCore Limited |
| 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 Rangī, Deputy Chief Executive, Te Arawa Partnership; D Jensen, Director of Finance; T Williams, Acting Director, Te Aka Mauri; I Tiriana, Manager, Council Communications; D Cossar, Governance & Democracy Manager; G Kieck, Corporate Planning and Strategy Manager; T Rutherford, Executive of Communications, Mayor's Office; G Konara, Governance Support Advisor. |

The meeting opened at 9.31am.

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

1 KARAKIA WHAKAPUAKI OPENING KARAKIA

Cr O'Brien opened the meeting with a Karakia.

Acknowledgement

Mayor Tapsell congratulated and acknowledged Cr Maxwell for receiving the “Companion of the New Zealand Order of Merit” for his lifetime services to the local government and Māori culture.

2 NGĀ WHAKAPĀHA APOLOGIES

Resolved;

- 1. That the apologies from Cr Kereopa be accepted.**

Moved: Cr Waru

Seconded: Cr O’Brien

CARRIED

3 WHAKAPUAKITANGA WHAIPĀNGA DECLARATIONS OF INTEREST

None

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

4.1 UPDATE ON ONECOUNCIL PROJECT

Cr Lee requested an update on OneCouncil project going live from 31 May 2023.

The Chair accepted the urgent item due to significance of the matter.

Thomas Collé updated the council on the successful move to the new system.

4.2 AUDIT AND RISK COMMITTEE APPOINTMENT OF INDEPENDENT CHAIR

The Chair advised there is an urgent item, which shall be dealt with today. The item is for the appointment of an independent chair to the Audit and Risk Committee.

The item was not on the agenda as the interviews and reference checks were being undertaken at the same time the agenda was published.

This item will be dealt with in the confidential section, since there is a Curriculum Vitae and an application.

Resolved

- 1. That the matter of Audit and Risk Committee –appointment of independent chair” be dealt with at this meeting”**

Moved: Cr Kai Fong

Seconded: Cr Paterson

CARRIED

**5 TE WHAKAŪ I NGĀ MENETI
CONFIRMATION OF COUNCIL MINUTES****5.1 MINUTES OF COUNCIL MEETING HELD 26 APRIL 2023**

RDC-1385140

Resolved

- 1. That the minutes of the Council meeting held 26 April 2023 be confirmed as a true and correct record.**

Moved: Cr Brown

Seconded: Cr Kai Fong

CARRIED

**6. PŪRONGO KAIMAHI
STAFF REPORTS****6.1 FINANCIAL PERFORMANCE FOR THE TEN MONTHS ENDED 30 APRIL 2023**

RDC-1390590

Resolved

- 1. That the report titled “Financial Performance for the Ten Months ended 30 April 2023” be received.**

Moved: Cr Lee

Seconded: Cr O’Brien

CARRIED

Thomas Collé and David Jensen overviewed the report and spoke to a presentation titled “Rotorua Lakes Council - Financial Update - April 2023” (Attachment 1).

6.2 TE ARAWA PARTNERSHIP - REVIEW

RDC-1392455

Resolved

- 1. That the report titled “Te Arawa Partnership - Review” be received.**

Moved: Cr Lee

Seconded: Cr Brown

CARRIED

Gina Rangi overviewed the report.

Further resolved

- 2. That Council approve the draft Terms of Reference to establish a working party to carry out a review of the Te Arawa Partnership.**

- 3. That Council appoint:-**
 - **Cr Sandra Kai Fong**
 - **Cr Rawiri Waru**
 - **Cr Karen Barker and**
 - **Mayor Tapsell as the alternate to the working party.**

Moved: Cr Waru

Seconded: Cr Brown

Cr Lee moved an amendment to recommendation no 3 as below:-

- 3. That Council appoint:-**
 - **Cr Sandra Kai Fong**
 - **Cr Robert Lee**
 - **Cr Karen Barker and**
 - **Mayor Tapsell as the alternate to the working party.**

Moved: Cr Lee

There was no seconder. Amendment lapsed.

- 2. That Council approve the draft Terms of Reference to establish a working party to carry out a review of the Te Arawa Partnership.**

- 3. That Council appoint:-**
 - **Cr Sandra Kai Fong**
 - **Cr Rawiri Waru**
 - **Cr Karen Barker and**
 - **Mayor Tapsell as the alternate to the working party.**

Moved: Cr Waru

Seconded: Cr Brown

CARRIED

The Chair noted that there is an agenda item on InfraCore Limited set down for discussion in the public excluded session. Based on the high level of public interest, the Chair ruled that the presentation from InfraCore Limited be brought into public session. The discussion on the staff report will be within the confidential session.

7 NGĀ TĀPAETANGA PRESENTATIONS

7.1 InfraCore Presentation

John McRae, Brent Whibley and Emma Murray spoke to a presentation titled “InfraCore” and answered questions from the council. (Attachment 2).

Action Points:-

- Pipeline of work for InfraCore to be informed back to Council.

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

Attendance: - Cr Maxwell left the meeting due to him being in a non-confidential location.

Resolved;

1. That Council move into Public Excluded session.

Moved: Cr Waru

Seconded: Cr Kai Fong

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 |
|--|--|--|
| InfraCore Limited - Financial Update May 2023 | Maintain effective conduct of public affairs through protection of such members, officers, employees and persons from improper pressure or harassment. Enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities. | Section 48(1)(a) Section 7(2)(f)(ii) Section 48(1)(a) Section 7(2)(h) |
| Renewal of Contract- Kōtui Library Services- Contract Approval | 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) |

| 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 |
|--|---|--|
| Audit and Risk Committee Appointment of Independent Chair | Protect the privacy of natural persons, including that of deceased natural persons. | Section 48(1)(a) Section 7(2)(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.

Meeting adjourned at 10.57am and resumed in public excluded session at 11.14am.

OPEN SESSION

12 TE KARAKIA WHAKAMUTUNGA CLOSING KARAKIA

Cr O'Brien closed the meeting with a Karakia.

The meeting closed at 12.41pm.

To be confirmed at a Council meeting on 28 June 2023.

.....
Chair

Note 1: Rotorua Lakes Council is the operating name of Rotorua District Council

Note 2: Attachments to these minutes are available on request or on Council's website: [click here](#)

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6.2 Council Meeting Minutes (Draft) 7 and 8 June 2023

ID 19381106

Minutes (draft)

**Council meeting held Wednesday 7 June 2023 at 12.30pm
Council Chamber, Rotorua Lakes Council**

MEMBERS PRESENT: Cr Kai Fong (Chair),
Cr Barker, Cr Brown, Cr Kereopa, Cr Lee, Cr Maxwell, Cr O'Brien,
Cr Paterson, Cr Wang, Cr Waru

APOLOGIES: Mayor Tapsell

STAFF PRESENT: G Williams, Chief Executive;
T Collé, Deputy Chief Executive, Organisational Enablement;
O Hopkins, Deputy Chief Executive, District Leadership & Democracy;
S Michael, Deputy Chief Executive. Infrastructure & Environmental
Solutions;
A Pewhairangi, Deputy Chief Executive, Community Wellbeing;
G Rangī, Deputy Chief Executive, Te Arawa Partnership;
I Tiriana, Manager, Council Communications;
G Kieck, Corporate Planning and Strategy Manager;
D Jensen, Director of Finance;
T Rutherford, Executive of Communications, Mayor's Office;
G Konara, Governance Support Advisor.

The meeting opened at 12.30pm.

The Deputy Mayor, Cr Kai Fong welcomed elected members, media, staff and members of the public.

**1 KARAKIA WHAKAPUAKI
OPENING KARAKIA**

Cr Wang opened the meeting with a Karakia.

**2 NGĀ WHAKAPĀHA
APOLOGIES**

Resolved

- 1. That the apologies from Mayor Tapsell be accepted.**

Moved: Cr Barker

Seconded: Cr O'Brien

CARRIED

3 WHAKAPUAKITANGA WHAIPĀNGA DECLARATIONS OF INTEREST

Councillors declared following:-

- Cr O'Brien – affiliation with non-profit organisations that have applied and received funding from Rotorua Lakes Council.
- Cr Barker – affiliation with an organisation that receives funding from Rotorua Lakes Council.
- Cr Wang – affiliation with organisations that receive funding or benefits in other ways from Rotorua Lakes Council. Noted that Cr Wang has not participated in forming their submissions or taken part in the discussions.
- Cr Paterson – Member of Tatau Pounamu, which receives support from Rotorua Lakes Council. Noted that Cr Paterson has not participated in financial discussions.
- Cr Maxwell and Cr Waru - non financial interest on lakeside discussions.

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

None

5 TE WHAKAŪ I NGĀ MENETI CONFIRMATION OF COUNCIL MINUTES

5.1 MINUTES OF COUNCIL HEARING HELD 24 AND 25 MAY 2023

RDC-1391999

Resolved

1. **That the minutes of the Council hearing held on 24 and 25 May 2023 be confirmed as a true and correct record.**

Moved: Cr O'Brien

Seconded: Cr Waru

CARRIED

6. PŪRONGO KAIMAHI STAFF REPORTS

6.1 CONSIDERATION OF FEEDBACK ON DRAFT ANNUAL PLAN 2023-2024 CONSULTATION

Document ID: 19373201

Resolved

1. **That the report titled "Consideration of feedback on draft Annual Plan 2023-2024 consultation" be received.**

Moved: Cr Kereopa

Seconded: Cr Barker

CARRIED

Thomas Collé overviewed the report and spoke to a presentation titled “Draft Annual Plan 2023/2024” (Attachment 1).

Further resolved:

1. That the Council receive the staff analysis of the draft Annual Plan consultation submissions.

Moved: Cr Barker

Seconded: Cr Brown

CARRIED

The following recommendations in the decision making schedule were resolved

a) **DECISION MAKING SCHEDULE**

DECISION MAKING SCHEDULE

| Recommendation number | Proposal Number | Proposal Description | Indicative Rates Impact | Recommendation |
|-----------------------|-----------------|--|-------------------------|--|
| Economy | | | | |
| 1 | 18 | Shift focus of Event Investment Fund (reduce budget by \$200,000) | +0.17% | That Council agree to retain the current budget for the event investment fund (\$500k) and adds back into the 2023/24 budget (\$200k). Moved: Cr Lee Seconded: Cr Maxwell CARRIED |
| 2 | 17 | Disestablish Event Attraction role (1FTE) & Event Planning role (1FTE) (remove \$150,000 from the budget) | +0.13% | That Council agrees to continue to support the resourcing of the event attraction and planning roles and adds back 2FTE positions and \$150,000 into the 2023/24 budget. Moved: Cr Waru Seconded: Cr Wang CARRIED |
| 3 | 29 | Sir Howard Morrison Centre – future commercialisation (reduce rates funding impact by \$200,000 per annum) | +0.20% | That Council agree to drive a greater emphasis on commercial operations to subsidise the running of the Sir Howard Morrison Centre by targeting \$200,000 of additional revenue and reducing the rates funding impact required by this amount. Moved: Cr Brown Seconded: Cr Waru |

| Recommendation number | Proposal Number | Proposal Description | Indicative Rates Impact | Recommendation |
|-----------------------|-----------------|---|-------------------------|---|
| | | | | <p>Cr Paterson moved an amendment as below:-</p> <p>Amendment:- That Council agree to drive a greater emphasis on commercial operations to subsidise the running of the Sir Howard Morrison Centre by targeting \$200,000 of additional revenue and reducing the rates funding impact required by this amount while ensuring a reasonable amount of access is allocated to community groups at affordable rates.</p> <p>Moved: Cr Paterson Seconded: Cr Maxwell CARRIED</p> |
| Infrastructure | | | | |
| 4 | 7 | Stop waste minimisation education (reduce the budget from \$50,000 to zero) | +0.06% | <p>That Council agree to continue to provide waste minimisation programmes and initiatives and add back to the 2023/24 budget \$50,000 to support this.</p> <p>Moved: Cr Waru Seconded: Cr Wang CARRIED</p> |
| 5 | 8 | Decrease the unsubsidised transport spend by 50% (reduce budget from \$600,000 to \$300,000) | +0.29% | <p>That Council agrees to fund the full unsubsidised transport network maintenance spend of \$600,000 per annum, and adds back to the 2023/24 budget \$300,000 to support this.</p> <p>Moved: Cr Lee Seconded: Cr O'Brien CARRIED</p> |
| 6 | 6 | Disestablish the role: Deputy Chief Executive – Chief Executive Office (remove \$200,000 from the budget) | +0.17% | <p>That Council disestablish the role: Deputy Chief Executive – Chief Executive Office removing \$200k from the 2023/24 budget</p> <p>Moved: Cr O'Brien Seconded: Cr Brown CARRIED</p> |

| Recommendation number | Proposal Number | Proposal Description | Indicative Rates Impact | Recommendation |
|-----------------------|-----------------|--|-------------------------|--|
| Council | | | | |
| 7 | 9 | Reduce funding to the cadetship/graduate programme (remove \$100,000 from the budget) | +0.13% | <p>That Council agree to retain the current funding levels for cadetships/graduates and add back \$100k in the 2023/24 budget.</p> <p>Moved: Cr Wang Seconded: Cr Waru LOST</p> <p>Cr Lee moved the following motion:-</p> <p>That Council reduce the funding for cadetships/graduates from \$300k to \$200K removing \$100,000 out of the 2023/24 budget</p> <p>Moved: Cr Lee Seconded: Cr Brown CARRIED</p> <p>Request for recording of vote:- Cr Wang voted against the motion.</p> |
| 8 | 10 | Halve the training budget from \$240,000 to \$120,000 (removing \$120,000 from the budget) | +0.11% | <p>That Council reduce the training budget from \$240,000 to \$120,000, removing \$120k from 2023/24 budget.</p> <p>Moved: Cr O'Brien Seconded: Cr Paterson</p> <p>Cr Waru moved an amendment as below:-</p> <p>Amendment:- That Council reduce the training budget from \$240,000 to \$160,000, removing \$80k from 2023/24 budget.</p> <p>Moved: Cr Waru Seconded: Cr Maxwell LOST</p> |

| Recommendation number | Proposal Number | Proposal Description | Indicative Rates Impact | Recommendation |
|-----------------------|-----------------|---|-------------------------|--|
| | | | | <p>Cr O'Brien moved the following motion:-</p> <p>That Council reduce the training budget from \$240,000 to \$120,000, removing \$120k from 2023/24 budget.</p> <p>Moved: Cr O'Brien Seconded: Cr Paterson CARRIED</p> <p>Request for recording of vote:- Cr Wang and Cr Waru voted against the motion.</p> |
| 9 | 11 | Remove \$50,000 funding from the subscriptions for professional entities | +0.06% | <p>That Council reduce subscriptions to professional entities removing \$50k from the budget.</p> <p>Moved: Cr Brown Seconded: Cr Lee CARRIED</p> |
| 10 | 12 | Increase salary remuneration movement from 3% to 5% (increase staff costs by \$720,000) | -0.62% | <p>That Council agree to an increase in the salary remuneration movement from 3% to 5% increasing the budget by \$720,000 for the 2023/24 budget.</p> <p>Moved: Cr Kai Fong Seconded: Cr Brown CARRIED</p> |
| 11 | 13 | Disestablish the role: Financial Services Manager (remove \$125,000 from the budget) | +0.13% | <p>That Council disestablish the role of Financial Services Manager (currently vacant) removing \$125,000 from the budget.</p> <p>Moved: Cr Brown Seconded: Cr Waru CARRIED</p> |
| 12 | 14 | Change mail and cash services processing (removes \$35,000 from the budget) | +0.03% | <p>That Council acknowledge the change to the processing for mail and cash services resulting in a savings of approximately \$35,000.</p> <p>Moved: Cr O'Brien Seconded: Cr Brown CARRIED</p> |

| Recommendation number | Proposal Number | Proposal Description | Indicative Rates Impact | Recommendation |
|-----------------------|-----------------|--|-------------------------|--|
| 13 | 15 | Disestablish 5 fulltime positions in Information Solutions activity (removing \$453,000 from the budget) | +0.38% | <p>That Council agree to disestablish five fulltime positions across Information Solutions (currently vacant) removing \$453,000 from the 2023/24 budget.</p> <p>Moved: Cr Brown Seconded: Cr Paterson</p> <p>Cr Waru moved an amendment as below:-</p> <p>Amendment:- That Council agree to disestablish three positions across Information Solutions (currently vacant). Moved: Cr Waru Seconded: Cr Maxwell LOST</p> <p>Cr Brown moved the following motion:-</p> <p>That Council agree to disestablish five fulltime positions across Information Solutions (currently vacant) removing \$453,000 from the 2023/24 budget.</p> <p>Moved: Cr Brown Seconded: Cr Paterson CARRIED</p> <p>Request for recording of vote: Cr Maxwell, Cr Wang and Cr Waru voted against the motion.</p> |

The meeting adjourned at 2.21pm and resumed at 2.45pm.

RESOLUTION TO EXTEND MEETING DURATION

The Chair to advise under S.O. 4.2 the hearing cannot continue more than six hours from the start (including any adjournments) unless there is a resolution to continue.

1. That the Committee resolves to extend the hearing by more than 6 hours.

Moved: Cr O'Brien
Seconded: Cr Brown
CARRIED

| Recommendation number | Proposal Number | Proposal Description | Indicative Rates Impact | Recommendation |
|-----------------------|-----------------|--|-------------------------|--|
| Community | | | | |
| 14 | 19 | Proposal 19 Disestablish Volunteer and Creative Communities (0.6FTE) role and Disestablish Community Arts Advisor role (remove \$128,000 from 2023/24 budget) | +0.12% | <p>1. That Council continue to support the volunteer and creative communities 0.6FTE role and add back into the budget a 0.6FTE role and \$40,000.</p> <p>Moved: Cr Wang Seconded: Cr Maxwell CARRIED</p> <p>2. That Council continues to support the functions of the Arts Advisor and add back to the budget 1 FTE role and \$88,000.</p> <p>Moved: Cr Lee Seconded: Cr Waru CARRIED</p> |
| 15 | 19 | Disestablish role: Research Analyst role (data and insights) (removes \$63,000 from the budget) | +0.05% | <p>That Council retain the function of data and insights collection, adding back 1FTE and \$63,000 into the 2023/24 budget.</p> <p>Moved: Cr Brown Seconded: Cr Lee CARRIED</p> <p>Cr Paterson abstained from voting.</p> |
| 16 | 21 | Stop the Museum education programmes (Disestablishing 2 FTEs and 2x 0.5FTE removing \$260,000 from the budget) | +0.21% | <p>1. That Council agrees to continue providing education services at Te Whare Taonga and adds back 2FTE and 2x 0.5 FTE roles and \$268,000 to the 2023/24 budget.</p> <p>and</p> <p>2. That Council direct the Chief Executive to investigate alternative funding sources for the service in subsequent years and bring back to Council in the Long Term Plan development.</p> |

| | | | | |
|--|--|--|--|--|
| | | | | Moved: Cr Paterson Seconded: Cr Brown CARRIED |
|--|--|--|--|--|

Attendance: - Cr Kereopa re-joined the meeting at 3.15pm.

| Recommendation number | Proposal Number | Proposal Description | Indicative Rates Impact | Recommendation |
|-----------------------|-----------------|--|-------------------------|---|
| 17 | 22 | Proposal 22 Remove the Museum static guard (removes \$110,000 from the budget) | +0.00% | That Council agree to remove the static guard and save \$110,000 per year, dependent on the outcome of the Museum project consultation. Moved: Cr Paterson Seconded: Cr O'Brien CARRIED |

Cr Barker and Cr O'Brien removed themselves from the table for item no 18.

The meeting adjourned at 3.34pm and resumed at 3.53pm.

| Recommendation number | Proposal Number | Proposal Description | Indicative Rates Impact | Recommendation |
|-----------------------|-----------------|---|-------------------------|---|
| 18 | 23 | Discontinue community funding (removes \$277,500 in 2023/24 and \$435,000 in future years) | +0.43% | 1. That Council honour the current Partnership Agreements, Community Grants and Neighbourhood Matching Fund until the end of the current contracts/ 30 June 2024, adding back into the 2023/24 budget \$435,000. 2. That Council direct the Chief Executive to investigate alternative funding options and distribution mechanisms and report back to Council as part of the Long Term Plan development. Moved: Cr Waru Seconded: Cr Lee CARRIED |

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Cr Barker and Cr O'Brien re-joined the deliberations.

| Recommendation number | Proposal Number | Proposal Description | Indicative Rates Impact | Recommendation |
|-----------------------|-----------------|---|-------------------------|---|
| 19 | 23 | Reduce capacity and resourcing towards thriving communities (disestablish 3 FTE positions and remove \$230,000 in the budget) | +0.20% | That Council reduce the capacity and resourcing in the thriving communities work programme, disestablishing 1 FTE position and removing \$50,000 in the 2023/24 budget. Moved: Cr Waru Seconded: Cr Barker CARRIED |
| 20 | 24 | Increase entrance fees at the Rotorua Aquatic Centre (adult admission fee by \$1.00 to \$6.50 and a child by 50cents to \$3.50 proposed fees could result in a reduction of \$225,000 in rates funding) | +0.19% | 1. That Council increase the adult admission fee by \$1.00 to \$6.50 and increase the child admission fee by 50 cents to \$3.50 from 1 July 2023 reducing the rates funding impact by approximately \$225,000 in the 2023/24 budget. 2. Undertake and report on an investigation in to the ongoing pricing structure for entry to the Rotorua Aquatic Centre prior to opening the refurbished facility. Moved: Cr Waru Seconded: Cr Paterson CARRIED |

The meeting adjourned at 4.23pm for day 1.

Minutes (draft)

Council meeting held Thursday 8 June 2023 at 9.30am

Council Chamber, Rotorua Lakes Council

MEMBERS PRESENT: Cr Kai Fong (Chair),
Cr Barker, Cr Brown, Cr Kereopa, Cr Lee, Cr Maxwell, Cr O'Brien,
Cr Paterson, Cr Wang, Cr Waru

APOLOGIES: Mayor Tapsell

STAFF PRESENT: G Williams, Chief Executive;
T Collé, Deputy Chief Executive, Organisational Enablement;
O Hopkins, Deputy Chief Executive, District Leadership & Democracy;
S Michael, Deputy Chief Executive. Infrastructure & Environmental
Solutions;
A Pewhairangi, Deputy Chief Executive, Community Wellbeing;
G Rangī, Deputy Chief Executive, Te Arawa Partnership;
I Tiriana, Manager, Council Communications;
R Dunn, Governance & Democracy Advisor;
G Kieck, Corporate Planning and Strategy Manager;
D Jensen, Director of Finance;
G Konara, Governance Support Advisor.

The meeting resumed at 9.32am for day 2.

The Deputy Mayor, Cr Kai Fong welcomed elected members, media, staff and members of the public.

| Recommendation number | Proposal Number | Proposal Description | Indicative Rates Impact | Recommendation |
|-----------------------|-----------------|--|-------------------------|---|
| 21 | 25 | Reduce level of support services to sport development functions (disestablish 2 FTEs and remove \$150,000 from the budget) | +0.14% | That Council reduce the level of support services to sport development functions disestablishing 1 FTEs and removing \$70,000 from the 2023/24 budget. Moved: Cr Kai Fong Seconded: Cr Paterson CARRIED |

| Recommendation number | Proposal Number | Proposal Description | Indicative Rates Impact | Recommendation |
|-------------------------|-----------------|---|--------------------------------------|---|
| 22, 23, 24, 25 | 26 | <p>City beautification Reduce the level of service for opens spaces</p> <p>a. Reduce bark gardens removing \$605,000 from the budget.</p> <p>b. Reduce amenity mowing removing \$146,000 from the budget.</p> <p>c. Reduce annual flower beds removing \$135,000 from the budget.</p> <p>d. Reduce hanging baskets removing \$49,000 from the budget.</p> | +0.58% +0.13% +0.11% +0.05% | <p>Bark Gardens, Amenity mowing, Annual flower gardens and Hanging baskets</p> <p>That Council maintains the current level of service to the city beautification and adds back \$935,000 to the 2023/24 budget</p> <p>Moved: Cr Wang Seconded: Cr Lee CARRIED</p> |
| 26 | 27 | Increase in Parking fees (increase fees and charges revenue by \$740,000) | +0.7% | <p>That Council increase the hourly parking fee from \$1 to \$2 from 1 July 2023, and notes, in adopting this pricing increase it seeks to close the fees and charges revenue shortfall currently being generated through less vehicles parking in the CBD by \$740,000 per annum.</p> <p>Moved: Cr Wang Seconded: Cr Waru CARRIED</p> |
| 27 | 27 | Increase paid parking area – additional revenue \$190,000 | +0.17% | <p>That Council extend the paid for parking areas in line with the existing parking management plan, completing roll out by 1 September 2023, increasing the parking revenue in the 2023/24 budget by approximately \$190,000.</p> <p>Moved: Cr Waru Seconded: Cr Wang CARRIED</p> |

| Recommendation number | Proposal Number | Proposal Description | Indicative Rates Impact | Recommendation |
|-----------------------|-----------------|---|-------------------------|--|
| 28 | 28 | Te Aka Mauri Reduce Library opening hours (Close the Library on Sunday removes \$104,000 from budget) | +0.11% | <p>That Council agrees to maintain the Library being open 7 days a week, and adds back \$106,700 expenditure to operate and \$2,700 revenue into the 2023/24 budget.</p> <p>Moved: Cr Wang Seconded: Cr Lee LOST</p> <p>Cr Kai Fong moved the following motion:-</p> <p>That Council reduce Library opening days from 7 days per week to 6 days per week (closing Sunday's) and removes \$104,000 from the 2023/24 budget.</p> <p>Moved: Cr Kai Fong Seconded: Cr Paterson</p> <p>Cr Waru moved an amendment as below:-</p> <p>Amendment :-</p> <p>That Council agrees to maintain the Library being open 7 days a week, opening on Sunday for 3 hours and adds back approximately \$60,000 expenditure to operate.</p> <p>Moved: Cr Waru Seconded: Cr Wang CARRIED</p> |

The meeting adjourned at 11.10am and resumed at 11.30am.

| Recommendation number | Proposal Number | Proposal Description | Indicative Rates Impact | Recommendation |
|-----------------------|-----------------|---|-------------------------|--|
| Capex | | | | |
| 29 | 30 | Defer Kuirau Park Skate Park Capital Project (remove \$1.02mil from capex budget) | +0.02% | That Council defer the Kuirau Park Skate Park project and remove \$1.02mil from the capex budget in 2023/24. |

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| | | 2023/24) | | <p>Moved: Cr O'Brien Seconded: Cr Paterson</p> <p>Cr Lee moved an amendment as below:-</p> <p>Amendment:-</p> <p>That Council defer the Kuirau Park Skate Park project and remove \$1.02mil from the capex budget in 2023/24 and consider this as part of 2024/2034 Long Term Plan.</p> <p>Moved: Cr Lee Seconded: Cr Waru CARRIED</p> |
| 30 | 32 | Pausing Neighbourhood Playground Enhancements (remove \$200k from 2023/24) | +0.01% | <p>That Council agree to include \$200k in the 2023/24 capex budget for neighbourhood playground enhancements.</p> <p>Moved: Cr Waru Seconded: Cr Wang CARRIED</p> |
| 31 | 33 | Defer Sala Street Cemetery Chapel Project until 2024/25 (remove \$1.00 million from capex budget 2023/24) | +0.01% | <p>That Council defers the project construction of the Sala Street chapel removing \$1.00 million in the 2033/24 capex budget and agrees to set aside \$250K in the 2023/24 budget to cover design costs</p> <p>Moved: Cr Brown Seconded: Cr Kereopa CARRIED</p> |
| Recommendation number | Proposal Number | Proposal Description | Indicative Rates Impact | Recommendation |
| 32 | 35 | Pause Lakes Infrastructure Enhancements (remove \$400,000 from capex budget 2023/24) | +0.01% | <p>That Council agree to continue to invest in the lakes infrastructure enhancement programme and add back in \$400,000 to the capex budget in the 2023/24 in order to progress this work</p> <p>Moved: Cr Brown Seconded: Cr Waru</p> |

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|------------------------------|------------------------|---|--------------------------------|---|
| | | | | <p>Cr Lee moved an amendment as below:-</p> <p>Amendment:-</p> <ol style="list-style-type: none"> 1. That Council agree to continue to invest in the lakes infrastructure enhancement programme and add back in \$400,000 to the capex budget in the 2023/24 in order to progress this work. 2. Staff investigate and report back on alternative funding models including boat ramp launch fees to be included in the development of the Long Term Plan 2024/2034. <p>Moved: Cr Lee Seconded: Cr Paterson CARRIED</p> |
| 33 | 36 | Pause improvements to existing sportsfields at Westbrook Park, Smallbone Park and Ray Boord Park (remove \$1.233 million from capex budget 2023/24) | +0.03% | <p>That Council agree to continue with the improvements to existing sportsfields at Westbrook Park, Smallbone Park and Ray Boord Park, and add back into the 2023/24 capex budget \$1.233 million.</p> <p>Moved: Cr Brown Seconded: Cr Waru CARRIED</p> |
| Recommendation number | Proposal Number | Proposal Description | Indicative Rates Impact | Recommendation |
| 34 | 37 | Pause Active Recreation Enhancement (remove \$250k from capex budget 2023/24) | +0.01% | <p>That Council agree to continue improvements to the walking, mountain biking tracks and facilities programme in the Whakarewarewa forests and add back \$250k into the 2023/24 capex budget.</p> <p>Moved: Cr Wang Seconded: Cr Brown</p> <p>Cr Lee moved an amendment as below:-</p> <p>Amendment:-</p> |

| | | | | <p>1. That Council agree to continue improvements to the walking, mountain biking tracks and facilities programme in the Whakarewarewa forests and add back \$125k into the 2023/24 capex budget.</p> <p>2. Staff investigate and report back on alternative funding models to be included in the development of the Long Term Plan 2024/2034.</p> <p>Moved: Cr Lee Seconded: Cr Paterson LOST</p> <p>Cr Wang moved the following motion:-</p> <p>That Council agree to continue improvements to the walking, mountain biking tracks and facilities programme in the Whakarewarewa forests and add back \$250k into the 2023/24 capex budget.</p> <p>Moved: Cr Wang Seconded: Cr Brown CARRIED</p> |
|-----------------------|-----------------|--|-------------------------|--|
| Recommendation number | Proposal Number | Proposal Description | Indicative Rates Impact | Recommendation |
| 35 | 38 | Cease Economic Recovery Fund (remove \$18.5 million from the 2023/24 capex budget) | +0.32% | <p>That Council agree to remove the economic development fund and remove \$18.5 million capex from the 2023/24 budget.</p> <p>Moved: Cr Kai Fong Seconded: Cr O'Brien CARRIED</p> |
| 36 | 39 | Fund construction of cycleways in 2023/24 from the Central Government Transport Choices package (\$2.5m funding) (remove \$396k capex from | +0.01% | <p>That Council note that thanks to the successful funding from the Central Government Transport Choices package of \$2.5m, Council can remove \$396k set aside for cycleway construction from the 2023/24 capex budget.</p> |

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|------------------------------|------------------------|--|--------------------------------|---|
| | | the 2023/24 budget) | | Moved: Cr O'Brien Seconded: Cr Barker CARRIED |
| 37 | 41 | Cease Māori Roadlines and Unformed Roads (remove \$100k capex from the 2023/24 budget) | +0.01% | That Council agrees to support the Māori roadlines and unformed roads programme and add back into the 2023/24 capex budget \$100k. Moved: Cr Waru Seconded: Cr O'Brien CARRIED |
| 38 | 45 | Stop Public Art Funding (remove \$400k from capex budget 2023/24) | +0.01% | That Council pause funding for the commissioning of new public artwork and focus only on maintaining current pieces the district owns removing \$250k from the budget for 2023/24. Moved: Cr O'Brien Seconded: Cr Paterson CARRIED |
| Recommendation number | Proposal Number | Proposal Description | Indicative Rates Impact | Recommendation |
| 39 | | Resource Management Act Fees discount policy | | <ol style="list-style-type: none"> 1. That Council revokes the current Resource Management Act fees refund of 40% on day 21, and adopts the Resource Management Act rules which states that a discount of 1% of the total for every working day on which the application remains unprocessed beyond the time limit, up to a maximum of 50 working days is introduced effective 1 July 2023. 2. That Council note a review on the efficiency of the process and timing of resource consents aims to ensure greater rigour and success to complete consents within 20 days noting the review will be reported back to Council in August <p>Moved: Cr Wang Seconded: Cr Lee CARRIED</p> |

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| 40 | | Cap on consenting | | <p>1. That Council agree to support lifting the cap of \$45,000 on resource consent applications and charge for the full cost of the cost to process the applications, to take effect from 1 July 2023.</p> <p>2. That Council note a review on the efficiency of the process and timing of resource consents aims to ensure greater rigour and success to complete consents within 20 days noting the review will be reported back to Council in August.</p> <p>Moved: Cr Wang Seconded: Cr Paterson CARRIED</p> |
|----|--|-------------------|--|--|

The meeting adjourned at 12.55pm and resumed at 1.33pm.

| Recommendation number | Proposal Number | Proposal Description | Indicative Rates Impact | Recommendation |
|-----------------------|-----------------|--|-------------------------|---|
| Other Feedback | | | | |
| 41 | | Tarawera Sewerage Scheme (Request for an increase to the Council total cost contribution to the scheme Council to fund 50% of the scheme's total costs) | | <p>1. That Council note the request of submitters.</p> <p>2. That Council continues to work with the community to compress the final cost of the scheme to the lowest possible level within the limitations of the market constraints.</p> <p>3. That Council note a tender recommendation will be brought back to Council in early August.</p> <p>4. That Council note a targeted rate for the Tarawera sewerage reticulation scheme (capital contribution for the scheme) will need to be consulted on and likely to not be considered until at least the 2025/26 FY.</p> |

| | | | | <p>5. That Council instruct the Chief Executive Officer to review options and effects for the sewerage scheme funding contribution from Council towards the Tarawera scheme and report back to Council the implications on the financial strategy in preparation for the Long-term Plan 2024-34.</p> <p>Moved: Cr Barker Seconded: Cr Brown CARRIED</p> |
|-----------------------|-----------------|---|-------------------------|--|
| Recommendation number | Proposal Number | Proposal Description | Indicative Rates Impact | Recommendation |
| 42 | | Baxendale Esplanade \$472,000 Capex project | | <p>1. That Council acknowledge the concerns from submitters and include this into the ongoing work for this reserve development process.</p> <p>2. Following completion of consultation with the community, a report will be brought back to Council by September on next steps.</p> <p>Moved: Cr Waru Seconded: Cr Barker CARRIED</p> |
| 43 | | Rates - Rates are too high | | <p>1. That Council acknowledge the feedback received.</p> <p>2. That Council notes the rates increase will be determined by the assessment of the feedback received on the draft Annual Plan proposals.</p> <p>3. That Council note a rates increase will be adopted on 28 June following the adoption of the Annual Plan.</p> <p>Moved: Cr O'Brien Seconded: Cr Waru CARRIED</p> |
| 44 | | Rates - Ratepayer equity | | <p>1. That Council acknowledge the feedback received.</p> |

| | | | | <p>2. That Council note ratepayer equity will be reviewed following ratings revaluations (September 2023) and development of the Long-term Plan 2024-34.</p> <p>Moved: Cr Wang Seconded: Cr O'Brien CARRIED</p> |
|-----------------------|-----------------|---|-------------------------|--|
| Recommendation number | Proposal Number | Proposal Description | Indicative Rates Impact | Recommendation |
| 45 | | Rates - Other rating opportunities | | <p>1. That Council acknowledge the feedback received.</p> <p>2. That Council direct staff to undertake further work and bring back a report back to council on proposed rating amendments to look at rating for AirBNB, a bed Tax and vacant land, to correspond with the development of the Long-term Plan 2024/34</p> <p>Moved: Cr O'Brien Seconded: Cr Waru CARRIED</p> |
| 46 | | Rates - Don't cut rates to the detriment of wellbeing | | <p>1. That Council acknowledge the feedback received.</p> <p>2. That Council notes the rates increase will be determined by the assessment of the feedback received on the draft Annual Plan proposals.</p> <p>3. That Council note a rates increase will be adopted on 28 June following the adoption of the Annual Plan.</p> <p>Moved: Cr Waru Seconded: Cr Maxwell CARRIED</p> |
| 47 | | Debt - Debt is too high | | <p>1. That Council acknowledge the feedback received.</p> <p>2. That Council note a review of Council's debt and future</p> |

| | | | | <p>borrowings will be a part of the development of the Long-term Plan 2024-34.</p> <p>Moved: Cr Waru Seconded: Cr Barker CARRIED</p> |
|------------------------------|------------------------|---|--------------------------------|---|
| Recommendation number | Proposal Number | Proposal Description | Indicative Rates Impact | Recommendation |
| 48 | | Fees and Charges - Support greater user pays principle | | <ol style="list-style-type: none"> 1. That Council acknowledge the feedback received. 2. That Council direct staff to undertake a review of the fees and charges (funding policy) to coincide with the development of the Long- term Plan 2024-34. <p>Moved: Cr Brown Seconded: Cr O'Brien CARRIED</p> |
| 49 | | Fees and Charges - Do not support higher Fees and Charges | | <ol style="list-style-type: none"> 1. That Council acknowledge the feedback received. 2. That Council direct staff to undertake a review of the fees and charges (funding policy) to coincide with the development of the Long- term Plan 2024-34. <p>Moved: Cr O'Brien Seconded: Cr Wang CARRIED</p> |
| 50 | | Organisational Efficiencies - Look at Council Organisation for efficiencies | | <ol style="list-style-type: none"> 1. That Council acknowledge the feedback received. 2. The chief Executive undertake an organizational review to achieve an efficiency saving of \$500,000 in the 2023-24 financial year that will not have a material impact to service levels. 3. Note that this is in addition to the \$1 million efficiency savings already included in the 2023-2024 Annual Plan. |

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| | | | | <p>4. Note that the achievement of this target may require some minor amendments to the decisions included in the 2023-2024 Annual Plan.</p> <p>5. Further Note that there exists some risk this target may not be fully achieved.</p> <p>Moved: Cr Brown Seconded: Cr Wang CARRIED</p> |
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Further resolved

- 3. That Council adopt proposals for inclusion into the final Annual Plan 2023-2024 as per the decision making schedule above.**

Moved: Cr Lee
Seconded: Cr Wang
CARRIED

Request for recording of vote: - Cr Kereopa Cr O’Brien and Cr Paterson voted against the motion.

7 TE KARAKIA WHAKAMUTUNGA

CLOSING KARAKIA

Cr Wang closed the meeting with a Karakia.

The meeting closed at 2.38pm.

To be confirmed at a Council meeting on 28 June 2023.

.....
Chair

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

7 Pūrongo Kaimahi - Staff Reports

ID 19394139

ROTORUA LAKES COUNCIL

Mayor
Members
COUNCIL

7.1 Adopt Annual Plan 2023-2024

Report prepared by: Greg Kieck, Manager, Corporate Planning and Strategy

Report reviewed 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 adopt the final Annual Plan 2023-2024 following deliberations of the feedback.

2. NGĀ TŪTOHUNGA RECOMMENDATIONS

1. That the report 'Adopt Annual Plan 2023-2024' be received.
2. That Council adopts the Annual Plan 2023-2024 and notes the plan delivers on decisions made by Council following consultation and decision making.

3. 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.

[Back to index](#)

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

4. 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. These forums were held in confidential as there were a large number of proposals which discussed employment relations and commercially sensitive information, levels of funding committed to partners, contractors and Council Controlled Organisations and traversed alternative options to fund council services.

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 not of each proposal and what that would mean for the rates increase, capital programme and level of borrowing required.

Council meeting - 22 March 2023

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 formed the basis for public consultation.

Community Consultation – 11 April to 12 May 2023

At the Council meeting on 5 April Council agreed to go out for consultation from 11 April. The consultation strategy was to "meet people where they are". This was done through attending

meetings already arranged and requesting an agenda item for their meeting as an opportunity to talk about the draft Annual Plan. These opportunities were attended by a number of Elected Members. A total of 8 meetings were attended with over 150 community members attending these events. Alongside these events, private events were also set up by various community groups. Awareness campaigns were launched at Te Aka Mauri, the Lakefront and Toi Ohomai that were aimed at providing members of the community with more information on the proposed draft Annual Plan. Alongside these awareness events, the Council's social media pages consistently pushed out draft Annual Plan reminders and information about where to submit.

A stakeholder email was sent out to approximately 1380 recipients and hardcopies of the consultation document were given out to approximately 450 people or organisations.

A total of almost 2100 submissions were received in various formats from the community with 114 submitters signalling that they wanted to speak to their submission. Hearings were held on the 23rd and 24th of May with options at different times to cater for community availability. In total 62 submitters were heard over the 2 days.

Council deliberations

Deliberations were held by Council on the 7th and 8th of June 2023. These deliberations traversed each individual proposal that was consulted upon with the community as well as other feedback themes that come forward from the community.

Council's CFO outlined the updated rates starting point after taking into consideration the updated capital works programme, adjustments to expected revenue and opening debt. The opening rates position had moved from 7.22% (consulted upon) to 6.25%.

The decisions made on which proposals to include or exclude from the Annual Plan increased the rates increase to 8.8% and following these decisions, staff have prepared the final Annual Plan 2023-2024 in alignment with an 8.8% rates increase.

5. 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 Council's 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 Council's 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 as required need only publish their 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 publically consulted on matters of importance. This included conversations that:

- Will deliver measurable results against the Council priorities – economy, infrastructure, housing and community
- Will consolidate some work programmes and focus on doing the essentials well

- Will consider generating alternative sources of revenue, pushing away a reliance on rates as a source of funding for the majority of council services and
- Demonstrates prudent financial management (rates increase, capital expenditure and borrowing).

Following consultation and feedback from the community, Elected Members have deliberated and decided on the proposals that are included in the Annual Plan 2023-2024. Staff have prepared the final Annual Plan 2023-2024 for adoption and striking of rates for the 2023/24 financial year.

6. TE TINO AROMATAWAI ASSESSMENT OF SIGNIFICANCE

The overall direction of the draft Annual Plan with it's differing focus to that in the current Long-term Plan is worth consideration as significant and hence the Council opted to undertake consultation on the proposed draft annual plan (budget and work programme). This consultation was held from 11 April to 12 May 2023.

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

Consultation was undertaken from 11 April – 12 May 2023

8. HE WHAIWHAKAARO CONSIDERATIONS

8.1 Mahere Pūtea Financial/budget considerations

The decisions made during the 'deliberations' process have resulted in the completion of the annual budget, a rates increase, debt position and capital works programme.

8.2 Kaupapa Here me ngā Hiraunga Whakariterite Policy and planning implications

Work undertaken by Councillors in the development of this 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.

8.3 Tūraru Risks

The key risks influencing adopting the final annual plan budget are identified as:

- **Timeline** –A failure to make decisions on the annual plan budget will mean that the adoption of a final annual plan by the deadline of 30 June will be at risk.
- **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.

8.4 Te Whaimana Authority

Full Council must adopt an Annual Plan 2023-2024.

9. HE ĀPITI HANGA ATTACHMENT

Attachment 1: Annual Plan 2023 – 2024: (distributed separately)

ROTORUA LAKES COUNCIL

Mayor
Members
COUNCIL

7.2 Setting Council Rates for the year 1 July 2023 to 30 June 2024

Report prepared by: David Jensen, Director of Finance

Report reviewed by: Thomas Collé, Deputy Chief Executive Organisational Enablement

Report approved by: Geoff Williams, Chief Executive

1. TE PŪTAKE PURPOSE

The purpose of this report is to set the rates for 2023/24, the due dates for payment and authorise the addition of penalties to unpaid rates.

2. NGĀ TŪTOHUNGA RECOMMENDATION

1. That the report 'Setting Council rates for the year 1 July 2023 to 30 June 2024' be received.

2. That Council

- in accordance with section 23 of the Local Government (Rating) Act 2002, set the rates (as set out below);
- in accordance with section 24 of the Local Government (Rating) Act 2002, set the dates by which rates must be paid (as set out below);
- in accordance with sections 57 and 58 of the Local Government (Rating) Act 2002, set the penalties that may be added to unpaid rates (as set out below);
- set the discount for early payment at 2%

3. HE ĀPITI HANGA ATTACHMENT

Attachment 1: Rates Impact Statement (distributed separately)

01-15-016
ID 19396942ROTORUA LAKES COUNCILMayor
Members
COUNCIL**7.3 Financial Performance for the eleven months ending 31 May 2023****Report prepared by:** David Jensen, Director of Finance**Report reviewed by:** Thomas Collé, Deputy Chief Executive Organisational Enablement**Report approved by:** Geoff Williams, Chief Executive Officer

**1. TE PŪTAKE
PURPOSE**

The purpose of the report is to provide information on Council's financial performance for the eleven months ended 31 May 2023.

**2. HE TŪTOHUNGA
RECOMMENDATION**

- 1. That the report "Financial Performance for the Eleven Months ended 31 May 2023" be received.**

**3. TE MATAPAKI
DISCUSSION****➤ Council's Operating Environment**

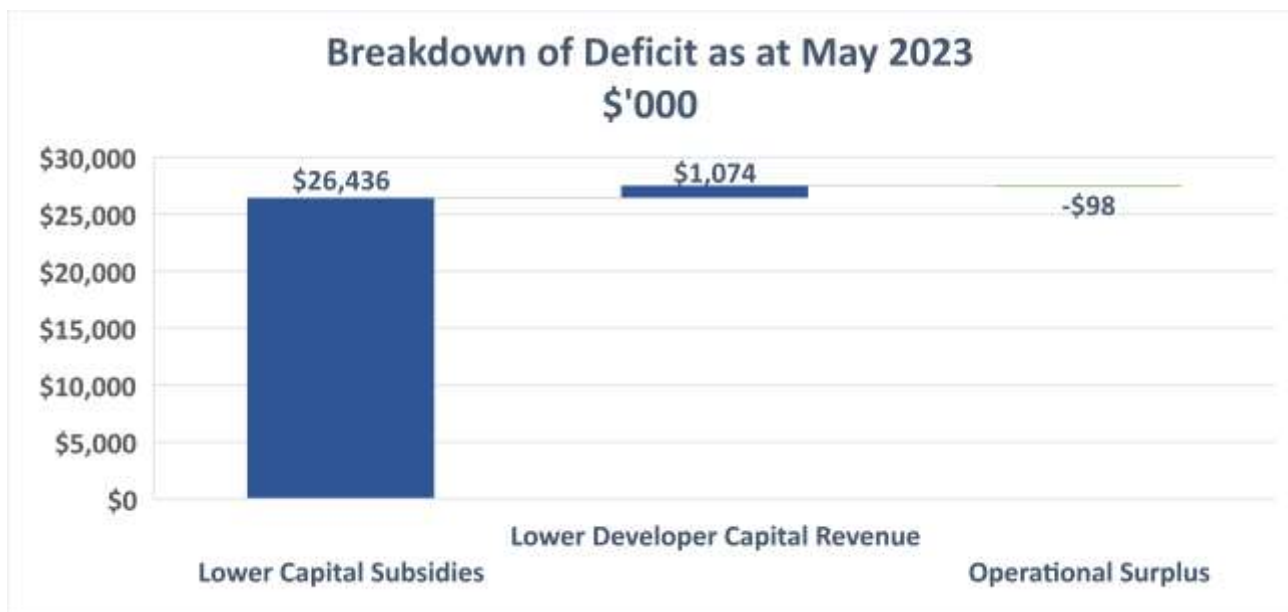
Council's operating environment contains several key challenges, which is having a significant impact on Council's financial position. These pressures include costs associated with Emergency Housing, Plan Change 9, the impact of severe weather events and inflation.

Through late 2022, Council staff undertook a review of forecast income and expenditure which identified a potential significant operating deficit, recognising pressures achieving certain revenue targets and increases in Council's forecast expenditure as a result of the operating pressures noted above. This was revised downwards in January 2023 through a series of cost saving initiatives including the deferral of recruitment for vacant roles, delaying or cancelling planned expenditure with contractors and to increases in revenue targets to meet the changing market conditions. Council's financial position has continued to stabilise as cost saving initiatives have constricted expenditure across the business, and revenue has performed ahead of initial forecasts.

A number of cost saving decisions made earlier in the year have come into effect through May 2023 and Council is now showing a small operating surplus. Staff continue to monitor expenditure levels in order to deliver a full year financial result within the budget adopted through the 2022/23 Annual Plan.

➤ **Update on Council's 2022/23 Year End Financial Position**

The operating surplus as at 31 May 2023 is \$98k, changed from an operating deficit of \$526k as at April 2023. Within the overall \$27.4m year-to-date deficit shown for March, \$26.4m relates to the receipt of subsidies attached to capital projects and \$1.1m relates to lower than budgeted capital revenue from developers, partially offset by an operating surplus of \$98k.



Staff remain committed to cost saving initiatives designed to deliver a full year operating result within the approved Annual Plan budget and controls remain in place to restrict Council expenditure for the remainder of the financial year. While Council has a small operating surplus as at May 2022, any residual operational deficit will be offset against underspends in capital renewals as approved by Council on the meeting on 29 March 2023.

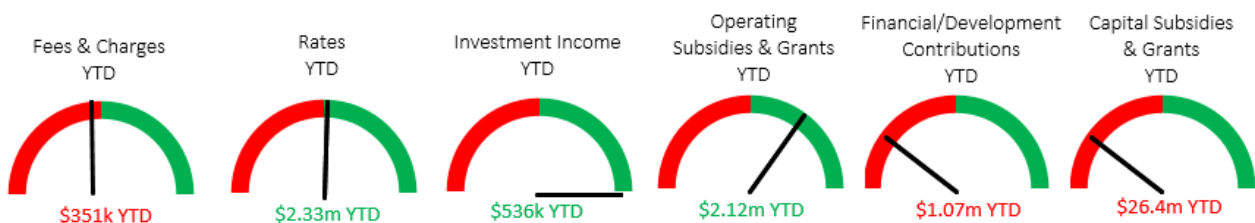
➤ **Year to Date Financial Performance**

As at 31 May 2023, Council has a surplus of \$2.0m compared to a budget surplus of \$29.4m. Most of the variance to budget continues to be related to revenue from capital subsidies due (\$26.4m) which is linked to delivery milestones of key capital projects. The balance (\$975k) relates to lower than budgeted development and financial contribution revenue from developers (\$1.1m) and an operational surplus of \$98k.

Our capital works programme expenditure is currently at \$86.33 against a budget of \$127.21m. The lower than budgeted spend is predominantly related to the timing of key projects and planned infrastructure renewals.

| Figures in \$000's | Actual | Budget | Variance - Favorable / (Unfavorable) |
|--|----------------|----------------|--------------------------------------|
| Income | | | |
| Fees & Charges | 16,497 | 16,848 | (351) |
| Rates | 110,890 | 108,558 | 2,333 |
| Investment Income | 1,041 | 505 | 536 |
| Development & Financial Contributions | 1,092 | 2,166 | (1,074) |
| Subsidies & Grants - Capital | 15,969 | 42,405 | (26,436) |
| Subsidies & Grants - Operational | 7,052 | 4,936 | 2,116 |
| Total Income | 152,542 | 175,417 | (22,876) |
| Opex | | | |
| Administration Expense | 3,427 | 3,521 | 94 |
| Finance Cost | 136 | 338 | 202 |
| Maintenance | 1,081 | 1,627 | 546 |
| Operating Expenses | 64,650 | 58,840 | (5,810) |
| Staff Costs | 31,040 | 31,357 | 318 |
| Utilities | 2,628 | 2,743 | 115 |
| Depreciation | 38,527 | 38,527 | |
| Interest Cost | 9,010 | 9,010 | |
| Total Opex | 150,500 | 145,963 | (4,535) |
| Total Operating Surplus / (Deficit) | 2,042 | 29,454 | (27,411) |

➤ **Income**

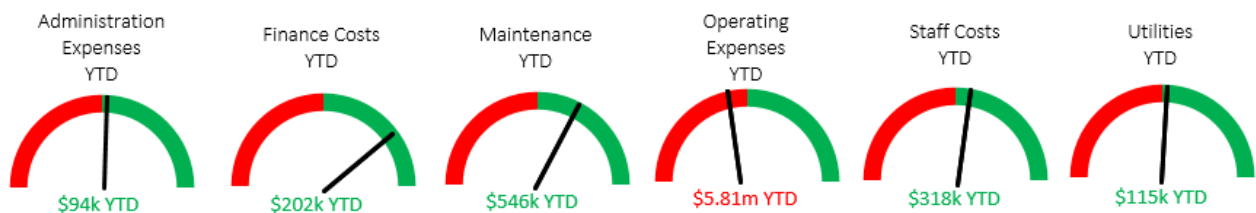


Total Income is tracking unfavourably to budget, with a \$22.8m negative variance to budget. This primarily relates to Capital Grants & Subsidies related to Capital Expenditure. Operating Income is currently \$3.6m ahead of year-to-date budget.

- Fees and charges are direct charges to customers for specific Council services. Council’s fees and charges are \$351k behind year-to-date budget due to lower than forecast Subdivision Fees (\$759k lower than budget), Parking Revenue (\$715k), revenue from Regional Council now expected post June (\$493k) and sales at both the Energy Events Centre (\$369k) and Sir Howard Morrison Performing Arts Centre (\$495k). This remains offset by Building revenue being \$1.3m ahead of budget and \$420k unbudgeted Resource Consent revenue due to the on charging of consenting costs to the Ministry of Housing. Council also received \$899k tickets sales for the NRL All Stars game in March.
- Rate revenue is \$2.3m ahead of year-to-date budget primarily due to higher than budgeted Water by Meter revenue and lower than budgeted rate remissions requested through 2022/23.

- Investment income is revenue received by Council through dividends, and also interest received on term deposits. Investment Income is \$536k ahead of year-to-date budget due to rising interest rates on cash deposits.
- Operating Subsidies and Grants are funds provided from external parties towards Council's operating expenditure. Operating Subsidies and Grants are \$2.1m ahead of year-to-date budget due largely to the operational subsidies received from Waka Kotahi which are \$1.2m ahead of year to date budget.
- Financial and Development Contributions is revenue paid by developers towards the capital costs required to enable their development. Financial and Development Contributions are \$1.1m behind year-to-date budget due to lower developer activity year-to-date.
- Capital Subsidies and Grants are funds provided by external parties towards Council's capital projects. Capital Subsidies and Grants are \$26.4m behind year-to-date budget due to the timing of completion of capital works, particularly within the Museum Project, Tarawera Wastewater Scheme and the Lakefront Revitalisation projects.

➤ Operating Expenses

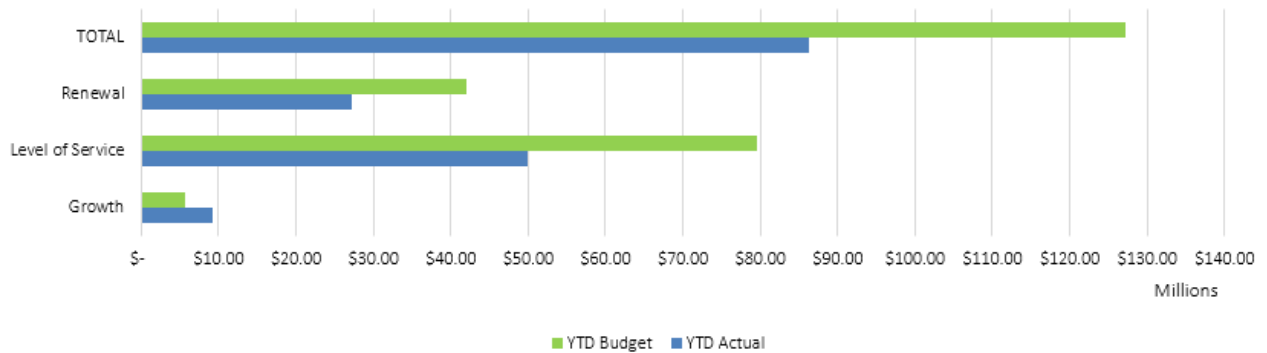


Operating Expenses are tracking unfavourably to budget, with a \$4.5m negative variance to budget.

- Administration Expenses cover the day-to-day running expenses of Council. Administration Expenses are tracking largely to budget year-to-date.
- Finance Costs is the interest payable on Council's external borrowing. Finance Costs are \$202k under budget year-to-date due to lower than forecast external borrowing.
- Maintenance expenses are the budget provided for planned and reactive maintenance of Council buildings. Maintenance is \$546k under budget year-to-date due primarily to the seasonality of when money is spent on Council buildings. This budget is forecast to be spent by year end.
- Operating expenses are the costs directly associated with the delivery of Council's operational services. Operating Expenses are \$5.8m higher than year-to-date budget due to costs associated with Emergency Housing (\$620k), additional expenditure on roading contractors following recent flooding events (\$2.1m over year-to-date budget, offset by additional Waka Kotahi subsidies), Plan Change 9 (\$600k), expenditure on contractors to process building consents (\$377k), additional expenditure on security contracts (\$570k over budget) and increased insurance premiums (\$470k over year-to-date budget). Council is also experiencing higher than budgeted contractual CPI adjustments on major operational contracts due to current inflation rates, predominantly within Wastewater and Waste Management (\$2.0m YTD).

- Staff costs cover the salaries and wages of Council employees. Staff Costs are \$318k underspent year-to-date representing both the difficulties on boarding staff in the current recruitment market and decisions to delay the filling of vacancies in order to achieve Council's overall budget.
- Utilities cover the water, power and gas expenses involved in Council operations. Utilities are tracking largely to year-to-date budget.

➤ Capital Expenses



As at 31 May 2023, Council had spent \$86.3m against year-to-date budget of \$127.2m. The full 2022/23 capital programme is \$143.8m.

Renewals expenditure is behind budget primarily due to the timing of commencement of the Aquatic Centre project (\$8.9m behind budget YTD), as well as underspends year-to-date in Water Supply, Active and Engaged Communities activities and Stormwater (which is funded externally by Crown Infrastructure Partners).

Level of Service expenditure is behind budget due to delays in commencing planned expenditure on the Museum (\$13.2m behind budget YTD), as well as underspends year-to-date on the Tarawera Sewerage Scheme (\$5.8m) and the Lakefront Revitalisation project (\$2.5m).

Expenditure on key projects YTD is as follows:

- Sir Howard Morrison Centre: \$8.5m. The centre was opened in February and is fully operational.
- Transport Renewals: \$7.3m. This work programme supports the renewal of roading across the district has also funded repair works to date after the damage caused by Cyclone Gabrielle.
- Rotoiti/Rotoma Sewerage Scheme: \$7.2m. The work programme connecting properties to the scheme continues and a capital rate will set in the upcoming Long Term Plan to recover the costs associated.
- Wastewater Treatment Plant Upgrade: \$6.8m. Council is engaging in a multi-year project to upgrade major Wastewater Treatment Plant infrastructure and work has commenced through mid 2022/23.
- Pukehangi West Stormwater: \$6.5m.
- Sewage Renewals: \$5.4m.

(vii) Lakefront Revitalisation: \$5.0m.

**4. TE TINO AROMATAWAI
ASSESSMENT OF SIGNIFICANCE**

The decisions or matters of this report are not considered significant in accordance with Council's Significance and Engagement Policy.

ID 19394398

ROTORUA LAKES COUNCILMayor
Members
COUNCIL**7.4 Appointment of Chair to the Infrastructure and Environment Committee 2023-2025****Report prepared by:** Rick Dunn, Governance and Democracy Advisor**Report reviewed 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 appoint a new Chair to the Infrastructure and Environment Committee.

**2. NGĀ TŪTOHUNGA
RECOMMENDATIONS:**

1. That the report "Appointment of Chair to the Infrastructure and Environment Committee 2023-2025" be received.
2. That Council resolves to appoint Cr Barker as Chair of the Infrastructure and Environment Committee, pursuant to Section 41A (3) (4) and clauses 26 and 31 of Schedule 7 of the Local Government Act 2002.

**3. TE TĀHUHU
BACKGROUND**

On 17 December 2022, following the 2022 Local Elections, Council confirmed its membership for Council committees which included the Infrastructure and Environment Committee below:

| Committees | Membership |
|---|---|
| Infrastructure and Environment This committee deals with the development and monitoring of strategy, policy and action plans associated with Infrastructure and Environment activities. | Chair : Mayor Tapsell Deputy co-chair : Cr Wang, Cr Barker Members : All councillors |

Mayor Tapsell will be stepping down as Chair of the Infrastructure and Environment Committee following her return from maternity leave and has recommended Cr Barker be appointed to replace her as Chair. The table below shows the change in committee membership.

[Back to index](#)

| Committees | Membership |
|---|---|
| <p>Infrastructure and Environment This committee deals with the development and monitoring of strategy, policy and action plans associated with Infrastructure and Environment activities.</p> | <p>Chair : Cr Barker Deputy chair : Cr Wang, Members : Mayor and all councillors</p> |

4. **TE MATAPAKI ME NGĀ KŌWHIRINGA** **DISCUSSION AND OPTIONS**

4.1 **Mayoral powers**

A Mayor has the following powers:

1. to establish committees of the territorial authority.
2. to appoint the chair of each committee established and make the appointment before the other members of the committee are determined.
3. may appoint himself or herself to the committees.

However, nothing in this section limits or prevents a Council from discharging or reconstituting committees or chairs of those committees established by the Mayor by way of Council resolution at a later date. The Mayor can decline to exercise the powers outlined above.

(Sec. 41A (3) (4) LGA 2022))

4.2 **Chair of meetings**

The mayor or chair of the local authority must preside at each meeting of the local authority at which he or she is present unless the mayor or chair vacates the chair for a particular meeting.

The chair of a committee must preside at each meeting of the committee at which he or she is present unless the chair vacates the chair for a particular meeting.

The local authority may appoint a member of a committee to be the chair of that committee and, if the local authority, on the appointment of the committee, does not appoint a chair, that power may be exercised by the committee. (sec. 26 and 31 of Schedule 7, LGA 2022)

5. **TE TINO AROMATAWAI** **ASSESSMENT OF SIGNIFICANCE**

The decisions or matters of this report are not considered significant in accordance with the Council's Significance and Engagement Policy

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

The Local Government Act 2002 mandates that councils must establish a committee structure and that it is up to the governing body or the Mayor to decide on how the structure will be set up and who is appointed to the chair and deputy chair roles.

7. HE WHAIWHAKAARO CONSIDERATIONS

7.1 He Whaiwhakaarotanga Mahere Pūtea Financial/budget considerations

Remuneration of elected members is set by the Remuneration Authority and is already provided for in the governance budgets. Council adopted its “additional responsibilities remuneration 2022-23 for elected members” at the Council meeting held 8 February 2023.

7.2 Kaupapa Here me ngā Hiraunga Whakariterite Policy and planning implications

Section 41A (3) (4) and clause 26 and 31 of Schedule 7 of the Local Government Act 2002 provide for the establishment of a governance structure and appointment of committee chair/s.

7.3 Tūraru Risks

There are no major risks associated with the decisions or matters.

7.4 Te Whaimana Authority

Council has the authority to make a decision on the appointment of committee chair/s under Sections 41A (3) (4) and clause 26 and 31 of Schedule 7 of the Local Government Act 2022.

01-15-016
RDC-1387626ROTORUA LAKES COUNCILMayor
Members
COUNCIL**7.5 Remits to Local Government New Zealand 2023 Annual General Meeting****Report prepared by:** Rick Dunn, Governance & Democracy Advisor**Report reviewed by:** Debbie Cossar, Governance & Democracy Manager**Report approved by:**

**1. TE PŪTAKE
PURPOSE**

The purpose of this report is to seek members' comments and/or support regarding the remits to be considered at the Local Government New Zealand (LGNZ) 2023 Annual General Meeting (AGM), being held in Christchurch 26 July 2023.

**2. NGĀ TŪTOHUNGA
RECOMMENDATION**

- 1. That the report 'Remits to the Local Government New Zealand 2023 Annual General Meeting' be received.**
- 2. That Council notes the following remits are proposed:**
 - 1) Allocation of risk and liability in the building sector**
 - 2) Rates Rebate**
 - 3) Roading/Transport Maintenance Funding**
 - 4) Local Election accessibility**
 - 5) Ability for co-chairs at formal meetings**
 - 6) Parking Infringement penalties**
 - 7) Rural and regional transport**
 - 8) Establishing resolution service**
 - 9) Earthquake prone buildings**
 - 10) KiwiSaver contributions for elected members**
 - 11) Audit NZ Fees**
- 3. That Council support/not support the proposed remits at the Local Government New Zealand 2023 Annual General meeting on 26 July 2023.**

**3. TE TĀHUHU
BACKGROUND**

Local Government New Zealand (LGNZ) has invited member authorities to submit proposed remits for consideration at the LGNZ 2023 Annual General Meeting (AGM).

This year the Ko Tātou/Local Government New Zealand 2023 AGM will be held from 2.30pm-4.30pm, on Wednesday 26 July in Christchurch, prior to the opening of the LGNZ 2023 Conference (26-28 July).

The representation at the Conference from Rotorua Lakes Council will be:

- Mayor Tapsell
- Deputy Mayor Kai Fong
- Cr Kereopa
- Cr Paterson
- Geoff Williams Chief Executive

Kahutapeka Ututaonga will also attend as a Te Tatau o Te Arawa Board representative.

Remits must have formal support from at least one zone or sector group, or five councils, prior to being submitted. The following remits have been proposed and supported by councils as below:-

| | Remit | Proposed by:- | Supported by:- |
|----|---|--|---|
| 1 | Allocation of risk and liability in the building sector | Queenstown-Lakes District Council | LGNZ Metro Sector |
| 2 | Rates Rebate | Horowhenua District Council | LGNZ Zone Three |
| 3 | Roading/Transport Maintenance Funding | New Plymouth District Council | Kāpiti Coast District Council, Whanganui District Council, Palmerston North City Council, Grey District Council, Waipā District Council, Matamata-Piako District Council, Rotorua Lakes Council, Thames-Coromandel District Council, Masterton District Council, Whakātane District Council, Far North District Council, South Taranaki District Council, Rangitīkei District Council, Tasman District Council, Wairoa District Council, Waimakariri District Council, South Waikato District Council, Kaikōura District Council, Waikato District Council, Hamilton City Council, Mackenzie District Council, Central Hawke's Bay District Council |
| 4 | Local election accessibility | Whangārei District Council | LGNZ Zone 1 |
| 5 | Ability for co-chairs at formal meetings | Northland Regional Council | LGNZ Zone 1 |
| 6 | Parking infringement penalties | Whangārei District Council | LGNZ Zone 1 |
| 7 | Rural and regional public transport | Waikato Regional Council | Zone 2 Meeting May 2023. Remit discussed and received unanimous support |
| 8 | Establishing resolution service | Hutt City Council and Young Elected Members Committee (YEM) | Invercargill City Council, Far North District Council, Hauraki District Council, Central Otago District Council, Hutt City Council, Selwyn District Council, Porirua District Council |
| 9 | Earthquake prone buildings | Manawatū District Council | LGNZ Zone 3 |
| 10 | KiwiSaver contributions for elected member | Hamilton City Council and promoted by Community Board Executive Committee (CBEC) | Queenstown Lakes District Council, Palmerston North City Council, New Plymouth District Council, Kāpiti Coast District Council. Far North District Council |
| 11 | Audit NZ Fees | Whanganui District Council | New Plymouth District Council, Horizons Regional Council, Palmerston North City Council, Stratford District Council, Selwyn District Council |

**4. TE TINO AROMATAWAI
ASSESSMENT OF SIGNIFICANCE**

This matter does not trigger Council's Significance and Engagement Policy.

**5. GĀ KŌRERO O TE HAPORI ME TE WHAKATAIRANGA
COMMUNITY INPUT/ENGAGEMENT AND PUBLICITY**

Community consultation is not necessary in relation to this item.

**6. HE WHAIWHAKAARO
CONSIDERATIONS**

**6.1 He Whaiwhakaarotanga Mahere Pūtea
Financial/budget considerations**

Not applicable.

**6.2 Kaupapa Here me ngā Hiraunga Whakariterite
Policy and planning implications**

Not applicable.

**6.3 Tūraru
Risks**

Not applicable.

**6.4 Te Whaimana
Authority**

Not applicable

01-15-016-01
ID 12603439ROTORUA LAKES COUNCILMayor
Members
COUNCIL**7.6 Adoption of Council's Annual Report for the year ended 30 June 2022****Report prepared by:** David Jensen, Director of Finance**Report Reviewed by:** Thomas Collé, Deputy Chief Executive - Organisational Enablement**Report approved by:** Geoff Williams, Chief Executive**1. TE PUTAKE
PURPOSE**

The purpose of this report is to adopt the audited Annual Report of the Rotorua Lakes Council for the year ended 30 June 2022.

**2. NGĀ TŪTOHUNGA
RECOMMENDATION**

- 1. That the report "Adoption of Council's Annual Report for the year ended 30 June 2022" be received.**
- 2. That Council resolves to adopt the audited Annual Report and the Audited Summary for the Rotorua Lakes Council for year ended 30 June 2022.**
- 3. That the Mayor and Chief Executive be authorised to sign the Letter of Representation and Statement of Compliance section of the Annual Report.**
- 4. That the Chief Executive be authorised to make minor editorial changes, if any, as agreed with Council's auditors.**

**3. TE TĀHUHU
BACKGROUND**

The Local Government Act 2002 requires that Council adopt an Annual Report within four months of the end of the financial year. As a result of the continued national auditor shortage constraint, the Auditor General extended the statutory deadline to 31 December 2022, acknowledging pressure within the industry. Despite best efforts the audit timeframe was deferred until early 2023, resulting in the newly established Council being responsible for the adoption of the 2022 Annual Report, which reports on the previous term. The auditor's report on the financial statements and overall compliance of the document will note the late adoption of the Annual Report.

Alongside the Annual Report, Council is also required to prepare a summary of the annual report which must contain a separate auditor's report relating to its compliance. Within one month of adoption, copies of the annual report and the summary must be forwarded to the Secretary of Local Government, the Auditor-General and the Parliamentary Library. The report must also be made available to the public.

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The adopted annual report and summary consists of:

- Year in review containing - The Chief Executive's report
- Highlights and major achievements for the year
- Statements of service performance and achieved targets
- Financial prudence regulations
- Financial statements and accompanying notes
- Report of the Auditor General

Upon adoption, Audit New Zealand will provide the final opinion in a form that will be included into the final annual report document for full distribution. This is the best practice process.

4. TE MATAPAKI ME NGĀ KŌWHIRINGA DISCUSSION AND OPTIONS

Rotorua Lakes Council has shown consistent financial management this past year with the continued retention of our AA- credit rating from Fitch supporting this.

Council earned \$170.9 million in income in 2021/22 including \$29.1 million in subsidies and grants, and invested \$85.5 million in capital projects that renewed our assets (\$29.1m) or increased their level of service (\$48.5m). Capital expenditure was \$60.4 million lower than our planned budget of \$145.9 million. This was largely driven by key projects such as the Aquatic Centre, Museum and the Sir Howard Morrison Performing Arts centre that were deferred or delayed either due to further investigation / planning works or logistical impacts due to the COVID-19 lockdown and restrictions.

Overall, Council achieved a full year surplus of \$2.4m, incorporating some highlights below:

Some challenges were new, including:

- Shortages of supplies and labour causing delays to capital works;
- Lower subsidy and grant revenue due to delays in meeting capital works milestones;
- Increased consultant costs to meet the demand in building and consenting as well as towards the build back better initiative and housing strategy;
- Rising inflation affecting the costs of goods and services; and

Whilst other issues have remained more persistent including:

- Ongoing challenges regarding staff recruitment and retention;
- The need to fund additional inner-city security;
- Continuing challenges with regard to emergency housing; and
- Loss of event-driven fees over the financial year as Rotorua recovers from Covid-19.

**5. TE TINO AROMATAWAI
ASSESSMENT OF SIGNIFICANCE**

The decisions or matters of this report are not considered significant in accordance with the Council's Significance and Engagement Policy.

**6. HE WHAIWHAKAARO
CONSIDERATIONS**

**6.1 Tūraru
Risks**

There are no major risks associated with the decisions or matters.

**6.2 Te Whaimana
Authority**

Council approves all matters required to finalise the Annual Report.

The DCE Organisational Enablement will carry out measures to ensure the timing of the publication meets the legislative requirements following adoption of the Annual Report 2022.

**7. NGĀ ĀPITI HANGA
ATTACHMENTS**

Attachment 1: Annual Report (distributed separately).

Attachment 2: Audit Report (distributed separately).

ROTORUA LAKES COUNCIL

Mayor
Members
COUNCIL

7.7 District Leadership and Democracy – Progress Report – April 2023

Report prepared by: Oonagh Hopkins – Deputy Chief Executive, District Leadership and Democracy
Manahautū Whaitua Tūtahi

Report approved by: Geoff Williams, Chief Executive

KĀHUI WHAITUA TŪTAHI

District Leadership and Democracy Group

GROUP MISSION STATEMENT:

We strive to position our Council as a trusted leader, partner and advocate for the communities of Rotorua. As a group, we are a link between the Councillors (**Governance**), the Council (**Corporate Planning and Strategy**) and the Community (**Engagement**). We are the voice of Council to our community (**Marketing and Communications**).

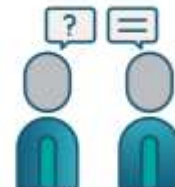
Reporting to the DCE District Leadership and Democracy, we are:




Corporate Strategy
and Planning



Governance



Marketing and
Communications

| Stats, Facts and FAQs | | |
|---|--|---|
| <h1 style="margin: 0;">APRIL</h1> <h1 style="margin: 0;">2023</h1> | <p>Draft Annual Plan Consultation 11 April – 12 May</p> |  |
| <p>2,090 submissions for Annual Plan consultation</p> | <p>62 submitters attended Annual Plan hearings</p> | |
| <p>RLC e-panui overall engagement increased 40%</p> | <p>21 media responses</p> | |

| OHU: TAUNAKI - CORPORATE STRATEGY AND PLANNING | |
|--|---|
|  <p style="font-size: small;">Corporate Strategy and Planning</p> | <p>We coordinate Strategy and Policy through an integrated corporate planning cycle that is accurate, transparent and timely. We collate corporate documents in preparation for community conversations and decision-making and are the link between governance and operations.</p> |
| Community performance measures | |
| <p>Council has 55 Community Performance Measures that have been set in the Long-term Plan. 34 Performance Measures rely on annual data to generate a measure with the remaining 21 being measured quarterly. Performance measures will be shared over the coming month's reports. Below are performance measures year to date for 2022/23:</p> | |

| LTP Activity | Level of service | Measure | Q1 | Q2 | Q3 | 2022/23 YTD Result | Target | Comment |
|----------------------|--|--|---|---|---|---|--------|--|
| District Development | Support and enable growth by unlocking development opportunities | Cumulative number of dwellings constructed from 1/7/2021 | 65 for the quarter and 298 since 1/7/2021 | 84 for the quarter and 382 since 1/7/2021 | 50 for the quarter and 432 since 1/7/2021 | 193 for the year to date (YTD) and 432 since 1/7/2021 | >=1200 | 50 dwellings constructed in the March quarter to bring the total since 1/7/2021 to 432. March is down on December quarter (84) which is the usual annual pattern (likely due to the slow down in construction activity for Christmas/New Year holidays). Still overall construction activity is at record levels. |
| District Development | Support and enable businesses to grow job creation opportunities | Number of recipients of the Job Seeker Support - Work Ready benefit as a proportion of the working age population. | 7.4% as at 30 Sep | 7.2% as at 31 Dec | 6.8% as at 31 Mar | 6.8% as at 31 Mar | <7.0% | As of end of March 2023, 6.8% of working age population were receiving the JS-WR benefit. It is positive to note that we are within our 2022/23 target of less than 7%. JS-WR numbers for this quarter is about 9% lower than the same period last year and has been in a downward trend since the start of the year. |
| District Development | Support and enable businesses to grow job creation opportunities | Number of CBD retail and office spaces not tenanted | Results available in Feb/Mar | 125 | Not measured | 125 | <140 | Telfer Young December 2022 survey found 125 vacant tenancies in the CBD, 59 Retail, and 66 Office. Telfer Young comment that this shows decreases in vacancy levels for both office and retail in the last two years, as a reflection of economic activities picking up since 2020. |
| District Development | Support and enable development by processing Resource and Building consents | Percentage of consents processed within 20 working days (Building Consents) | 93.7% | 94.9% | 97.8% | 95.5% | 100% | Demand has outstripped capacity as the building activity continues unabated. Staff vacancies unfilled due to lack of suitable applicants. Staff absenteeism through illness has been a theme due to the effect of Covid-19 in the community. The percentage of processed consents within 20 days have increased slightly compared to the previous quarter although still needs to improve to be able to meet the target. |
| Community Wellbeing | Provide for and develop a sustainable open space network | Percentage of users very/fairly satisfied with Council's open space network | Not measured | 94% | 94% | 94% | 90% | Summer park user surveys carried out from December to February across city parks. |
| Community Wellbeing | Provide for and develop a sustainable open space network | The visitor experience satisfaction rating for security in open space locations? | Not measured | 92% | 92% | 92% | 85% | Summer park user surveys carried out from December to February across city parks. Lower satisfaction in some smaller neighbourhood parks |

Consultation and Engagement

The consultation on the **Museum project** opened on the 25th of May and will run for 4 weeks. Current tracking of this consultation suggests that this will be another topic that the community will provide feedback on. As at 12 June, 303 submissions have been received. Two community events have been held with approximately 110 attendees participating.

The **Future Development Strategy** opened for consultation on the 1 June. The engagement team have been consulting with a diverse audience alongside the district development team such as schools and youth engagement at John Paul College and Toi Ohomai as well as other engagement events. As at 12 June, two events have been held with approximately 60 attendees participating. This consultation is open until 14 July.

The **draft Speed Management Plan** will open on 17 July and consultation will run for 4-weeks.

OHU: WHAKAPĀ - MARKETING AND COMMUNICATIONS



We present the face of council through our engagements and communications with our community. We tell Council's stories in an authentic way by focusing the conversations on our people, our culture and our place. We build Council's brand and ensure all council activities are promoted for the betterment of our community.

Communications

Communications during April had a big focus on the draft annual plan and the information and collateral required for that, with work also starting on development of communications for other upcoming consultation such as the Future Development Strategy. External updates were provided across various RLC channels on projects and work programmes, including updates on Phase 1 of the Tarawera Sewerage Scheme, Tarewa Road stormwater protection works, Council's cycle skills programme and the opening of the Ngongotahā playground. The team also worked with staff across the organisation to provide stakeholder communications and advice relating to a wide variety of projects and work programmes including roadworks, housing and internal communications.

Media

21 media enquiries responded to in April on a range of topics, including the draft annual plan. Media articles related to Council's draft annual plan were published by a number of media outlets including Rotorua Daily Post, NZ Herald, Waikato Times, Stuff, Radio NZ and SunLive.

RLC e-pānui

The refreshed content is proving successful with overall engagement increasing 40.4% with the open rate (recipients opening the newsletter) increasing by 31% to 54.5% and the click rate (people clicking in to various items) increasing by 9.4% to 12.5%.

Top clicked links for the two April issues were Mayor Tapsell's video on the proposed development for Kawaha Point Rd and Waikite Rugby and Sports Club, and draft annual plan consultation.

Marketing

Draft annual plan consultation was the focus in April with promotions running on radio, social media, print media and digital advertisements on Mediaworks and NZME websites. The digital campaign delivered 68,000 impressions (the number of times people saw the advert) and an above average click-through rate, reaching 4300 unique users.

Design and Production

Examples of work carried out in April:



Digital Channel and Content

Website

Website users: down 1.8% from March 2023 but 5.65% higher than April 2022, with most traffic coming via Google (72.2%).

Website page views: 69,065 in April, including 56,013 unique page views, compared to 75,082 and 60,639 respectively in March.

Top viewed pages: rubbish and recycling, planning services/district plan, property and rates/rating information database and maps, all of which consistently feature in the top viewed pages.

Social media

Top performing post for April: New playground at the Ngongotahā domain with a reach (the number of people who saw our content) of 29,300, 717 engagements (514 reactions, 179 comments and 19 shares).



Total Facebook reach for April from 36 posts: 79,518, slightly (1.8%) down on March (57 posts). April posts across RLC Facebook and Instagram had a combined reach of over 85,000.

ROTORUA LAKES COUNCIL

Mayor
Members
COUNCIL

7.8 Organisational Enablement – Progress Report

Report prepared by: Thomas Collé – Deputy Chief Executive, Organisational Enablement /
Manahautū Tū Pakari

Report approved by: Geoff Williams, Chief Executive

KĀHUI TŪ PAKARI

Organisational Enablement Group

GROUP MISSION STATEMENT:

Resources and innovative approaches are provided to ensure Council services drive position outcomes for our community.



OHU: PŪTEA ME PAKIHI – FINANCE



Finance

To enable strategic planning, decision-making and outcomes through effective management and transformational change of the financial, treasury, business performance and revenue operations of Council.

Overview

Council’s finance team comprises procurement, revenue collection, debt management, accounts payable, payroll, internal accounting and financial business advice across the rest of the organisation.

Current and ongoing work

Annual Plan

Council's finance staff worked with managers across the organisation to complete their 2023/24 Annual Plan proposals and help them plan their next year's budget within the overall Annual Plan envelope.

OHU: WHAKAWHANAKE TĀNGATA, WHAKAWHANAKE TŌPŪTANGA – PEOPLE AND ORGANISATIONAL DEVELOPMENT



To lead and align the people processes, practices and People Strategy, to build a strong culture to deliver the organisation's strategies and commitments.

Overview

The team's mission is to support the development and success of the organisation by growing a strong culture of high team and individual performance, achievement, respect, safety and wellbeing.

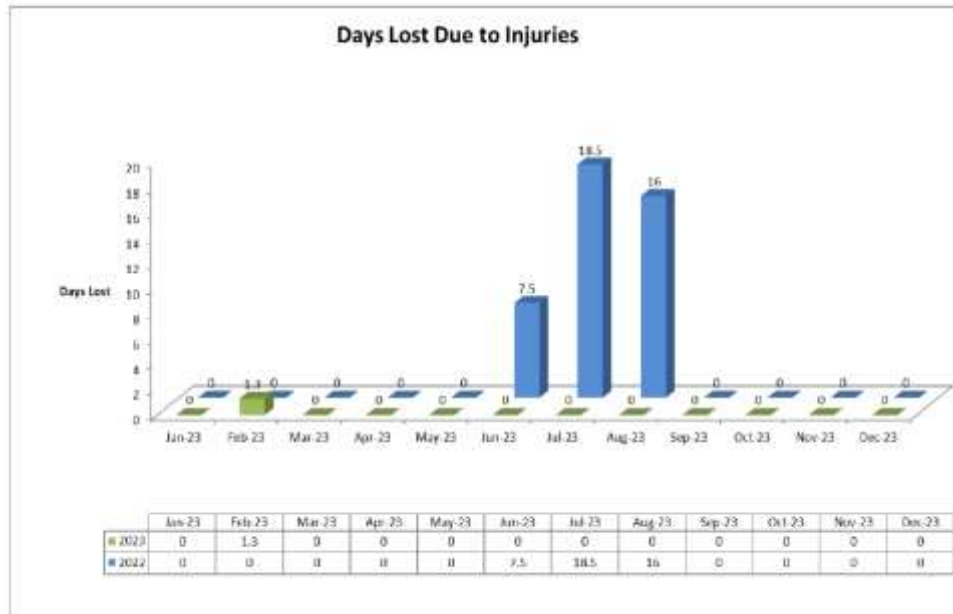
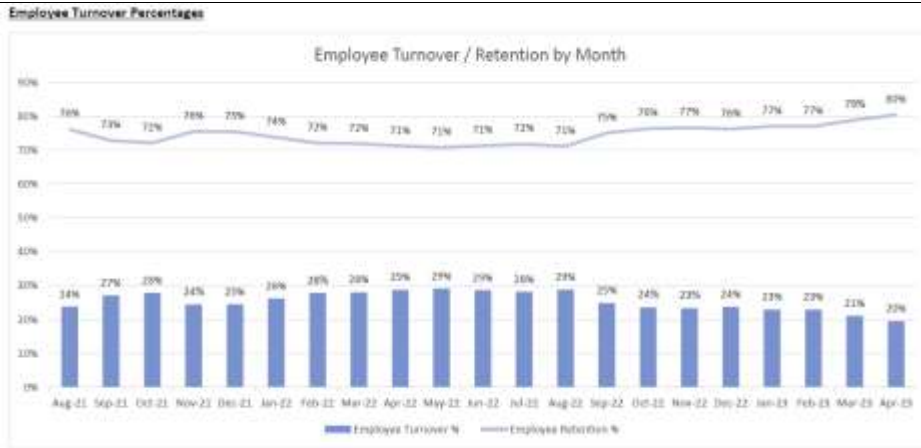
Current and Ongoing Work

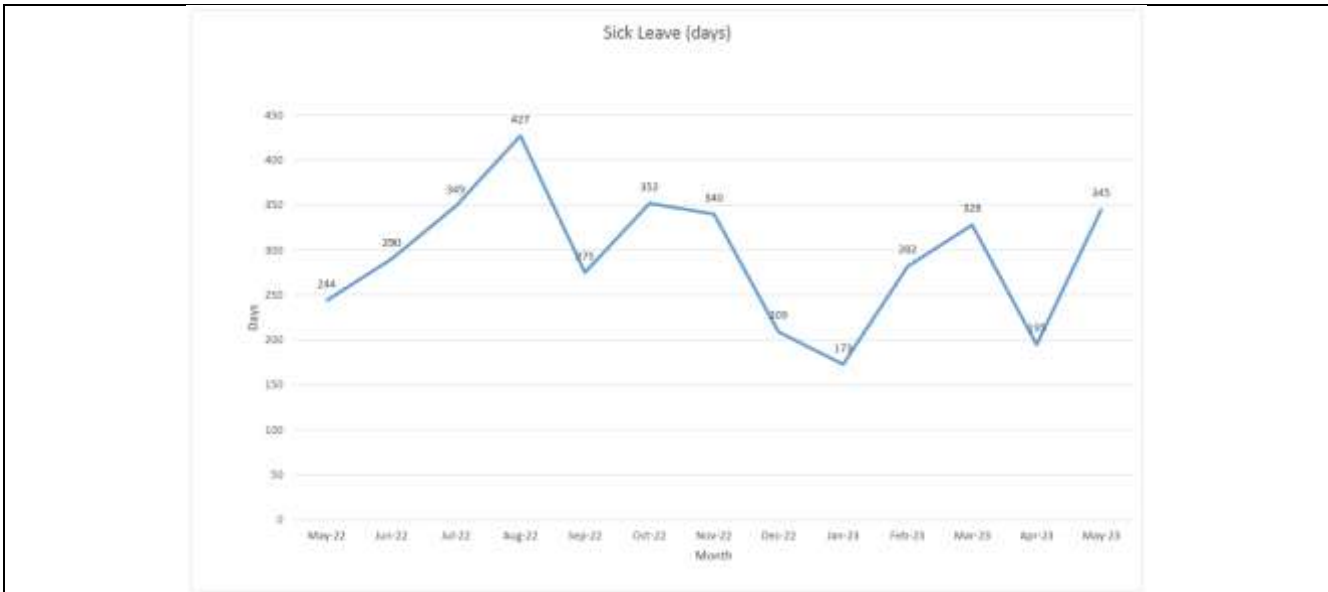
Business partners

- Work is ongoing, in conjunction with the National Transition Unit (NTU), to support affected RLC staff to transfer to the new waters entity as part of the government's Waters Reform Programme.

Talent and Recruitment

- The retention of staff and recruiting new staff into the organisation remains a challenge in the current market, and there is still pressure on hard to fill roles in the Engineering, Planning (Consenting), and IT areas. We have developed new relationships alongside existing ones with recruitment firms and have been able to recruit great talent for these hard to fill areas. Our recruitment processes have been reviewed to ensure we don't lose suitable candidates as they often have applied for multiple roles or have more than one offer to consider.
- Two new cadets recently commenced in the Infrastructure team and they will complete a Diploma in Civil Engineering. We now have three cadets in Infrastructure and they will work across different teams within Council as well as external organisations. Employing cadets enables us to grow our own and provide them invaluable on the job learning while undertaking tertiary study.
- We have recently partnered with Co-Lab Learning to offer staff additional learning and development opportunities designed specifically for Council staff. On-going development of staff is a key driver in retaining and attracting staff.
- RLC recently attended the EMA Careers Expo and this year's theme centred around sustainability with a focus on the wide range of careers within the organisation that are involved in sustainability.
- Our current HRIS system, PeopleStreme will be decommissioned in 2024, and we are meeting with other vendors to determine the best solution for RLC, which will be implemented in the coming months.





OHU: HANGARAU – INFORMATION SOLUTIONS



Information Office

To enhance the customer experience of our citizens, visitors, businesses, and our people through enabling digital transformation, supporting a positive customer interface and providing seamless use of our systems.

Information Solutions

OneCouncil

31 May OneCouncil successfully went live as scheduled. The project team ensured business teams had plans in place for the changeover period when systems were down and the initial period as they get used to OneCouncil. Similarly, the project team put in place a thorough support plan placing business analysts and trainers amongst the business areas they worked with when testing and training. This has paid off with the business managing really well with the new system while catching up on work from the system changeover period and attending to the usual business coming into Council. Teething issues are managed promptly, while guidance is at hand to help navigate OneCouncil.

Over the next six to eight weeks, the Project Team will be supporting the business to embed the solution while attending to any identified system issues to facilitate effective utilisation.

Customer Solutions

Strategy into Action

Customer Solutions has an active programme of continuous business improvement and with the timing of the OneCouncil Go-Live coinciding with annual dog registrations, the team actioned their digital enablement initiative throughout April to work with dog owners to send registrations via email. As a result, 85% of over 8500 dog owners will now receive their dog registrations from OneCouncil by email.

The team will follow a similar model to work with ratepayers to increase rates sent by email rather than standard post and uptake of paying rates via direct debit or automatic payments. To manage this alongside day-to-day business we will target a quarter of ratepayers in each of the following four quarters.

OneCouncil

As the 'front of house' for Rotorua Lakes Council our Customer Team followed up training in OneCouncil with regular practise sessions to keep what was learnt top of mind. This has paid off for our customers with service levels maintained.

OHU: RAWA – LEGAL AND PROPERTY



Property
Management

To provide responsible stewardship of Council's property and strategic assets through effective management and optimisation of resources.

Pensioner Housing

Four units at 14 Miller street have recently been refurbished and will have new tenants from 10 June 2023.



8 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 31 May 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.