

01-15-010\26  
RDC-1113935

# Kaupapataka Agenda

## NOTICE OF AN ORDINARY MEETING OF COUNCIL

---

**Date:** Thursday 25 March 2021

**Time:** 9.30am

**Venue:** Council Chamber

---

### MEMBERSHIP

Chairperson Mayor Chadwick

Deputy Chairperson Cr Donaldson

Members

- Cr Bentley
- Cr Kai Fong
- Cr Kumar
- Cr Macpherson
- Cr Maxwell
- Cr Raukawa-Tait
- Cr Tapsell
- Cr Wang
- Cr Yates

Quorum 6

## NGĀ TUKUNGA HAEPAPA A TE KAUNIHĒRA

### COUNCIL DELEGATIONS

Type of Committee	Council
Subordinate to	
Subordinate Committees	<p>Strategy, Policy and Finance committee</p> <p>Operations and Monitoring committee</p> <p>District Licencing committee</p> <p>CEO performance committee</p> <p>RMA Policy Committee</p> <p>Audit and Risk Committee</p>
Legislative Basis	<p>Schedule 7 S30 (1) (A), Local Government Act 2002</p> <p>Committee delegated powers by the Council as per Schedule 7, S32, Local Government Act 2002</p>
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	01-15-010
Membership	<p>Mayor Steve Chadwick (Chair)</p> <p>Deputy Mayor Councillor Dave Donaldson (Deputy Chair)</p> <p>All councillors</p>
Quorum	6
Meeting frequency	Monthly
Delegations	<ul style="list-style-type: none"> <li>• the power to make a rate</li> <li>• the power to make a bylaw</li> <li>• the power to borrow money, or purchase or dispose of assets, other than in accordance with the Long-term Plan</li> <li>• the power to adopt a long-term plan, annual plan, or annual report</li> <li>• the power to appoint a chief executive</li> <li>• 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; and</li> <li>• the power to adopt a remuneration and employment policy</li> <li>• the power to set and support strategies in measures related to emergency matters.</li> <li>• 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.</li> </ul>
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 as per the Local Government Act 2002 Schedule 7 S32

## Order of Business

---

<b>1</b>	<b>Opening karakia - Karakia whakapuaki.....</b>	<b>4</b>
<b>2</b>	<b>Apologies - Ngā whakapāha .....</b>	<b>4</b>
<b>3</b>	<b>Declarations of interest - Whakapuakitanga whaipānga .....</b>	<b>4</b>
<b>4</b>	<b>Urgent items not on the agenda - Ngā take whawhati tata kāore i te rārangi take....</b>	<b>4</b>
<b>5</b>	<b>Confirmation of Minutes – Te whakaū i ngā meneti .....</b>	<b>5</b>
5.1	Council Meeting Minutes 25 February 2021.....	5
<b>6</b>	<b>Recommendations from other Committees – Ngā Taunakitanga a ētahi atu Komiti</b>	<b>11</b>
6.1	Report of the Strategy, Policy & Finance Committee meeting 11 March 2021 ....	11
<b>7</b>	<b>Staff Reports – Pūrongo Kaimahi.....</b>	<b>13</b>
7.1	Long-Term Plan 2021-2031 – Supporting Information: Part 2 .....	13
7.2	Long-Term Plan 2021 – Supporting Information: Part 3 - Draft Financial Strategy and Financial Statements .....	16
7.3	Long-Term Plan 2021 – Adoption of Consultation Document.....	21
<b>8</b>	<b>Resolution to go into Public Excluded - Ka Matatapu Te Whakataunga I Te Tūmatanga (to consider and adopt confidential items) .....</b>	<b>24</b>

## 1 Opening karakia - Karakia whakapuaki

### He karakia mō Te Kaunihera o ngā Roto o Rotorua

E te Atua kaha rawa, ko koe te tohu Rangatira, te tohu mātauranga.

Manaakitia mai mātau, wāu pononga i tēnei wā, e mahi nei i a mātau mahi, mō te painga o ngā tāngata, o Te Kaunihera o ngā Roto o Rotorua.

Takua mai kia tau te rangimārie ki runga i a mātau i ngā wā katoa.

Ko Ihu Karaiti hoki tō mātau Ariki

Āmine

### Council Prayer

Almighty God, who alone is the leader of all mankind and the fountain of all knowledge.

Send thy blessing upon us your servants this day as we strive to do all things good for the betterment of the people of the Rotorua district.

May we be tolerant in ourselves at all times.

Through Jesus Christ our Lord.

Amen

## 2 Apologies - Ngā whakapāha

The Chairperson 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 Declarations of interest - Whakapuakitanga whaipānga

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 Urgent items not on the agenda - Ngā take whawhati tata kāore i te rārangi take

### Items of business not on the agenda which cannot be delayed

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

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

The Chairperson 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 Chairperson 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 Confirmation of Minutes – Te whakaū i ngā meneti

---

### 5.1 Council Meeting Minutes 25 February 2021

.01-15-010\26  
RDC-1105627

# Minutes

**Council meeting held Thursday 25 February 2021, 10.00am  
Council Chamber, Rotorua Lakes Council**

MEMBERS PRESENT:	Mayor Chadwick (Chair) Cr Donaldson (Deputy Chair) Cr Bentley, Cr Kai Fong, Cr Kumar, Cr Macpherson, Cr Maxwell, Cr Raukawa-Tait, Cr Tapsell, Cr Wang, Cr Yates
APOLOGIES:	Nil
IN ATTENDANCE:	Te Taru White (Te Tatau o Te Arawa – Chair), Jude Pani (Te Tatau o Te Arawa – Executive Officer), Glen Hawkins (Glen Hawkins Associates – Financial consultant)
STAFF PRESENT:	G Williams, Chief Executive; O Hopkins, Manager Corporate Planning & Governance; J.P Gaston, Group Manager Strategy; T Collé, CFO/Group Manager Business Support; J Mikaere, Group Manager Operations; G Rangi, Manahautū Māori; I Tiriana, Manager Council Communications; R Dunn, Governance Lead; H King, Governance Support Advisor.

The meeting opened at 10am.

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

- The 10-year anniversary of Canterbury’s devastating earthquakes was acknowledged. Thoughts are with the Canterbury people today.
- News has been received that NZCT have approved a gift of \$500,000.00 to Rotorua Lakes Council for the upgrade of the Aquatic Centre.

### 1 KARAKIA WHAKAPUAKI OPENING KARAKIA

Cr Donaldson opened meeting with a Karakia.

### 2 NGĀ WHAKAPĀAHA APOLOGIES

That the apologies from Cr Wang for lateness be noted.

### 3 WHAKAPUAKITANGA WHAIPĀNGA DECLARATIONS OF INTEREST

None

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

Cr Bentley – statement made raising concern about bus loads of homeless people being brought to Rotorua. Requested our leadership group talk to MSD to put a stop to this.

Mayor Chadwick advised this is an on-going issue and not an urgent item. The “Homes & Thriving Community strategic framework sets out to work with central government to address the issues.

ATTENDANCE: Cr Wang joined the meeting at 10.05am.

Cr Macpherson – raised Māori wards bill passed by government. Request urgent opportunity to discuss the implications.

Mayor Chadwick advised this item is not urgent and noted conversations around Māori wards would come to council at the appropriate time.

### 5 TE WHAKAŪ I NGĀ MENETI CONFIRMATION OF COUNCIL MINUTES

#### 5.1 ORDINARY COUNCIL MEETING – 11 DECEMBER 2020

##### **Resolved**

**That the minutes of the Council meeting held 11 December 2020 be confirmed as true and correct.**

Moved: Cr Tapsell

Seconded: Cr Maxwell

**CARRIED**

#### 5.2 EXTRAORDINARY COUNCIL MEETING – 11 FEBRUARY 2021

##### **Resolved**

**That the minutes of the Extraordinary Council meeting held 11 February 2021 be confirmed as true and correct.**

Moved: Cr Yates

Seconded: Cr Donaldson

**CARRIED**

## **6 TE WHAKAWĀTEA I NGĀ TUHINGA MATATAPU RELEASE OF CONFIDENTIAL ITEMS**

### **6.1 REPORT OF CONFIDENTIAL ITEMS TO BE RELEASED**

RDC-1066906

#### **Resolved**

- 1. That the “Report of Confidential items to be released’ be received.**

Moved: Cr Raukawa-Tait

Seconded: Cr Donaldson

**CARRIED**

## **7 NGĀ TAUNAKITANGA A ĒTAHI ATU KOMITI RECOMMENDATIONS FROM OTHER COMMITTEES**

### **7.1 REPORT OF THE STRATEGY, POLICY & FINANCE COMMITTEE MEETING 11 FEBRUARY 2021**

#### **Resolved**

**That the “Report of the Strategy, Policy & Finance Committee Meeting held 11 February 2021” Be received.**

Moved: Cr Raukawa-Tait

Seconded: Cr Donaldson

**CARRIED**

**That the following recommendations of the Strategy, Policy & Finance Committee meeting held 11 February 2021 be adopted.**

#### **RECOMMENDATION 1**

**CONSIDERATION OF A PUBLIC WATER SUPPLY FOR MOUREA**

RDC-1080704

#### **Resolved**

- 1. That Council agrees that it includes in the 2021-31 LTP a commitment to review and provide a report on options for a public water supply in Mourea and other un-reticulated lakeside communities.**

Moved: Cr Tapsell

Seconded: Cr Wang

**CARRIED**

Lakes Community Board acknowledged for bringing this item forward

**RECOMMENDATION 2**LONG-TERM PLAN 2021-2031: SUPPORTING INFORMATION:  
PART 1

RDC-1095027

**Resolved**

1. That Council approve in draft a set of policies used to guide the development of the Long-term Plan 2021-2031 direction,
  - a) Significant Forecasting Assumptions
  - b) Revenue and Financing Policy
  - c) Treasury Policy
  - d) Significance and Engagement Policy
  - e) Asset Management Policy.
2. That Council note that these policies will be published in conjunction with the Long-term Plan Consultation Document following its adoption in April.

Moved: Cr Donaldson

Seconded: Cr Yates

**CARRIED****RECOMMENDATION 3**

## CLIMATE ACTION PLAN

RDC-1096308

**Resolved**

1. That Council agree to option 1, that the Rotorua Climate Action Plan be approved.

Moved: Cr Wang

Seconded: Cr Raukawa-Tait

**CARRIED**

Cr Bentley requested that his vote against be noted.

**RECOMMENDATION 4**

## SPEED LIMIT REVIEW 2021

RDC-1095283

**Resolved**

1. That Council agree that changes to speed limits on the roads discussed in Table 1 (Attachment 1) are consulted on, in accordance with the requirements of the rule "Setting of Speed Limits 2017.

Moved: Cr Yates

Seconded: Cr Wang

**CARRIED**



## 8 PŪRONGO KAIMAHI STAFF REPORTS

### 8.1 TE TATAU O TE ARAWA ANNUAL REPORT 2020

RDC-1087326

#### **Resolved**

**That the report 'Te Tatau O Te Arawa Annual Report 2020' be received.**

Moved: Cr Raukawa-Tait

Seconded: Cr Yates

**CARRIED**

Jude Pani (Te Tatau o Te Arawa – Executive Officer), Te Taru White (Te Tatau o Te Arawa – Chair) spoke to a powerpoint presentation titled "[Pūrongo ā Tau 2020- Annual Report 2020](#)". (Attachment 2)

Glen Hawkins (Glen Hawkins Associates – Financial consultant) spoke to a powerpoint presentation titled "[Te Pūrongo Pūtea](#)" Financial Report". (Attachment 3)

## 9 HE WHAKATAUNGA KIA HOKI ATU TE ARONGA O TE HUI HAI HUI TŪMATAWHĀITI RESOLUTION TO GO INTO PUBLIC EXCLUDED

#### **RESOLVED**

**That Council move into Public Excluded session.**

Moved: Cr Tapsell

Seconded: Cr Raukawa-Tait

**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:

<b><u>General subject of each matter to be considered</u></b>	<b><u>Reason for passing this resolution in relation to each matter</u></b>	<b><u>Ground(s) under Section 48(1) for passing of this resolution</u></b>
CONFIDENTIAL MINUTES of previous meeting held 11 December 2020	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.

OPEN SESSION

\_\_\_\_\_  
The meeting closed at 11.10am  
\_\_\_\_\_

To be confirmed at a Council meeting on 25 March 2021

.....  
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 [www.rotorualc.nz](http://www.rotorualc.nz)

## 6 Recommendations from other Committees – Ngā Taunakitanga a ētahi atu Komiti

---

01-15-227\02  
RDC-1112509

### ROTORUA LAKES COUNCIL

The Mayor  
Members  
COUNCIL

#### 6.1 Report of the Strategy, Policy & Finance Committee meeting 11 March 2021

**Report prepared by:** Isabel Brell, Governance Support Advisor

**Report reviewed by:** Oonagh Hopkins, Corporate Planning & Governance Manager

**Report approved by:** Geoff Williams, Chief Executive

---

#### 1. TE PŪTAKE PURPOSE

The purpose of this report is to provide an opportunity for Council to consider recommendations received from Strategy, Policy & Finance Committee meeting held 11 March 2021.

**Strategy, Policy & Finance Committee members:** Cr Raukawa-Tait(Chair), Cr Kai Fong(Deputy Chair), Mayor Chadwick, Cr Bentley, Cr Donaldson, Cr Kumar, Cr Macpherson, Cr Maxwell, Cr Tapsell, Cr Wang, Cr Yates, Mr Berryman-Kamp(Te Tatau o Te Arawa), Ms Marks (Te Tatau o Te Arawa), Mr Thomas (Lakes Community Board) and Mrs Trumper (Rural Community Board)

#### 2. NGA TŪTOHUNGA RECOMMENDATIONS

1. That the “Report of the Strategy, Policy & Finance Committee meeting held 11 March 2021” be received.
2. That the following recommendations of the Strategy, Policy & Finance Committee meeting held 11 March 2021 be adopted:

##### RECOMMENDATION 1 DRAFT ROTORUA COMMUNITY SAFETY PLAN

RDC-1107298

1. That Council agree the Rotorua Draft Community Safety Plan be approved for public engagement.
-

**RECOMMENDATION 2**  
REPRESENTATION REVIEW PROCESS

RDC-1105304

- 1. That Council note the “2021 Representation Review Process” along with the key dates.**

**3. BACKGROUND**

- 3.1 Reports and attachments relating to the above recommendations were included in the agenda for the Strategy, Policy & Finance Committee meeting held 11 March 2021. This agenda is available for viewing on Council’s website under [rotorualakescouncil.nz/livestream](https://rotorualakescouncil.nz/livestream).

## 7 Staff Reports – Pūrongo Kaimahi

---

01-65-009\02  
RDC-1102024

### ROTORUA LAKES COUNCIL

Mayor  
Members  
COUNCIL

#### 7.1 Long-Term Plan 2021-2031 – Supporting Information: Part 2

**Report prepared by:** Melissa Hollier, Corporate Planner

**Report reviewed by:** Oonagh Hopkins, Manager, Corporate Planning and Governance

**Report approved by:** Geoff Williams, Chief Executive

---

##### 1. TE PŪTAKE PURPOSE

The purpose of this report is to provide elected members with the fees and charges supporting information documentation underpinning the Long-term Plan 2021-2031 development.

##### 2. HE TŪTOHUNGA RECOMMENDATION

1. That the report Long-term Plan 2021-2031 – Supporting Information: Part 2 be received.
2. That Council approve in draft the fees and charges schedules and notes that consultation of the fees and charges will be part of the Long-term Plan consultation expected in April 2021.

##### 3. TE TĀHUHU BACKGROUND

As part of the long-term plan process, a series of elected member forums has set the overall direction for the 2021-2031 LTP. Thirteen forums have been undertaken from September 2020 to February 2021.

Elected members had the opportunity to attend forums nine and ten held on December 4 and 11 2020, which detailed Council's proposal for fees and charges.

Council's Revenue and Funding Policy determines the source of funding for Council activities and sets the proportion of funds collected from each source.

In preparing the Long-term Plan 2021-31 a funding gap of \$2.74m gap was identified within the existing funding policy. Left unaddressed it will require the gap to be funded from alternative sources, namely rates.

Council has identified six activities where the fees have been increased to meet the policy (otherwise rates funded) and bridge the gap:

- 1) Planning – \$1.3m
- 2) Energy Events Centre - \$500k
- 3) Parks - \$300k
- 4) Animal Control - \$200k
- 5) Inspection - \$200k
- 6) Library - \$200k

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

##### **Fees and Charges Schedule:**

*(Attachment 1)*

The fees and charges schedule workbook represents the particular cost centres or activities prices that have been reviewed to meet Council's Revenue and Funding Policy.

- The column '2020/21 year fee' represents the current fees and charges that are published on the Council website for the financial year.
- The column '% increase' represents the incremental increase and is reflected as a percent, which is required to meet the proposed funding policy.
- The column '\$ increase' represents the incremental increase and is reflected as the dollar variance in order to meet the proposed funding policy.
- The column 'proposed rate to meet funding policy' is the dollar value that represents the new proposed fee for the activity or service.

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

The Revenue and Financing Policy is considered to be a significant policy of council and all councils are required to have one. Overall there is no proposed change to Council's Revenue and Financing Policy. However in order to maintain the levels of funding as set out the actual fees and charges are required to be increased.

Council has not increase it fees and charges for at least three years so there is an element of significance to this decision. Consultation on specific rates for fees and charges is therefore included in to the Long-term Plan consultation document.

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

This supporting documentation, including the fees and charges schedule will be made publically available to inform LTP consultation discussions and the LTP proper. This will occur once the Consultation Document is adopted in late March 2021.

## **7. HE WHAIWHAKAARO CONSIDERATIONS**

### **7.1 Mahere Pūtea Financial/budget considerations**

There are financial implications should Council agree not to proceed with adhering to the current funding policy and by keeping fees and charges at current rates. The impact of not proceeding would be circa an additional 3% increase to the proposed rates increase for year one of the Long-term Plan 2021-31.

### **7.2 Kaupapa Here me ngā Hiraunga Whakariterite Policy and planning implications**

There are policy or planning implications related to this decision which could result in a review of the Revenue and Financing Policy and the assumptions on which the Long-term Plan development has been based.

### **7.3 Tūraru Risks**

There is a risk to the timing of the Long-term Plan and it's adoption if a decision is made to alter the funding policy, or undertake further review of the funding policy.

### **7.4 Te Whaimana Authority**

The committee has the authority to make these recommendations.

## **8. NGĀ ĀPITI HANGA ATTACHMENTS**

Attachment 1: Fees and Charges Schedule (distributed separately) click [here to access](#)

ROTORUA LAKES COUNCIL

Mayor  
Members  
COUNCIL

## 7.2 Long-Term Plan 2021 – Supporting Information: Part 3 - Draft Financial Strategy and Financial Statements

**Report prepared by:** Melissa Hollier, Corporate Planner & Pete Kearney Business Performance Manager

**Report reviewed by:** Thomas Colle, Chief Financial Officer

**Report approved by:** Geoff Williams, Chief Executive

---

### 1. TE PŪTAKE PURPOSE

The purpose of this report is to provide elected members with the third set of supporting information documentation underpinning the Long-term Plan 2021-2031 development.

This paper covers the Draft Financial Strategy and the draft financial statements.

### 2. HE TŪTOHUNGA RECOMMENDATION

1. That the report Long-term Plan 2021 – Supporting Information Part 3 - Draft Financial Strategy and financial statements be received.
2. That Council approve the Long-term Plan 2021-2031 draft Financial Strategy and financial statements.

### 3. TE TĀHUHU BACKGROUND

The Long Term Plan 2021-31 will set out what Rotorua Lakes Council proposes to deliver during the ten years covered by the plan and how it will be funded. The plan is reviewed every three years to ensure it remains relevant and reflects the direction of Council and of the Rotorua District.

As part of the long-term plan process, we have undertaken a series of elected member forums which have set the overall direction for the 2021-2031 LTP. Elected members have had the opportunity to attend thirteen forums between September 2020 and February 2021.

In alignment with the development of an LTP, a number of strategies and policies are a statutory requirement to develop. All of these then guide and become inputs into the final LTP in June. The following attachments present the next suite of LTP documentation that is required to be approved by Council before Council adopts its consultation document and commences community consultation. To date Council have been presented and approved:



The Significant Forecasting Assumptions  
Revenue and Financing Policy  
Treasury Policy  
Significance and Engagement Policy  
Asset Management Policy and  
30 Year Infrastructure Strategy.

In additions to this, a separate Council paper contained within the agenda for 25 March has approved a fees and charges schedule for discussion with the community.

Once approved the draft Financial Strategy and financial statements will be released as supporting documentation for the Long-term Plan 2021-2031 public consultation.

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

##### **4.1 Financial Strategy**

The purpose of the financial strategy is to facilitate:

- a) prudent financial management by providing a guide for local authorities to consider proposals for funding and expenditure.
- b) consultation on the proposals for funding and expenditure by making transparent the overall effects of those proposals on the Council's services, rates, debt and investments.

A good financial strategy draws together all the issues with financial consequences, presents these issues and Council's response, in such a way that the public can readily identify what the key financial issues are, what the main drivers of Council's expenditure will be and how these all relate to the sharp end of the strategy.

The financial strategy is a cornerstone of the council achieving the goal of living within its means, and ensuring sufficient funding is available for key projects over the coming ten years.

The financial strategy outlines key financial parameters and limits which the council will operate within. It provides insight into Council's current financial health and provides clarity on how this will be managed over the next ten years.

Council's financial strategy aims to deliver the following:

- Achieving the Vision 2030 in a financially prudent and sustainable way
- Maintaining existing infrastructure so it is fit for purpose now and into the future
- Providing infrastructure to accommodate a growing district
- Investing in the future of the district
- Keeping rates affordable and managing debt

The financial strategy and other financial statements presented are underpinned by the following key elements:

- Maintain affordable rates levels
- Utilise debt to fund key projects that improve the District
- Maintain debt below 250% of revenue

*See Attachment 1 – Draft Financial Strategy*

## 4.2 Financial Statements

The financial statements include Council's:

- Prospective Statement of Comprehensive Revenue and Expense: this statement discloses the net surplus or deficit and their components, arising from activities or events during the year that are significant for assessing past and future financial performance.
- Prospective Statement of Financial Position: information about economic resources controlled by Council and its capacity to modify those resources is useful in assessing Council's ability to generate cash and/or provide services in the future. Information about the financing structure is useful in assessing future borrowing needs, and how future surpluses and cash flows may be distributed. The information is also useful in assessing how successful the Council is likely to be in raising further finance.
- Prospective Statement of Cash Flow: This statement reflects Council's prospective cash receipts and cash payments during the year and provides useful information about Council's activities in generating cash through operations to:
  - repay debt; or,
  - reinvest to maintain or expand operating capacity.
- Overall Funding Impact Statement: the Funding Impact Statement details the Rating Policy and the rates funding requirements. It is required to include the information set out in clause 10 of Part 1 of Schedule 10 of the Local Government Act 2002 and sections 13 to 19 of the Local Government Rating Act.

*See Attachment 2 – Draft Financial Statements*

## 4.3 Financial Prudence Graphs

This statement discloses the Council's planned financial performance against several benchmarks to determine whether the Council's financial planning is prudently managed. The Council is required to include this statement in its drafting of the Long-Term Plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations).

- Rates affordability benchmark: the Council meets the rates affordability benchmark if its planned rates increases equal or are less than each quantified limit on rates increases.
- Debt affordability benchmark: the Council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing. The quantified limit on borrowing has been set at 250% of the net debt to revenue ratio for the ten year period of the 2021-2031 Long-term Plan.
- Balanced budget benchmark: this graph displays the Council's planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, and equipment) as a proportion of planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, and equipment). The Council meets the balanced budget benchmark if its planned revenue equals or is greater than its planned operating expenses, including depreciation.
- Essential services benchmark: this graph displays the Council's planned capital expenditure on network services as a proportion of expected depreciation on network services. The Council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.
- Debt servicing benchmark: this graph displays the Council's planned borrowing costs as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, and equipment).

*See Attachment 3 – Draft Financial Prudence Graphs*

#### **4.4 Ten-Year Capital Expenditure Programme**

The ten-year capital expenditure programme includes any expenditure for replacing existing assets and creating or acquiring new physical assets.

The draft Long-term Plan provides for \$731 million of funding for the replacement of existing assets that are near the end of their economic lives, and new assets required to improve existing levels of service.

*See Attachment 4 – Draft Ten-Year Capital Expenditure Programme*

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

The Long Term Plan is required to be prepared and adopted using the special consultative procedure through the mechanism of a consultation document which itself must be adopted. Before a consultation document is finalised and adopted Council must prepare and adopt the underlying information that the consultation document relies on, including the financial strategy and other financial statements included in the financial workbook.

Council must make this underlying information available to the public separate to the consultation document.

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

The financial workbook will be made available to the public as supporting information to inform LTP consultation discussions and the LTP proper. The following is the timetable for consulting and final development of the Long Term Plan 2021-2031.

<b>Action</b>	<b>Date</b>
Approve financial workbook and consultation document	25 March 2021
Open consultation – go live Let’s Talk/KoreroMai	30 March 2021
Community Engagement	30 March - 30 April 2021
Consultation and submissions close	30 April 2021
Decision making following feedback	May/June
Adoption of Long Term Plan 2021-2031	30 June 2021

### **7. HE WHAIWHAKAARO CONSIDERATIONS**

#### **7.1 Mahere Pūtea Financial/budget considerations**

The auditing of the Draft Financial Strategy and financial statements is required under legislation. The cost for this is budgeted under Finance.

There are financial implications should Council agree not to adopt the financial statements. The impact of not proceeding would require a complete remodelling of the financials a redraft of the consultation document and these would have to go back through Audit New Zealand. This would come at a major

cost to Council and would put us at significant risk of failing to adopt the Long-term Plan by the 30 June 2021.

## **7.2 Kaupapa Here me ngā Hiraunga Whakariterite Policy and planning implications**

There are policy or planning implications related to this decision, which could result in a review of the consultation document and the assumptions on which the Long-term Plan development has been based.

## **7.3 Tūraru Risks**

There is a risk to the timing of the Long-term Plan and its adoption if a decision is made to alter or to undertake further review of any part of the financial workbook.

There are financial implications to be considered in adopting the financial workbook and going out for public consultation with the Long Term Plan consultation document. The community will respond with requests for alternative projects and support or not for projects outlined in the plan that may have an impact of the ability for Council to get within its financial framework. Trade-offs will need to be considered.

## **7.4 Te Whaimana Authority**

Full Council must adopt the Draft Financial Strategy and draft Financial statements before the LTP consultation document can be adopted.

## **8. NGĀ ĀPITI HANGA ATTACHMENTS**

Attachment 1: Draft Financial Strategy (distributed separately)

Attachment 2: Draft Financial Statements (distributed separately)

Attachment 3: Draft Financial Prudence Graphs (distributed separately)

Attachment 4: Draft Ten-Year Capital Expenditure Programme (distributed separately)

Click here to [access all attachments](#)

01-65-009\02  
RDC-1110669ROTORUA LAKES COUNCILMayor  
Members  
COUNCIL**7.3 Long-Term Plan 2021 – Adoption of Consultation Document****Report prepared by:** Melissa Hollier, Corporate Planner**Report reviewed by:** Oonagh Hopkins, Corporate Planning and Governance Manager**Report approved by:** Geoff Williams, Chief Executive

---

**1. TE PŪTAKE  
PURPOSE**

The purpose of this report is for council to approve the Long Term Plan 2021-2031 consultation document for the purpose of public consultation.

**2. HE TŪTOHUNGA  
RECOMMENDATION**

- 1. That the report Long-term Plan 2021 – adoption of consultation document be received.**
- 2. That Council approve the Long-term Plan 2021-2031 consultation document for the purpose of public consultation.**

**3. TE TĀHUHU  
BACKGROUND**

A Long-term Plan is developed by Council every three years and covers a ten-year period.

The purpose of the Long-term Plan Consultation Document is to provide an effective basis for public participation in local authority decision-making processes relating to the Long-term Plan.

A series of forums held from September 2020 to February 2021, with the Mayor, councillors, community boards and Te Tatau members have developed the direction and conversation included in the draft consultation document. The focus has been on addressing the key challenges facing the district and continuing with the direction as set in Vision 2030, including how the delivery of projects and services will be achieved.

Once approved the consultation document will be released for public consultation using the special consultative procedure under the Local Government Act.

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

The purpose of the consultation document under section 93B of the Local Government Act 2002 'is to provide an effective basis for public participation in local authority decision-making processes relating to the content of a long-term plan by—

(a) providing a fair representation of the matters that are proposed for inclusion in the long-term plan, and presenting these in a way that—

(i) explains the overall objectives of the proposals, and how rates, debt, and levels of service might be affected; and

(ii) can be readily understood by interested or affected people; and

(b) identifying and explaining to the people of the district or region, significant and other important issues and choices facing the local authority and district or region, and the consequences of those choices; and

(c) informing discussions between the local authority and its communities about the matters in paragraphs (a) and (b).

The development of the consultation document has been driven from the outputs of a series of councillor forums held from September 2020 to February 2021.

Once approved the consultation document will be released for public consultation using the special consultative procedure under the Local Government Act.

The public consultation process will include a series of public information sessions and opportunities for the public to provide feedback. The submission period runs from 30 March to 30 April 2021.

Attached is the final draft consultation document which has been audited by Audit New Zealand. A verbal audit opinion is expected by 24 March 2021. Following adoption the audit opinion will be included into the document and then released for public consultation on 30 March.

#### 6. **TE TINO AROMATAWAI ASSESSMENT OF SIGNIFICANCE**

The Long Term Plan is required to be prepared and adopted using the special consultative procedure through the mechanism of a consultation document which itself must be adopted.

The final Long Term Plan must be adopted by 30 June 2021.

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

The following is the timetable for consulting and final development of the Long Term Plan 2021-2031.

Action	Date
Approve consultation document	25 March 2021
Open consultation – go live Let's Talk/KoreroMai	1 April 2021
Community Engagement	1 April 2021 – 30 April 2021
Consultation and submissions close	30 April 2021
Deliberations	May/June 2021
Adoption of Long Term Plan 2021-2031	30 June 2021

## **8. HE WHAIWHAKAARO CONSIDERATIONS**

### **8.1 Mahere Pūtea Financial/budget considerations**

The auditing of the consultation document is required under legislation. The cost for this is budgeted under Finance.

### **8.2 Kaupapa Here me ngā Hiraunga Whakariterite Policy and planning implications**

A consultation document must not contain, or have attached, a draft long-term plan or a draft of any policy or strategy. However, the consultation document provides updates on previously consulted issues, policy changes, and issues that will affect the long-term plan. The consultation document sets out the actions and/or new proposals that Council believe will give effect to the strategic direction.

### **8.3 Tūraru Risks**

Risks to be considered in adopting and going out for public consultation with the Long-term Plan consultation document include:

- Council's reputation – are the messages and direction of the council clear and in line with the strategic direction it has been communicated to date?
- Financial implications – the community will respond with requests for alternative projects or direction, and support or not support the projects and direction outlined in the plan. This may have an impact of the ability for Council to meet its financial framework. Trade-offs will need to be considered.

### **8.4 Te Whaimana Authority**

Full Council must adopt the consultation document and must consult for no less than one month.

## 8 Resolution to go into Public Excluded - Ka Matatapu Te Whakataunga I Te Tūmatanga (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 25 February 2021	Please refer to the relevant clause/s in the open meeting minutes.	Good reason for withholding exists under Section 48(1)(a).
RECOMMENDATIONS FROM STRATEGY, POLICY AND FINANCE COMMITTEE MEETING 11 MARCH 2021	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)
APPOINTMENT OF TE TATAU O TE ARAWA NOMINEE	Protect the privacy of natural persons, including that of deceased natural persons.	Section 48(1)(a) Section 7(2)(a)
APPOINTMENT OF INTERIM NOMINEE DIRECTOR TO INFRACORE LTD	Protect the privacy of natural persons, including that of deceased natural persons.  Maintain effective conduct of public affairs through free and frank expression of opinions by or between or to members or officers or employees of any local authority in the course of their duty.	Section 48(1)(a) Section 7(2)(a)  Section 48(1)(a) Section 7(2)(f)(i)
LANDFILL UPDATE	Maintain legal professional privilege.	Section 48(1)(a) Section 7(2)(g)

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.