



**I give notice that
an Ordinary Meeting of Council will be held on:**

Date:	Thursday, 1 March 2018
Time:	1.30pm
Location:	Council Chamber 107 Heuheu Street Taupō

AGENDA

MEMBERSHIP

Chairperson Mayor David Trewavas

Deputy Chairperson Cr Rosie Harvey

Members

- Cr John Boddy
- Cr Barry Hickling
- Cr Rosanne Jollands
- Cr Tangonui Kingi
- Cr Anna Park
- Cr Christine Rankin
- Cr Maggie Stewart
- Cr Kirsty Trueman
- Cr John Williamson

Quorum 6

**Gareth Green
Chief Executive Officer**

Order Of Business

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2 Conflicts of Interest

3 Confirmation of Minutes

Nil

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Nil

4.1 DRAFT ASSET MANAGEMENT PLANS

Author: Denis Lewis, Infrastructure Manager

Authorised by: Kevin Strongman, Group Manager, Operational Services

PURPOSE

This report enables Council to adopt the draft asset management plans (AMPs) for consultation. It should be noted that AMPs will remain as draft as they are subject to change through the Long-term Plan 2018 - 28 development process.

EXECUTIVE SUMMARY

Councils are required to ensure that their asset management planning is fit for purpose and provides the information and frameworks required for the effective and efficient management of infrastructure assets to meet the future needs of their communities.

The draft AMPs contain the operational and tactical policies and strategies relating to each of Council's assets. They demonstrate how Council will ensure prudent stewardship and the efficient and effective use of its resources in the interests of its district or region, including by planning effectively for the future management of its assets.

The preferred option is to adopt the draft AMP's that will meet the requirements of Sec 14, LGA 2002 and demonstrates prudent stewardship of Council's assets.

RECOMMENDATION(S)

That Council adopts the draft asset management plans for consultation.

BACKGROUND

Council owns assets in order to provide services. AMPs demonstrate responsible stewardship of Council's assets on behalf of its customers and stakeholders. The plans provide a focus within Council for ongoing development of good asset management practices. They demonstrate that the service potential of the assets are maintained at optimum cost to provide a defined level of service over the long term. The AMPs are a supporting document to the Council's Long-term Plan 2018 – 28 (LTP).

Council has AMPs for:

- Water
- Transportation
- Wastewater
- Solid Waste
- Stormwater
- Property
- Parks and reserves

Asset management plans address:

- Asset data
- Levels of service provided
- Demand forecasts and how the demand will be catered for
- Identification of risks
- Strategies for the maintenance and operation, renewal, creation and disposal of assets
- Financial cash flow predictions over a 10 year period and
- An improvement plan of tasks that need to be completed to improve the AMP.

An executive summary of each AMP is attached. Copies of the full plans will be available on the website during the Long-term Plan consultation period.

DISCUSSION

Councils are required to ensure that their asset management planning is fit for purpose and provides the information and frameworks required for the effective and efficient management of infrastructure assets to meet the future needs of their communities.

Council’s role is to approve the operational and tactical policies and strategies for the maintenance and operation, renewal, creation and disposal of assets. The approval of the funding will then be completed through the LTP decision making process. If there are any changes required to the AMPs as a consequence of that process these will be made before the LTP is adopted.

Based on this information it is considered that there is one option.

OPTIONS

Analysis of Options

Option 1 - Adopt the draft AMP’s for consultation

Advantages	Disadvantages
<ul style="list-style-type: none"> • Meets the requirements of Sec 14, LGA 2002 • Demonstrates prudent stewardship of Council’s assets. 	<ul style="list-style-type: none"> • None foreseen

Analysis Conclusion:

The preferred option is to adopt the draft AMP’s for consultation..

CONSIDERATIONS

Financial Considerations

Funding for the services will be provided for the first 10 years through the LTP process. If there are any changes required to the AMPs as a consequence of the decision-making process these will be made prior to adoption of the LTP.

Graphs of total income and expenditure are included in the respective summary.

Legal Considerations

Local Government Act 2002

The matter comes within scope of the Council’s lawful powers, including satisfying the purpose statement of Section 14 of the Local Government Act 2002.

Section 14(g) of the Local Government Amendment Act 2014 states that “a local authority should ensure prudent stewardship and the efficient and effective use of its resources in the interests of its district or region, including by planning effectively for the future management of its assets”.

The asset management plans demonstrate this prudent stewardship of Council’s assets.

Policy Implications

The draft AMPs contain the operational and tactical policies and strategies relating to each of Council’s assets.

Risks

There are no risks associated with the adoption of the policy or strategies contained within the draft AMPs.

SIGNIFICANCE OF THE DECISION OR PROPOSAL

Council’s Significance and Engagement policy identifies the following matters that are to be taken into account when assessing the degree of significance of proposals and decisions:

- a. The level of financial consequences of the proposal or decision;
- b. Whether the proposal or decision will affect a large portion of the community or community of interest;
- c. The likely impact on present and future interests of the community, recognising Maori cultural values and their relationship to land and water;
- d. Whether the proposal affects the level of service of an activity identified in the Long Term Plan;
- e. Whether community interest is high; and
- f. The capacity of Council to perform its role and the financial and other costs of doing so.

Officers have undertaken a rounded assessment of the matters in clause 11 of the Significance and Engagement Policy (2016), and are of the opinion that the proposal under consideration is of low importance.

ENGAGEMENT

Taking into consideration the above assessment, and noting that the draft AMPs are supporting documents to the LTP, engagement with the community will be undertaken as part of the LTP process. In light of the decision being of a low degree of significance, officers are of the opinion that no further engagement is required prior to Council making a decision.

COMMUNICATION/MEDIA

The draft AMPs will be made available on the Council website at the time of notification of the draft LTP.

CONCLUSION

Adopting the draft AMP's will meet the requirements of sec 14 of the Local Government Amendment Act 2014.

ATTACHMENTS

1. Water AMP Exec Summary 
2. Waste Water AMP Exec Summary 
3. Transport AMP Exec Summary 
4. Stormwater AMP Exec Summary 
5. Parks AMP Exec Summary 
6. Solid Waste AMP Exec Summary 
7. Facilities AMP Exec Summary 

4.2 ADOPTION OF DRAFT DEVELOPMENT CONTRIBUTIONS POLICY 2018 FOR CONSULTATION

Author: Hadley Tattle, Senior Policy Advisor

Authorised by: Alan Menhennet, Group Manager: Finance and Strategy

PURPOSE

This report seeks adoption of the draft Development Contributions Policy 2018 (DC Policy) for consultation.

EXECUTIVE SUMMARY

Development contributions are used to recover growth-related costs of new capital expenditure projects created by development. The DC Policy identifies those activities to be funded by development contributions ensuring a fair allocation of funding of infrastructure.

The draft DC Policy has also been reviewed in conjunction with the Long-term Plan (LTP) and the Local Government Act 2002. Further to these changes the following have also been amended:

- The schedule of charges has been updated to take account of cost increases and changes in timing of infrastructure development
- Schedules have been reviewed including: growth model, capital projects, cost allocations, land acquisition schedule and maps.

The draft DC Policy has been audited in conjunction with the LTP.

Council is required to use s82 of the LGA for consultation in order to adopt a DC Policy. It is proposed that consultation be undertaken in conjunction with the LTP Consultation Document special consultative procedure.

RECOMMENDATION(S)

That Council adopts the draft Development Contributions Policy 2018 (A1997323) for consultation

BACKGROUND

The proposal has been presented to Council previously when the draft DC Policy 2018 was adopted for audit on 1 February 2018.

Council must adopt either a DC Policy or a financial contributions policy. Council agreed, in 2004, that the DC Policy is preferred as a financial contributions policy is complicated to establish and amend.

Those undertaking new development benefit from connecting to existing services and should pay their fair share of the capital expenditure for this, which is met through collection of development contributions. The DC Policy identifies those activities to be funded by development contributions ensuring a fair distribution of funding of infrastructure, having regard to existing and future populations.

The methodology for development contribution collection is set out in the DC Policy.

DISCUSSION

Workshops were held with Council outlining what the DC Policy involves and its financial considerations on 25 January 2018, in conjunction with the development of the Long-term Plan 2018-28 (LTP).

Council considered the draft DC Policy at the meeting held on 1 February 2018 and adopted the draft DC Policy for Audit NZ's consideration. Audit NZ has subsequently audited the draft DC Policy in conjunction with the LTP.

Based on this information it is considered that there are two options: option one (adopt the DC Policy) or option two (do not adopt the DC Policy).

OPTIONS

Analysis of Options

Option 1

Advantages	Disadvantages
<ul style="list-style-type: none"> • Council would be meeting its legal obligations • Council will be able to collect contributions towards infrastructure that is necessary because of growth. 	<ul style="list-style-type: none"> • Development contributions may be considered as a barrier to growth occurring.

Option 2.

Advantages	Disadvantages
<ul style="list-style-type: none"> • Some people may believe that a potential barrier to development has been removed. 	<ul style="list-style-type: none"> • Council is legally required to have a DC Policy. • Growth related infrastructure would need to be funded by rates.

Analysis Conclusion:

Option 1 (adopting the DC Policy) is the preferred option because it allows Council to collect development contributions, meaning that developers are contributing towards the cost of growth related infrastructure.

CONSIDERATIONS

Financial Considerations

Council recovers growth-related costs of capital expenditure projects through development contributions. If Council decides not to collect development contributions it will need to fund these costs from other sources such as rates.

The costs associated with the consultation are minimised by bundling together with the LTP consultation.

Legal Considerations

Local Government Act 2002

The matter comes within scope of the Council's lawful powers, including satisfying the purpose statement of Section 10 of the Local Government Act 2002. The matter will enable the Council to meet the current and future needs of communities for good quality local infrastructure. (i.e. efficient, effective and appropriate to present and anticipated future circumstances).

The proposal has been evaluated with regards to a range of legislation. The key legislation applicable to the proposal has been reviewed and the relevant matters for consideration are as follows:

The draft DC Policy 2018 has been prepared in accordance with the legislative requirements under the LGA.

Policy Implications

The proposal has been evaluated against the Long-term Plan. The draft DC Policy has been prepared in conjunction with the LTP decision making process. The s101 considerations of the LGA have also been evaluated as part of the LTP.

Risks

The LGA states that Council must adopt either a policy for development contributions or financial contributions. Council would be at risk of not meeting their legal obligations under the LGA if no policy was adopted.

SIGNIFICANCE OF THE DECISION OR PROPOSAL

Council's Significance and Engagement policy identifies the following matters that are to be taken into account when assessing the degree of significance of proposals and decisions:

- a. The level of financial consequences of the proposal or decision;
- b. Whether the proposal or decision will affect a large portion of the community or community of interest;
- c. The likely impact on present and future interests of the community, recognising Maori cultural values and their relationship to land and water;
- d. Whether the proposal affects the level of service of an activity identified in the Long-term Plan;
- e. Whether community interest is high; and
- f. The capacity of Council to perform its role and the financial and other costs of doing so.

Officers have undertaken a rounded assessment of the matters in clause 11 of the Significance and Engagement Policy (2016), and are of the opinion that the proposal under consideration is significant.

ENGAGEMENT

The adoption of a DC Policy is required to use s82 of the LGA for consultation, which will be undertaken in conjunction with the LTP consultation.

COMMUNICATION/MEDIA

Council is required to consult on the DC Policy in a manner that gives effect to section 82 of the LGA. It is proposed that consultation be undertaken in conjunction with the special consultative procedure that Council must use for the draft Long-term Plan 2018-28 Consultation Document. This approach allows Council to meet the requirements of section 82 of the LGA and is considered a cost effective approach.

Apart from newspaper advertising required to meet the consultation requirements, communication will be in conjunction with the consultation document.

CONCLUSION

Council recovers growth-related costs of new capital expenditure projects through development contributions. It is recommended that Council adopts a draft DC Policy for consultation to meet its LGA requirements for the special consultative procedure.

ATTACHMENTS

1. Draft Developments Contributions Policy 2018 

4.3 ADOPTION OF DRAFT REVENUE AND FINANCING POLICY FOR CONSULTATION

Author: Hadley Tattle, Senior Policy Advisor

Authorised by: Alan Menhennet, Group Manager: Finance and Strategy

PURPOSE

This report seeks Council’s adoption of the draft Revenue and Financing Policy for consultation.

EXECUTIVE SUMMARY

Council is required under s102(4)(a) of the Local Government Act 2002 (LGA) to consult on a draft Revenue and Financing Policy in a manner that gives effect to the requirements of s82 of the Act. Several workshops were held in 2017 to discuss the Revenue and Financing Policy. These choices are reflected in the draft Revenue and Financing Policy and the s101(3) considerations report.

The preferred option is that Council adopts the draft Revenue and Financing Policy for consultation. Council has spent a significant amount of time preparing the draft Long-term Plan (LTP) 2018 – 28, and the consultation document. The Revenue and Financing Policy is one of the key policies that underpin these documents. If Council chose not to consult on the draft Revenue and Financing Policy it would not be able to adopt an LTP in June as the final LTP must contain this policy.

It is proposed that consultation be undertaken in conjunction with the special consultative procedure that Council must use for the draft Long-term Plan 2018-28 Consultation Document. This approach allows Council to meet the requirements of section 82 of the LGA and is considered a cost effective approach.

RECOMMENDATION(S)

That Council adopts the draft Revenue and Financing Policy for consultation in accordance with section 102(4)(a) of the Local Government Act 2002 (A2052983).

BACKGROUND

Council adopted the draft Revenue and Financing Policy as part of the draft Long-term Plan 2018 – 28 on 1 February 2018. Council also adopted the s101(3) Considerations Report. This was to allow audit to assess the quality of the underlying information that was used as the basis for the Consultation Document.

Council is required under section 102(4)(a) of the Local Government Act 2002 (LGA) to consult on a draft Revenue and Financing Policy in a manner that gives effect to the requirements of s82.

DISCUSSION

Several workshops were held in 2017 to discuss the Revenue and Financing Policy. These choices are reflected in the draft Revenue and Financing Policy. This included discussion of the s101(3) considerations report, which sets out Council’s reasons for funding each activity in a particular way.

Based on this information it is considered that there are two options: option one (adopt the policy for consultation) or option two (do not adopt the policy for consultation).

OPTIONS

Analysis of Options

Option 1.

Advantages	Disadvantages
<ul style="list-style-type: none"> Would ensure that Council is meeting the required legal obligations 	<ul style="list-style-type: none"> None.

Option 2.

Advantages	Disadvantages

<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • Council would not be meeting required legal obligations.
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Analysis Conclusion:

It is preferred that Council adopts the draft Revenue and Financing Policy for consultation, to ensure it meets its legal obligations under the LGA. Council has spent a significant amount of time preparing the draft Long-term Plan (LTP) 2018 – 28 and the consultation document – the Revenue and Financing Policy is one of the key policies that underpin these documents. If Council chose not to consult on the draft Revenue and Financing Policy it would not be able to adopt an LTP in June as the final LTP must contain this policy.

CONSIDERATIONS

Financial Considerations

The draft Revenue and Financing Policy sets out who pays for the activities that Council undertakes on behalf of the community and how these activities will be funded. The financial considerations and implications of this policy are contained in the draft LTP and have been discussed through workshops.

Legal Considerations

Local Government Act 2002

The matter comes within scope of the Council's lawful powers, including satisfying the purpose statement of Section 10 of the Local Government Act 2002. The matter will enable the Council to meet the current and future needs of communities for good quality local public services. (i.e. efficient, effective and appropriate to present and anticipated future circumstances).

The proposal has been evaluated with regards to a range of legislation. The key legislation applicable to the proposal has been reviewed and the relevant matters for consideration are as follows:

The draft Revenue and Financing Policy has been prepared in accordance with the legislative requirements under the LGA. The s101(3) Considerations Report, which Council adopted on 1 February 2018, sets out why activities are funded in a particular way. This report will be available during the consultation on the draft Revenue and Financing Policy and is also attached to this item for completeness.

Policy Implications

The policy implications within the draft Revenue and Financing Policy and s101(3) Considerations Report have been discussed by Council during workshops and reflect the choices that the Council wishes to discuss with the community when during the consultation period in March and April 2018.

Risks

There is a risk if Council chooses not to adopt the draft Revenue and Financing Policy. The LGA states that Council must adopt a Revenue and Financing Policy (section 102) and must consult in a manner that gives effect to section 82.

SIGNIFICANCE OF THE DECISION OR PROPOSAL

Council's Significance and Engagement policy identifies the following matters that are to be taken into account when assessing the degree of significance of proposals and decisions:

- a. The level of financial consequences of the proposal or decision;
- b. Whether the proposal or decision will affect a large portion of the community or community of interest;
- c. The likely impact on present and future interests of the community, recognising Maori cultural values and their relationship to land and water;
- d. Whether the proposal affects the level of service of an activity identified in the Long Term Plan;
- e. Whether community interest is high; and
- f. The capacity of Council to perform its role and the financial and other costs of doing so.

Officers have undertaken a rounded assessment of the matters in clause 11 of the Significance and Engagement Policy (2016), and are of the opinion that the proposal under consideration is significant. The

draft Revenue and Financing Policy sets out who pays for the activities that Council undertakes on behalf of the community and how these activities will be funded.

ENGAGEMENT

It is proposed that consultation be undertaken in conjunction with the consultation for the draft Long-term Plan 2018 – 28 Consultation Document. As well as providing the opportunity to meet the requirements of section 82 it is a cost effective approach to consultation.

The proposed consultation period is 12 March – 16 April 2018. This includes a schedule of public meetings. The draft Consultation Document includes information on the draft Revenue and Financing Policy, noting that we are also consulting on this policy. The availability of the policy and the s101(3) Considerations Report on the Council website is also included. The public notice that is prepared for the special consultative procedure for the Consultation Document will note that we are also consulting on the draft Revenue and Financing Policy.

Any submissions that Council receives on the draft Revenue and Financing Policy will be heard during the week 30 April – 4 May 2018, prior to hearing submissions on the Consultation Document. Council will be able to deliberate during the week commencing 14 May, prior to deliberating on the submissions on the Consultation Document. This will allow Council to consider and decide on any changes to the Revenue and Financing Policy which may have implications for the final Long-term Plan 2018- 28.

COMMUNICATION/MEDIA

Communication regarding the consultation period for the draft Revenue and Financing Policy will be undertaken in conjunction with the communication on the Consultation Document. This will include information sent to those ratepayers who live outside of the District, information in the local paper, availability and information on the Council website and social media. It will also include the schedule of public meetings included in the draft Consultation Document.

CONCLUSION

Council is required under s102(4)(a) of the Local Government Act 2002 (LGA) to consult on a draft Revenue and Financing Policy in a manner that gives effect to the requirements of s82 of the Act. Several workshops were held in 2017 to discuss the Revenue and Financing Policy. These choices are reflected in the draft Revenue and Financing Policy and the s101(3) considerations report.

The preferred option is that Council adopts the draft Revenue and Financing Policy for consultation. Council has spent a significant amount of time preparing the draft Long-term Plan (LTP) 2018 – 28 and the consultation document – the Revenue and Financing Policy is one of the key policies that underpin these documents. If Council chose not to consult on the draft Revenue and Financing Policy it would not be able to adopt an LTP in June as the final LTP must contain this policy.²⁰¹

It is proposed that consultation be undertaken in conjunction with the special consultative procedure that Council must use for the draft Long-term Plan 2018-28 Consultation Document. This approach allows Council to meet the requirements of section 82 of the LGA and is considered a cost effective approach.

ATTACHMENTS

1. Draft Revenue and Financing Policy 

4.4 ADOPTION OF RATES REMISSIONS AND POSTPONEMENT POLICIES FOR CONSULTATION

Author: Hadley Tattle, Senior Policy Advisor

Authorised by: Alan Menhennet, Group Manager: Finance and Strategy

PURPOSE

This report seeks Council's adoption of the draft Rates Remissions and Rates Postponement Policies for consultation.

EXECUTIVE SUMMARY

The draft Rates Remission and Postponement Policies allow Council to provide for rates remissions and postponements with set conditions and criteria.

The preferred option is that Council adopts the draft Rates Remission and Postponement Policies for consultation. If Council chose not to consult on the draft Rates Remission and Postponement Policies it would not meet the requirements of section 102(4)(a).

Council is required to consult on the Rates Remission and Postponement Policies in a manner that gives effect to section 82 of the LGA. It is proposed that consultation be undertaken in conjunction with the special consultative procedure that Council must use for the draft Long-term Plan 2018-28 Consultation Document. This approach allows Council to meet the requirements of section 82 of the LGA and is considered a cost effective approach.

RECOMMENDATION(S)

That Council adopts the draft Remissions and Rates Postponement Policies for consultation in accordance with section 102(4)(a) of the Local Government Act 2002 (A2151480).

BACKGROUND

Section 102(4)(a) of the Local Government Act 2002 (LGA) requires that Council must consult on a policy on the remission and postponement of rates on Maori freehold land, a rates remission policy and a rates postponement policy. Council must consult in a manner that gives effect to the requirements of section 82.

Section 102(2)(e) of the Local Government Act 2002 (LGA) requires Council to adopt a policy on the remission and postponement of rates on Maori freehold land. Section 108 sets out what must be included in this policy.

Section 102(3) of the LGA states that Council may adopt either or both a rates remission policy and/or a rates postponement policy. Sections 109 and 110 set out what must be included in these policies.

Council's Rates Remissions and Postponement Policies set out Council's policies in respect of Maori freehold land and rates remissions and rates postponement. A copy of the draft Rates Remissions and Postponement Policies 2015 is attached.

Council reviewed the draft Rates Remissions and Postponement Policies during the Long-term Plan workshops. Council adopted the draft Rates Remissions and Rates Postponement Policies on 1 February 2018 as part of the suite of underlying information used to prepare the draft Long-term Plan 2018-28 Consultation Document.

DISCUSSION

Council currently has the following remission and postponement policies:

- Rates Remission for Lake Taupō Lakebed and Lakeshore Reserve
- Rates Remission for Community, Sporting and Other Organisations
- Rates Postponement for Extreme Financial Hardship
- Remission of Rates Penalty

- Rates Remission and Postponement on Maori Freehold Land
- Remission of General Rates for Council Owned Utilities
- Water Rates Remission Attributable to Water Leaks
- Natural Disasters Rates Remission
- Waitahanui - Fixed Charge Targeted Water Rate Remission Policy

Each policy outlines the objectives, conditions and criteria specific to that policy including the information that must be provided when an application is made. It should be noted that although rates remission is provided for on Maori freehold land, Council's postponement policy is to not provide for any postponement of rates on Maori freehold land.

There were no amendments recommended by Audit New Zealand during the audit process of the draft Long-term Plan 2018 - 28 Consultation Document.

OPTIONS

Analysis of Options

The two options Council has are to either adopt the draft Rates Remissions and Postponement Policies for consultation, or not.

Option 1 – adopt a rates remission policy

Advantages	Disadvantages
<ul style="list-style-type: none"> • Provides Council the opportunity to remit rates in appropriate circumstances. 	<ul style="list-style-type: none"> • Those who are ineligible for a remission may consider the policy inequitable.

Option 2 – do not adopt a rates remission policy

Advantages	Disadvantages
<ul style="list-style-type: none"> • Does not provide an opportunity to remit rates in certain circumstances. 	<ul style="list-style-type: none"> • Section 102(2)(e) of the Local Government Act 2002 (LGA) requires Council to adopt a policy on the remission and postponement of rates on Maori freehold land. By choosing not to have policy covering this topic, then Council will not be meeting its legal obligations.

Analysis Conclusion:

It is preferred that Council adopts the draft Rates Remissions and Postponement Policies for consultation, to ensure it meets its legal obligations under the LGA.

CONSIDERATIONS

Financial Considerations

The financial implications of these policies have been considered during the development of the draft Long Term Plan 2018-28.

Legal Considerations

Local Government Act 2002

The draft Rates Remissions and Postponement Policies 2015 have been developed in accordance with the legislative requirements under the LGA.

Policy Implications

The policies allow Council to provide for rates remissions and postponements with set conditions and criteria.

Risks

If Council chooses not to adopt the draft Rates Remission and Postponement Policies for consultation the requirements of section 102(4)(a) will not be met.

SIGNIFICANCE OF THE DECISION OR PROPOSAL

Council's Significance and Engagement policy identifies the following matters that are to be taken into account when assessing the degree of significance of proposals and decisions:

- a. The level of financial consequences of the proposal or decision;
- b. Whether the proposal or decision will affect a large portion of the community or community of interest;
- c. The likely impact on present and future interests of the community, recognising Maori cultural values and their relationship to land and water;
- d. Whether the proposal affects the level of service of an activity identified in the Long Term Plan;
- e. Whether community interest is high; and
- f. The capacity of Council to perform its role and the financial and other costs of doing so.

Officers have undertaken a rounded assessment of the matters in the Significance and Engagement Policy and are of the opinion that the decision to adopt the draft Rates Remission and Postponement Policies for consultation is of a high degree of importance. On that basis, officers believe that the recommended decision would be a significant decision with respect to the LGA.

ENGAGEMENT

Consultation is required in a manner that gives effect to section 82 of the LGA. This requires

- that reasonable access, in a manner and format that is appropriate, is provided to those who may be affected by the matter;
- that the community is encouraged to present their views to Council;
- that clear information is provided concerning the purpose of the consultation and the scope of decisions;
- that the persons wishing to have their views considered are provided with a reasonable opportunity to present their views;
- that the views are received with an open mind and given due consideration and that persons who present views to Council have access to a clear record or description of relevant decisions; and
- a local authority must ensure that it has in place processes for consulting with Māori.

It is proposed that consultation be undertaken in conjunction with the consultation for the draft Long-term Plan 2018 – 28 Consultation Document. As well as providing the opportunity to meet the requirements of section 82 it is a cost effective approach to consultation.

COMMUNICATION/MEDIA

Communication regarding the consultation period for the draft Rates Remission and Postponement Policies for consultation will be undertaken in conjunction with the communication on the Consultation Document. This will include information sent to those ratepayers who live outside of the District, information in the local paper, availability and information on the Council website and social media. It will also include the schedule of public meetings included in the draft Consultation Document.

CONCLUSION

The draft Rates Remission and Postponement Policies allow Council to provide for rates remissions and postponements with set conditions and criteria.

There were no amendments recommended by Audit New Zealand during the audit process of the draft Long-term Plan 2018 - 28 Consultation Document.

The preferred option is that Council adopts the draft Rates Remission and Postponement Policies for consultation. If Council chose not to consult on the draft Rates Remission and Postponement Policies it would not meet the requirements of section 102(4)(a).

Council is required to consult on the Rates Remission and Postponement Policies in a manner that gives effect to section 82 of the LGA. It is proposed that consultation be undertaken in conjunction with the special consultative procedure that Council must use for the draft Long-term Plan 2018-28 Consultation Document. This approach allows Council to meet the requirements of section 82 of the LGA and is considered a cost effective approach.

ATTACHMENTS

1. Draft Rates Remission and Postponement Policies 

4.5 ADOPTION OF DRAFT FEES AND CHARGES 2018-19 FOR CONSULTATION

Author: Hadley Tattle, Senior Policy Advisor

Authorised by: Alan Menhennet, Group Manager: Finance and Strategy

PURPOSE

To adopt the draft fees and charges for public consultation.

EXECUTIVE SUMMARY

Council sets fees and charges for a number of services that it delivers. The fees and charges are set annually, and the wider community are provided with an opportunity to comment on the proposed charges.

RECOMMENDATION(S)
 That Council adopts the draft fees and charges 2018-19 (A2151472) for consultation using the special consultative procedure, in conjunction with the Consultation document for the Long Term Plan 2018-28.

BACKGROUND

The proposal has been presented to Council during several Long Term Plan 2018-28 workshops in late 2017 and early 2018. The draft fees and charges were discussed at several workshops.

DISCUSSION

Council sets fees and charges for a number of services that it delivers. The fees and charges are set annually, and the wider community are provided with an opportunity to comment on the proposed charges.

Based on this information it is considered that there are two options.

OPTIONS

Analysis of Options

There are two options available: option 1 (adopt the draft fees and charges) or option 2 (do not adopt the draft fees and charges).

Option 1.

Advantages	Disadvantages
<ul style="list-style-type: none"> • The community will be provided with the opportunity to have their say on the proposed fees and charges for the 2018/19. • Consultation is being carried out in conjunction with the long-term plan consultation, which provides efficiencies. 	<ul style="list-style-type: none"> • None.

Option 2.

Advantages	Disadvantages
<ul style="list-style-type: none"> • None. 	<ul style="list-style-type: none"> • Council may not be able to legally set fees and charges for the 2018/19 year.

Analysis Conclusion:

The analysis above demonstrates that option 1 is the preferred option as it will allow the community to have input into the draft fees and charges for the 2018/19. It also ensures that Council is meeting legislated responsibilities by consulting on the draft fees and charges.

CONSIDERATIONS

Financial Considerations

The revenue to be collected from fees and charges has been included into the draft financials for the Long Term Plan 2018-28.

Legal Considerations

Local Government Act 2002

This proposal has been assessed against the consultation requirements in the Local Government Act 2002 and also the legislation applicable to the different activity of charges for which Council is setting fees ie the planning fees have been assessed against the requirements of the Resource Management Act 1991 and the building services fees have been assessed against the requirements of the Building Act 2004.

Policy Implications

There are no known policy implications.

Risks

If Council does not follow the correct process for consulting on the proposed fees and charges, then Council not be able to legally charge fees and charges for some activities.

SIGNIFICANCE OF THE DECISION OR PROPOSAL

Council's Significance and Engagement policy identifies the following matters that are to be taken into account when assessing the degree of significance of proposals and decisions:

- a. The level of financial consequences of the proposal or decision;
- b. Whether the proposal or decision will affect a large portion of the community or community of interest;
- c. The likely impact on present and future interests of the community, recognising Maori cultural values and their relationship to land and water;
- d. Whether the proposal affects the level of service of an activity identified in the Long Term Plan;
- e. Whether community interest is high; and
- f. The capacity of Council to perform its role and the financial and other costs of doing so.

Officers have undertaken a rounded assessment of the matters in clause 11 of the Significance and Engagement Policy (2016), and are of the opinion that the proposal under consideration is significant.

ENGAGEMENT

The draft fees and charges 2018/19 are considered to be significant because the changes will affect a large of people. The draft fees and charges will be consulted on via a special consultation procedure, in conjunction with the Long Term Plan 2018-28 consultation document.

COMMUNICATION/MEDIA

The proposed changes in the draft fees and charges will be consulted on via a special consultation procedure, in conjunction with the Long Term Plan 2018-28 consultation document.

CONCLUSION

Given the assessments undertaken in this report, Council should adopt the draft fees and charges 2018/19 attached to this report and consult on these changes over the period 12 March to 16 April 2018.

ATTACHMENTS

1. Statement of Proposal - Draft Fees and Charges 2017/18 

4.6 ADOPTION OF THE SUPPORTING INFORMATION FOR THE DRAFT LONG-TERM PLAN 2018-28

Author: Hadley Tattle, Senior Policy Advisor

Authorised by: Alan Menhennet, Group Manager: Finance and Strategy

PURPOSE

This report seeks Council's adoption of supporting information for the draft Long-term Plan 2018-28 Consultation Document.

EXECUTIVE SUMMARY

Audit New Zealand have assessed the quality of the supporting information used to prepare the draft Long-term Plan 2018-28 Consultation Document. This underlying information includes, but is not limited to,

- Draft forecasting assumptions,
- Section 101(3) considerations for Draft Revenue and Financing Policy
- Draft Accounting Policies,
- Draft Funding Impact Statement,
- Draft Financial Strategy,
- Draft Infrastructure Strategy,
- Draft financial information,
- Challenges Paper,
- Demographic Snapshot.

These documents support the development of the Long-term Plan 2018-28 Consultation and have been assessed by Audit New Zealand.

RECOMMENDATION(S)

Adopts the following draft supporting information for the draft Long-term Plan 2018-28 Consultation Document for Audit New Zealand consideration:

- a) Draft forecasting assumptions,
- b) Draft Accounting Policies,
- c) Section 101(3) considerations for Draft Revenue and Financing Policy,
- d) Draft Funding Impact Statement,
- e) Draft Financial Strategy,
- f) Draft Infrastructure Strategy,
- g) Draft financial information,
- h) Challenges Paper, and
- i) Demographic Snapshot.

BACKGROUND

Section 93 of the Local Government Act 2002 (LGA) requires Councils to have a long-term plan and the plan must include all the information as per part 1 of schedule 10. A number of workshops have been held since the end of 2016, throughout 2017 and at the end of January 2018 to develop draft Long-term Plan 2018-28 Consultation Document, asset management plans, strategies and policies.

DISCUSSION

Audit NZ is required to assess the quality of the underlying information when auditing the draft Long-term Plan 2018-28 Consultation Document. This includes the:

- Draft forecasting assumptions,
- Draft Accounting Policies,
- Section 101(3) considerations for Draft Revenue and Financing Policy
- Draft Funding Impact Statement,
- Draft Financial Strategy,
- Draft Infrastructure Strategy,
- Draft financial information,
- Challenges Paper, and
- Demographic Snapshot,

Based on this information it is considered that there are two options.

OPTIONS

The two options Council has are to either adopt the draft supporting information for the draft Long-term Plan 2018-28, or not.

It is recommended that Council adopt the draft supporting information, to ensure it meets its legal obligations under the LGA. Council has spent a significant amount of time considering the various components that are included in the draft Long-term Plan 2018-28 Consultation Document with this information being used as the basis for consultation with our community.

CONSIDERATIONS

Financial Considerations

The financial considerations and implications associated with the draft supporting information have been discussed during workshops. These are included in the suite of financial statements and the funding impact statement in the supporting information. This information will be communicated to our community as part of the draft Long-term Plan 2018-28 Consultation Document. Any changes that Council makes as a consequence of submissions on the draft Long-term Plan 2018-28 Consultation Document will be reflected in the final Long-term Plan to be adopted at the end of June 2018.

Legal Considerations

Local Government Act 2002

The draft supporting information including the draft Revenue and Financing Policy and associated s101 (3) considerations report have been developed in accordance with the legislative requirements under the LGA.

Policy Implications

The policy implications have been discussed during workshops. The draft Long-term Plan 2018-28 Consultation Document sets out what Council intends to deliver over 2018–28 period and its anticipated operational and capital budgets.

Risks

If Council chooses not to adopt the draft supporting information, readers of the consultation document may not have the required confidence when making an assessment of the underlying information that has been used to prepare the draft Long-term Plan 2018-28 Consultation Document.

SIGNIFICANCE OF THE DECISION OR PROPOSAL

Council's Significance and Engagement policy identifies the following matters that are to be taken into account when assessing the degree of significance of proposals and decisions:

- a. The level of financial consequences of the proposal or decision;

- b. Whether the proposal or decision will affect a large portion of the community or community of interest;
- c. The likely impact on present and future interests of the community, recognising Maori cultural values and their relationship to land and water;
- d. Whether the proposal affects the level of service of an activity identified in the Long Term Plan;
- e. Whether community interest is high; and
- f. The capacity of Council to perform its role and the financial and other costs of doing so.

Officers have undertaken a rounded assessment of the matters in clause 11 of the Significance and Engagement Policy (2016), and are of the opinion that the proposal under consideration is of low importance.

ENGAGEMENT

The supporting information will be made available on Council's website for those who wish to read the information.

COMMUNICATION/MEDIA

No communication/media is required.

CONCLUSION

Audit NZ have assessed the quality of the supporting information used to prepare the draft Long-term Plan 2018-28 Consultation Document. The changes made were of a minor nature.

ATTACHMENTS

1. Draft Forecasting Assumptions 
2. Draft Accounting Policies 
3. Draft s101(3) considerations 
4. Draft Funding Impact Statement 
5. Draft Financial Strategy 
6. Draft Infrastructure Strategy 
7. Draft Financial Information 
8. Challenges Paper 
9. Demographic Snapshot 

4.7	ADOPTION OF LONG TERM PLAN 2018-28 CONSULTATION DOCUMENT FOR CONSULTATION
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Author: Hadley Tattle, Senior Policy Advisor

Authorised by: Alan Menhennet, Group Manager: Finance and Strategy

PURPOSE

This report seeks Council's adoption of the Consultation Document for the Long-term Plan 2018-28 for consultation.

EXECUTIVE SUMMARY

Section 93A(1)(a) of the Local Government Act 2002 (LGA) requires that Council must adopt a consultation document for the Long-term Plan 2018-28. The final consultation document is Attachment 1.

The consultation document includes the changes recommended by Audit New Zealand during the audit process. These changes are shown as track changes in Attachments 2.

The proposed consultation period is 12 March – 16 April 2018. This includes a schedule of public meetings. Hearings have been set down for the week 30 April – 3 May 2018.

It is recommended that Council adopts the Consultation Document for the Long-term Plan 2018-28 for consultation.

RECOMMENDATION(S)

That Council adopts the audited Consultation Document for the Long-term Plan 2018-28 (A2154597), for consultation in accordance with 93A(1)(a) of the Local Government Act 2002.

BACKGROUND

Section 93A(1)(a) of the Local Government Act 2002 (LGA) requires that Council must adopt a consultation document for the Long-term Plan 2018-28. The consultation document is Attachment 1.

Section 93C(4) requires that the Consultation Document contains a report from the Auditor-General on whether the Consultation Document gives effect to the purpose set out in s93B, and the quality of the underlying information and assumptions used to prepare the Consultation Document. This report is included in the Consultation Document.

Council adopted the suite of underlying information that was used to prepare the Consultation Document on 1 February 2018.

DISCUSSION

As a result of the audit process of the Consultation Document for the Long-term Plan 2015-25, Audit New Zealand recommended a number of changes. These changes are described in the table below. These changes have been included in the final consultation document (Attachment 1).

Page number	Changes	Reason/s
Page 4	Added in sentences to highlight the issues that we are seeking feedback on	Suggestion by audit to provide clarity to the reader
Page 7	Originally this was a page showing the services that Council provides with some levels of service ie the km of road that we provide	Feedback was that this page wasn't focused on the next 10 years. This page has been amended to show the activities that Council will provide over the next 10 years.
Page 8	The 'Forecast rates requirement and rates percentage increase' has been amended. It	Feedback was that the graph was too

	no longer has bars showing the rates requirement in \$.	hard to understand.
Page 9	The figures have been changed from thousands to millions	Make the graphic easier to read.
Pages 19 & 20	Changed wording to highlight the funding sources for the projects, what the implications on debt will be, and what the implications on rates will be.	Changed to meet the requirements of legislation.
Pages 21 & 22	Changed wording to highlight the funding sources for the projects, what the implications on debt will be, and what the implications on rates will be.	Changed to meet the requirements of legislation.
Pages 21 & 22	Highlight that we will be having the water funding discussion in the future	Provide a heads up to the community.
Pages 21 & 22	Changed wording to highlight the funding sources for the projects, what the implications on debt will be, and what the implications on rates will be.	Changed to meet the requirements of legislation.
Pages 26	Added in more information about the fees and charges	Be more transparent around the proposed fee changes.

Please note that the Audit Opinion is not yet ready for inclusion in the Consultation Document due to procedural reasons.

Based on this information it is considered that there are 2 options: Council may either adopt the Consultation Document for the Long-term Plan 2015-25 for consultation, or not.

OPTIONS

Analysis of Options

Option 1 – adopt the Consultation Document

Advantages	Disadvantages
<ul style="list-style-type: none"> Council will be meeting its legal obligations under the Local Government Act 2002 	<ul style="list-style-type: none"> None.

Option 2 – do not adopt the Consultation Document

Advantages	Disadvantages
<ul style="list-style-type: none"> None. 	<ul style="list-style-type: none"> Council will not be meeting its legal obligations under the Local Government Act 2002.

Analysis Conclusion:

It is preferred that Council adopts the Consultation Document for the Long-term Plan 2018-28 for consultation, to ensure it meets its legal obligations under the LGA. Council has spent a significant amount of time considering the various components that are the basis for the consultation document.

CONSIDERATIONS

Financial Considerations

The financial considerations and implications contained in the consultation document are based on the underlying information which Council has adopted and which has been discussed through a series of workshops.

The LGA has specific requirements regarding the level of financial disclosure and this is reflected in the consultation document.

Legal Considerations

Local Government Act 2002

The matter comes within scope of the Council's lawful powers, including satisfying the purpose statement of Section 10 of the Local Government Act 2002. The matter will enable the Council to meet the current and future needs of communities for good quality local public services. (i.e. efficient, effective and appropriate to present and anticipated future circumstances).

The consultation document has been prepared in accordance with the legislative requirements under the LGA.

Policy Implications

The policy implications within the consultation document have been discussed by Council during workshops and reflect the choices that the Council wishes to discuss with the community when consultation begins on 12 March 2018.

Risks

If Council chooses not to adopt the consultation document the risk includes a failure to comply with the requirements of the LGA. Council must have a Long Term Plan in place by the end of June 2018. In order to do so the Council must consult with the community using the consultation document.

SIGNIFICANCE OF THE DECISION OR PROPOSAL

Council's Significance and Engagement policy identifies the following matters that are to be taken into account when assessing the degree of significance of proposals and decisions:

- a. The level of financial consequences of the proposal or decision;
- b. Whether the proposal or decision will affect a large portion of the community or community of interest;
- c. The likely impact on present and future interests of the community, recognising Maori cultural values and their relationship to land and water;
- d. Whether the proposal affects the level of service of an activity identified in the Long Term Plan;
- e. Whether community interest is high; and
- f. The capacity of Council to perform its role and the financial and other costs of doing so.

Officers have undertaken a rounded assessment of the matters in clause 11 of the Significance and Engagement Policy (2016), and are of the opinion that the decision to adopt the Consultation Document for the Long-term Plan 2018-28 for consultation, is of a high degree of importance. Furthermore, the financial consequences of the proposal have been identified (clause 12) as being triggered. On that basis, officers believe that the recommended decision would be a significant decision with respect to the LGA.

ENGAGEMENT

A special consultative procedure will be undertaken in accordance with section 83 and section 93A(1)(a) of the LGA. This requires that a consultation document is prepared and is made publicly available for one month. A public notice will be included in the Taupō Times at the start of the consultation period.

It must also be clear how Council will provide the community with an opportunity to present their views to Council including an opportunity for persons to present their views to Council in a manner that enables spoken (or New Zealand sign language) interaction between the person and the Council. Council may also allow submitters to present their views to Council by way of audio link or audio visual link. The consultation

document outlines that the community are able to present their views to Council. We are always willing to facilitate communication between our community and the Council and we would make every effort to ensure that individuals with particular requirements are able to present their views.

The proposed consultation period is 12 March – 16 April 2018. This includes a schedule of public meetings Hearings have been set down for the week 30 April – 3 May 2018.

COMMUNICATION/MEDIA

Communication regarding the consultation for the Consultation Document for the Long-term Plan 2018-28 will include information sent to those ratepayers who live outside of the District, information in the local paper, information on the Council website and social media. It will also include the schedule of public meetings included in the consultation document.

CONCLUSION

Section 93A(1)(a) of the Local Government Act 2002 (LGA) requires that Council must adopt a consultation document for the Long-term Plan 2015-25.

It is recommended that Council adopts the Consultation Document for the Long-term Plan 2018-28 for consultation.

ATTACHMENTS

1. Draft Consultation Document March 2018 