

**I give notice that
a Risk and Assurance Committee Meeting will be held on:**

Date:	Thursday, 2 May 2024
Time:	2.00pm
Location:	Council Chamber 107 Te Heuheu Street Taupō

AGENDA

MEMBERSHIP

Chairperson Mr Bruce Robertson
Deputy Chairperson Cr Danny Loughlin

Members Mr Anthony Byett
Cr Anna Park
Cr Rachel Shepherd
Cr Kevin Taylor
Mayor David Trewavas
Cr John Williamson

Quorum 4

**Julie Gardyne
Chief Executive**

Order Of Business

- 1 **Karakia**
- 2 **Whakapāha | Apologies**
- 3 **Ngā Whakapānga Tukituki | Conflicts of Interest**
- 4 **Whakamanatanga O Ngā Meneti | Confirmation of Minutes**
Nil
- 5 **Ngā Ripoata | Reports**
 - 5.1 Recommendation to Council to approve the draft Long-term Plan 2024-34
Consultation Document and Supporting Information for Audit NZ Consideration3
- 6 **Ngā Kōrero Tūmataiti | Confidential Business**
Nil

5.1 RECOMMENDATION TO COUNCIL TO APPROVE THE DRAFT LONG-TERM PLAN 2024-34 CONSULTATION DOCUMENT AND SUPPORTING INFORMATION FOR AUDIT NZ CONSIDERATION

Author: Kendall Goode, Senior Policy Advisor

Authorised by: Nick Carroll, Policy Manager

TE PŪTAKE | PURPOSE

This report seeks the recommendation of the Risk and Assurance Committee for Council to approve the draft Long-term Plan 2024-34 Consultation Document, draft Financial Strategy, draft Infrastructure Strategy and other supporting information for Audit New Zealand (Audit NZ) consideration.

WHAKARĀPOPOTOTANGA MATUA | EXECUTIVE SUMMARY

Council is required to prepare and deliver a consultation document as part of the Long-term Plan process. Prior to Council formally adopting the consultation document for public consultation, Audit NZ reviews the consultation document and supporting information. Their review ensures Council has given effect to the purpose set out in s93B of the Local Government Act 2002 (LGA), and that the quality of the information and assumptions underlying the consultation document are robust.

Changes to the legislation were made and the requirements that normally apply to the consultation document have been removed, including the ability for Council to opt out of this audit process. Council has still opted to proceed with an audit due to the assurance benefits associated with the process. An audit report will not be issued as usually required by S93C(4) of the LGA, however any changes suggested by Audit NZ will be considered and included if necessary into the consultation document prior to the adoption of the consultation document for public consultation on 31 May 2024.

The recommendation of the Risk and Assurance committee will provide additional confidence for Council when considering whether to approve the draft consultation document and supporting information for Audit NZ.

NGĀ TŪTOHUNGA | RECOMMENDATION(S)

That the Risk and Assurance Committee recommends to Council that they approve

1. the draft Long-term Plan 2024-34 Consultation Document for Audit NZ consideration;
2. the draft Financial Strategy for Audit NZ consideration;
3. the draft Infrastructure Strategy for Audit NZ consideration; and
4. the draft supporting information for Audit NZ consideration which includes but is not limited to:
 - a. Draft Development Contributions Policy
 - b. Draft Accounting Policies
 - c. Draft Financial Information
 - d. Draft Funding Impact Statement

NGĀ KŌRERORERO | DISCUSSION**Background**

The development of the Long-term Plan 2024-34 started in early 2023 and updates of progress have been provided to the committee during this time. As discussed in previous meetings, there have been high levels of uncertainty impacting the local government sector during the development of this long-term plan which has created challenges in terms of being able to meet legislative timeframes.

Recognising these challenges, options were provided to councils to help manage the process, these included the ability to not audit the consultation document, extend the timeframes for adoption until 30

September 2024 or delay the adoption of the Long-term Plan until 30 June 2025 and instead adopt an Annual Plan for the 2024/25 financial year. On 19 March 2024, Council directed officers to continue preparing and developing a Long-term Plan.

Council has also opted to continue with an audit of the consultation document and supporting information. While not mandatory for this long-term plan, the audit process will provide Council and the community assurance that they can rely on the information for decision making. A formal report will not be provided at the conclusion of the Audit NZ review; however changes are still likely to be suggested and any changes that are required will be reflected in the consultation document, and supporting information will be provided to Council.

Progress Update

The decision to delay the adoption of the Long-term Plan until 30 September 2024 has allowed staff to work through several challenges and provide a draft consultation document and supporting information to Audit NZ for review prior to public consultation in June 2024.

This is a significant milestone in the overall Long-term Plan process and provides confidence to staff and elected members that the remainder of the process is on track to achieve adoption on 30 September 2024. It should be acknowledged that staff and elected members alike will still be working to a tight timetable with several workstreams progressing in parallel to ensure hearings and deliberations are able to occur at a time that allows for the final audit to commence on 19 August. Noteworthy timeframes include:

- 31 May: Council adopt consultation document and supporting information for public consultation
- 4 June to 5 July: Public Consultation
- 29 July to 2 August: Hearings and deliberations (dates to be confirmed and will depend on the number of submissions received)
- 19 August: Final Long-term Plan audit (four weeks)
- 30 September: Adoption of Long-term Plan

Staff are currently preparing for public consultation which will include several drop-in sessions around the district and evening events where the community is able to come and discuss the Long-term Plan with elected members and staff.

Risk and Assurance Endorsement

Council considers that an endorsement from the Risk and Assurance Committee will also assist with its decision on whether or not to approve the consultation document and supporting information for audit consideration.

A number of workshops have been held throughout 2023 and the first quarter of 2024 to develop the underlying information that has been used to prepare the draft Long-term Plan 2024-34 Consultation Document. On 16 April 2024, Council approved the following policies and information for audit:

- Draft Treasury Management Policy
- Draft Significant Assumptions for the Long-term Plan 2024-34
- Draft Revenue and Financing Policy (including the section 101(3) assessment)
- Draft Fees and Charges Schedule 2024/25
- Draft Rates Remission and Postponement Policy
- Draft Performance Management Framework

Copies of these agenda papers and attachments are attached. It should be noted that minor changes were made to the draft Fees and Charges Schedule 2024/25 and to the Draft Significant Assumptions at the meeting which are incorporated in the attached documents. The consultation document and remaining policies, strategies and supporting financial information are due to be approved for audit on 3 May 2024 by Council. The supporting information to be approved on 3 May includes, but is not limited to:

- Draft Financial Strategy
- Draft Infrastructure Strategy (this will be circulated separately)
- Draft Development Contributions Policy
- Draft Accounting Policies

- Draft Financial Information
- Draft Funding Impact Statement

Copies of these agenda papers and documents are attached. The draft Long-term Plan 2024-34 Consultation Document will be circulated separately, the covering report to Council has been attached.

NGĀ KŌWHIRINGA | OPTIONS

The two options, either recommend to Council to approve the draft Long-term Plan 2024-34 Consultation Document and supporting information for Audit NZ consideration, suggest amendments to for staff to make before providing to Audit NZ.

It is suggested that the committee recommends to Council to approve the draft Long-term Plan 2024-34 Consultation Document and supporting information for Audit NZ consideration. The audit process will provide assurance the documentation meets Council's legal obligations under the Local Government Act 2002 (LGA).

NGĀ HĪRAUNGA | CONSIDERATIONS

Ngā Aronga Pūtea | Financial Considerations

The financial considerations and implications contained in the draft consultation document are based on the information included in the underlying information, which Council has approved, and which has been discussed through a series of workshops. The LGA has specific requirements regarding the level of financial disclosure and they are reflected in the draft consultation document.

Ngā Aronga Ture | 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. That section of the Act states that the purpose of local government is (a) to enable democratic local decision-making and action by, and on behalf of, communities; and (b) to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future. It is considered that social / economic / environmental and cultural are of relevance to this particular matter.

The draft Long-term Plan 2024-34 Consultation Document has been prepared in accordance with the legislative requirements of the LGA.

Ngā Hīraunga Kaupapa Here | Policy Implications

The policy implications within the draft 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 4 June 2024.

Te Kōrero tahi ki te Māori | Māori Engagement

Taupō District Council is committed to meeting its statutory Tiriti O Waitangi obligations and acknowledges partnership as the basis of Te Tiriti. Council has a responsibility to act reasonably and in good faith to reflect the partnership relationship, and to give effect to the principles of Te Tiriti. These principles include, but are not limited to the protection of Māori rights, enabling Māori participation in Council processes and having rangatiratanga over tāonga.

Our statutory obligations outline our duties to engage with Māori, and enable participation in Council processes. Alongside this, we recognise the need to work side by side with the ahi kaa / resident iwi of our district. Engagement may not always be required by law, however meaningful engagement with Māori allows Council to demonstrate good faith and our commitment to working together as partners across our district.

Appropriately, the report author acknowledges that they have considered the above obligations including the need to seek advice, guidance, feedback and/or involvement of Māori on the proposed recommendation/s, objective/s, project/s or service/s outlined within this report. As part of the development of the Long-term Plan, early engagement was undertaken in August 2023 with a range of hapū and iwi to understand their aspirations and priorities for Council's work programme. This feedback was used to inform and then prioritise the work programme over the end of 2023 and the first quarter of 2024. Additionally, there have been a number of working groups who have provided input into specific projects such as the northern accessway and wastewater projects for both Taupō and Tūrangi. There will be an opportunity for iwi, hapū and Māori to

provide formal submissions on the draft consultation document, as well as events during consultation to provide opportunities to seek information and ask questions of both elected members and staff.

Ngā Tūraru | Risks

There is a risk if the consultation document is not approved council will not be meeting its legal obligations under the Act. The immediate consequence of not approving the draft consultation document and draft supporting information for Audit consideration is a further delay to the adoption of the Long-term Plan and limiting Council ability to fund services and collect revenue through rates.

TE HIRANGA O TE WHAKATAU, TE TONO RĀNEI | SIGNIFICANCE OF THE DECISION OR PROPOSAL

Council's Significance and Engagement Policy identifies matters to be taken into account when assessing the degree of significance of proposals and decisions.

Officers have undertaken an assessment of the matters in the [Significance and Engagement Policy \(2022\)](#), and are of the opinion that the proposal under consideration is significant.

TE KŌRERO TAHI | ENGAGEMENT

Following the completion of the audit by Audit NZ, Council will adopt the Long-term Plan 2024-34 Consultation Document for consultation on 31 May 2024. A special consultative procedure will be undertaken in accordance with section 93A of the LGA. Staff have organised a workshop for elected members and Representative groups on 21 May 2024 to discuss the upcoming consultation events.

TE WHAKAWHITI KŌRERO PĀPAHO | COMMUNICATION/MEDIA

No communication/media required.

WHAKAKAPINGA | CONCLUSION

Section 93A(1)(a) of the LGA requires that Council must adopt a consultation document for the Long-term Plan 2024-34. Before proceeding to consultation, it is recommended that Council have Audit NZ review the draft consultation document and supporting information.

This provides Council and the community assurance that they can rely on the information for decision making. Such an audit is normally mandatory but is discretionary for this particular long-term plan. A formal report will not be provided at the conclusion of the consultation document audit, however changes are still likely to be suggested and any changes that are required will be included in the consultation document and will be provided to Council.

NGĀ TĀPIRIHANGA | ATTACHMENTS

1. Draft Treasury Management Policy (under separate cover 1) ⇒
2. Draft Significant Assumptions
3. Draft Revenue and Financing Policy
4. Draft Fees and Charges Schedule 2024/25 (under separate cover 1) ⇒
5. Draft Rates Remission and Postponement Policy
6. Draft Performance Management Framework
7. Draft Financial Strategy 2024-34 report and attachment
8. Draft Infrastructure Strategy report and attachments
9. Draft Development Contributions Policy report and attachments (under separate cover 1) ⇒
10. Supporting Information for the draft LTP 2024-34 report and attachments - Draft Accounting Policies, Funding Impact Statement, Financial Information
11. Draft Consultation Document covering report