



Kaupapataka

Agenda

NOTICE OF AN ORDINARY MEETING OF COUNCIL

Date: Thursday 30 June 2022

Time: 9.30am

Venue: Council Chamber

MEMBERSHIP

| | |
|---------------------|-----------------|
| Chair | Mayor Chadwick |
| Deputy Chair | Cr Donaldson |
| Members | Cr Kai Fong |
| | Cr Kumar |
| | Cr Macpherson |
| | Cr Maxwell |
| | Cr Raukawa-Tait |
| | Cr Tapsell |
| | Cr Wang |
| | Cr Yates |
| Quorum | 5 |

NGĀ TUKUNGA HAEPAPA A TE KAUNIHERA

COUNCIL DELEGATIONS

| | |
|------------------------|---|
| Type of Committee | Council |
| Subordinate to | |
| Subordinate Committees | Strategy, Policy and Finance committee Operations and Monitoring committee District Licencing committee CEO performance committee RMA Policy Committee Audit and Risk Committee |
| Legislative Basis | Schedule 7 S30 (1) (A), Local Government Act 2002 Committee delegated powers by the Council as per Schedule 7, S32, Local Government Act 2002 |
| Purpose | The purpose of the Council is to make decisions on all matters that cannot be delegated, that it has not delegated or that it has had referred to it by staff or a committee. |
| Reference | 01-15-016-01 |
| Membership | Mayor Steve Chadwick (Chair) Deputy Mayor Councillor Dave Donaldson (Deputy Chair) Councillors' Kai Fong, Kumar, Macpherson, Maxwell, Raukawa-Tait, Tapsell, Wang, Yates |
| Quorum | 5 |
| Meeting frequency | Monthly |
| Delegations | <ul style="list-style-type: none"> • the power to make a rate • the power to make a bylaw • the power to borrow money, or purchase or dispose of assets, other than in accordance with the Long-term Plan • the power to adopt a long-term plan, annual plan, or annual report • the power to appoint a chief executive • the power to adopt policies required to be adopted and consulted on under the LGA 2002 in association with the long-term plan, or developed for the purpose of the local governance statement; and • the power to adopt a remuneration and employment policy • the power to set and support strategies in measures related to emergency matters. • all the powers, duties and discretions under the Civil Defence Act for the proper operation and administration of the approved Civil Defence Plan; such delegation to be executed solely within the defined policy guidelines as determined from time to time by the Council and subject to the Financial limits imposed by the approved Council estimates. |
| Relevant Statutes | All the duties and responsibilities listed above must be carried out in accordance with the relevant legislation. |
| Limits to Delegations | Powers that cannot be delegated to committees a per the Local Government Act 2002 Schedule 7 S32 |

Order of Business

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1. 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

TŪTAWA MAI

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

TŪTAWA MAI

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

2. Apologies - Ngā Whakapāha

The Chair invites notice from members of:

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

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

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

The Chair shall state to the meeting.

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

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

s.46A (7), LGOIMA

Discussion of minor matters not on the agenda.

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

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

s.46A (7), LGOIMA

5. Petitions – Council Reserve Proposal

5.1 Kamahi Place Reserve

- Chris Staines

5.2 Owhata (Coulter Road) Reserve

- John Kininmonth

5.3 Lee Road Reserve

- Adrienne Smith

5.4 All Council Reserves

- Don Patterson

6. Confirmation of Minutes – Te Whakaū i ngā Meneti

6.1 Council Minutes (draft) 26 May 2022

01-15-016
RDC-1263989

Minutes (Draft)

Council meeting held Thursday 26 May 2022, 9.30am
Council Chamber, Rotorua Lakes Council

- MEMBERS PRESENT: Mayor Chadwick (Chair)
Cr Donaldson (Deputy Chair), Cr Kai Fong, Cr Kumar,
Cr Macpherson, Cr Maxwell, Cr Raukawa-Tait, Cr Tapsell, Cr Wang,
Cr Yates
- APOLOGIES: None
- STAFF PRESENT: G Williams, Chief Executive;
T Collé, Deputy Chief Executive, Organisational Enablement;
J-P Gaston, Deputy Chief Executive, District Development;
O Hopkins, Deputy Chief Executive, District Leadership & Democracy;
S Michael, Deputy Chief Executive, Infrastructure & Environmental
Solutions;
A Pewhairangi, Deputy Chief Executive, Community Wellbeing;
G Rangi, Deputy Chief Executive, Te Arawa Partnership;
C Tiriana, Deputy Chief Executive, Chief Executive's Group;
J Akari, Director, People & Organisational Development;
I Tiriana, Manager Council Communications;
G Kieck, Manager, Corporate Strategy & Planning;
R Dunn, Governance Lead;
G Konara, Governance Support Advisor.

The meeting opened at 9.30 am.

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

1 KARAKIA WHAKAPUAKI OPENING KARAKIA

Cr Wang opened meeting with a Karakia.

2 NGĀ WHAKAPĀHA APOLOGIES

None.

3 WHAKAPUAKITANGA WHAIPĀNGA DECLARATIONS OF INTEREST

None.

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

None.

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

5.1 COUNCIL MEETING – 28 APRIL 2022

Resolved;

That the minutes of the Council meeting held 28 April 2022 be confirmed as true and correct.

Moved: Cr Raukawa-Tait

Seconded: Cr Yates

CARRIED

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

6.1 REPORT OF CONFIDENTIAL ITEMS TO BE RELEASED

RDC-1261453

Resolved;

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

Moved: Cr Donaldson

Seconded: Cr Maxwell

CARRIED

- 2. That the Council agree, in the interests of public transparency, to release the following reports previously noted as not to be made publicly available:**

- **Temporary Housing Options under Investigation – [Council meeting 27 May 2021](#).**
- **Guidance on Land Disposal – [Strategy, Policy & Finance Committee meeting 14 October 2021](#).**

Moved: Cr Donaldson

Seconded: Cr Yates

CARRIED

Cr Macpherson abstained from voting.

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

7.1 RECOMMENDATION FROM OTHER COMMITTEES.

Resolved;

1. **That the report “Recommendations from other committees” be received.**

Moved: Cr Macpherson

Seconded: Cr Donaldson

CARRIED

2. **That the following recommendations of the Operations & Monitoring Committee meeting held 5 May 2022 be adopted:**

RECOMMENDATION 1

COMMENCEMENT OF PROCESS TO REVOKE THE RESERVE CLASSIFICATION OF THE LAND UNDER THE THERMAL HOLIDAY PARK

RDC-1247973

Resolved;

1. **That the Council note, that all fair and reasonable steps have been taken to meet the conditions agreed as part of Council resolution in August 2017 to return part of the reserve to Ngāti Whakaue.**
2. **That the Council resolves to start the process to revoke the reserve status of the recreation reserve under the Thermal Holiday Park, pursuant to Section 24 of the Reserves Act 1977.**
3. **That the Council note, given the land in question is recreation reserve, that the effect of its resolution (2. above) will involve a statutory process of revocation of reserve status under the Reserves Act and a decision by the Minister of Conservation.**

Moved: Cr Yates

Seconded: Cr Donaldson

CARRIED

3. **That the following recommendations of the Strategy, Policy & Finance Committee meeting held 12 May 2022 be adopted:**

RECOMMENDATION 1

STATEMENTS OF INTENT FOR COUNCIL CONTROLLED ORGANISATIONS FOR THE YEAR COMMENCING 1 JULY 2022

RDC-1254141

Resolved;

1. **That the Council approve Rotorua Economic Development Limited’s change of legal entity to RotoruaNZ Ltd and trading name to RotoruaNZ, in line with the new destination brand.**

Moved: Cr Donaldson

Seconded: Cr Wang

CARRIED

Cr Macpherson abstained from voting.

RECOMMENDATION 2**PROPOSAL FOR THE REVOCATION AND DISPOSAL OF IDENTIFIED RESERVES FOR HOUSING**

RDC-1252717

Cr Tapsell signalled to move a motion.

Meeting adjourned at 10.50am and resumed 11.00am.

Cr Tapsell moved the following motion and Cr Kumar seconded:-

- 1. That the Council notes that the reserves or part reserves for possible revocation and disposal have been identified using the levels of service identified in the Council's approved Open Spaces Level of Service Policy and the following criteria:**
 - There is excess reserve provision in the area;
 - There is no clear purpose for or function of the reserve;
 - The size of reserve significantly exceeds the minimum size identified in the Open Spaces Level of Service Policy and could be reduced without compromising recreation or open space values;
 - The provision of housing on part of the reserve would improve the safety and use of the reserve;
 - There are no viable options to improve the reserve to meet level of service standard.

- 2. That the Council notes the significant housing deficit that exists in the Rotorua urban area (identified in the Housing and Business Capacity Assessment (HBA)), the below average number of transitional and public homes available in Rotorua and significant emergency housing problems.**

- 3. That the Council approve that consultation with neighbours of all reserves proposed and the wider community be undertaken through the distribution of a Statement of Proposal (SOP) document inviting written feedback, for a period of 4 weeks, on the proposals detailed below. That the feedback be used to inform Council's decisions on:**
 - Whether or not to proceed with the revocation and disposal of any reserve or part reserve
 - The legal method for revocation and disposal (i.e. Local Bill or existing Reserves Act process);
 - The reserves to be developed or enhanced with funds received from the proceeds of the disposal;
 - Any conditions to be applied to housing development by the purchaser.

- 4. That the Council approve that the following reserves (two full reserves and eight parts of reserves) be proposed for revocation and disposal in the Statement of Proposal:**
 - Lee Road Reserve
 - Coulter Road Reserve (part only)
 - High Street Reserve (part only)
 - Glenholme Reserve - 117 Clinkard Avenue (part only)
 - Gallagher Street Reserve
 - Linton Park West – 16 Kamahi Road (part only)
 - Wrigley Road Reserve (part only)
 - Turner Drive Reserve (part only)
 - Park Road Reserve (part only)

- **Steeles Lane Reserve (part only)**

5. **That the Council notes the Statement of Proposal identifies in-principle the preferred legal method for revocation and disposal of reserves be through a Local Bill and notes that all proceeds of land sales will be re-invested in improvements to existing reserves or the purchase of new reserves.**
6. **That the Council notes, subject to consultation, that identified reserves (or parts of reserves) be sold.**

Moved: Cr Tapsell

Seconded: Cr Kumar

Motion lost 5 to 6

A division was called:

FOR - Cr Tapsell, Cr Kumar, Cr Wang, Cr Macpherson, Cr Kai Fong (5)

AGAINST - Mayor Chadwick, Cr Donaldson, Cr Maxwell, Cr Raukawa-Tait, Cr Yates (5)

CASTING VOTE AGAINST: Mayor Chadwick

Point of Order

Cr Yates raised a point of order in regards to the language used by Cr Macpherson and the Chair upheld the point of order. Cr Macpherson apologised.

Cr Donaldson moved the following motion and Cr Raukawa-Tait seconded:-

Resolved;

1. **That the Council notes that the reserves or part reserves for possible revocation and disposal have been identified using the levels of service identified in the Council's approved Open Spaces Level of Service Policy and the following criteria:**
 - **There is excess reserve provision in the area;**
 - **There is no clear purpose for or function of the reserve;**
 - **The size of reserve significantly exceeds the minimum size identified in the Open Spaces Level of Service Policy and could be reduced without compromising recreation or open space values;**
 - **The provision of housing on part of the reserve would improve the safety and use of the reserve;**
 - **There are no viable options to improve the reserve to meet level of service standard.**
2. **That the Council notes the significant housing deficit that exists in the Rotorua urban area (identified in the Housing and Business Capacity Assessment (HBA)), the below average number of transitional and public homes available in Rotorua and significant emergency housing problems.**
3. **That the Council approve that consultation with neighbours of all reserves proposed and the wider community be undertaken through the distribution of a Statement of Proposal (SOP) document inviting written feedback, for a period of 4 weeks, on the proposals detailed below. That the feedback be used to inform Council's decisions on:**
 - **Whether or not to proceed with the revocation and disposal of any reserve or part reserve**

- The legal method for revocation and disposal (i.e. Local Bill or existing Reserves Act process);
 - The reserves to be developed or enhanced with funds received from the proceeds of the disposal;
 - Any conditions to be applied to housing development by the purchaser.
4. That the Council approve that the following reserves (two full reserves and eight parts of reserves) be proposed for revocation and disposal in the Statement of Proposal:
- Lee Road Reserve
 - Coulter Road Reserve (part only)
 - High Street Reserve (part only)
 - Glenholme Reserve - 117 Clinkard Avenue (part only)
 - Gallagher Street Reserve
 - Linton Park West – 16 Kamahi Road (part only)
 - Wrigley Road Reserve (part only)
 - Turner Drive Reserve (part only)
 - Park Road Reserve (part only)
 - Steeles Lane Reserve (part only)
5. That the Council notes the Statement of Proposal identifies in-principle the preferred legal method for revocation and disposal of reserves be through a Local Bill and notes that all proceeds of land sales will be re-invested in improvements to existing reserves or the purchase of new reserves.
6. That the Council notes that it includes within the Statement of Proposal, that it supports in-principle, a direct sale to Kāinga Ora of the following reserves (or parts of Reserves):
- Lee Road Reserve
 - Coulter Road Reserve (part only)
 - High Street Reserve (part only)
 - Glenholme Reserve - 117 Clinkard Avenue (part only)
 - Turner Drive Reserve (part only)
 - Steeles Lane Reserve (part only)

And that the sale of those reserves to Kāinga Ora be conditional on:

- a. Kāinga Ora and Council reaching agreement on the value of the identified sites; and
 - b. Kāinga Ora committing to providing mixed model housing developments that includes a mix of social housing and progressive home ownership models and market sale; and
 - c. Kāinga Ora committing to delivering housing on the identified sites within two years.
7. That the Council notes, subject to consultation, that remaining identified reserves (or parts of reserves) be sold via market sale or directly to a community housing provider where appropriate, conditional on the purchaser committing to delivering housing within two years.

Moved: Cr Donaldson

Seconded: Cr Raukawa-Tait

CARRIED 6/5

A division was called:

FOR - Mayor Chadwick, Cr Donaldson, Cr Maxwell, Cr Raukawa-Tait, Cr Yates (5)
AGAINST - Cr Tapsell, Cr Kumar, Cr Wang, Cr Macpherson, Cr Kai Fong (5)
CASTING VOTE FOR: Mayor Chadwick

8 PŪRONGO KAIMAHI STAFF REPORTS

RECOMMENDATION

8.1 EXTRAORDINARY VACANCY – RESIGNATION OF CR BENTLEY

RDC-1260679

Resolved;

- 1. That the report ‘Extraordinary Vacancy – Resignation of Cr Bentley’ be received.**

Moved: Cr Yates

Seconded: Cr Donaldson

CARRIED

Attendance: - Cr Kumar left the meeting at 11.33am.

Further Resolved;

- 2. That Council confirm that the Extraordinary Vacancy is not to be filled.**

Moved: Cr Donaldson

Seconded: Cr Raukawa-Tait

CARRIED

The Chair ruled that the only matter in the public excluded session is to adopt the confidential minutes of the previous meeting and as there are no corrections or discussion required there is no requirement to move to Public Excluded.

9 TE WHAKAŪ I NGĀ MENETI (ngā take matatapu) CONFIRMATION OF MINUTES (confidential items)

Resolved;

- 1. That the confidential minutes of the Council meeting held on 28 April 2022 be confirmed as a true and correct record.**

Moved: Cr Raukawa-Tait

Seconded: Cr Yates

CARRIED

The meeting closed at 11.37 am.

To be confirmed at the Council meeting on 30 June 2022.

.....
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](#).

7. Release of Confidential Items – Te Whakawātea i ngā Tuhinga Matatapu

01-15-016
RDC-1264198

ROTORUA LAKES COUNCIL

The Mayor
Members
COUNCIL

7.1 Confidential Items to be released

Report prepared by: Gomathi Konara, Governance Support Advisor

Report reviewed by: Oonagh Hopkins, Deputy Chief Executive – District Leadership & Democracy

Report approved by: Geoff Williams, Chief Executive

1. TE PŪTAKE PURPOSE

The purpose of this report is to provide an update on any confidential items which are to be released since the previous meetings.

2. HE TŪTOHUNGA RECOMMENDATION

That the report “Confidential items to be released” be received.

3. TE TĀHUHU BACKGROUND

3.1 Council’s Standing Orders, Clause 18.5 ‘Release of information from public excluded’ states:

“A local authority may provide for the release to the public of information which has been considered during the public excluded part of a meeting.

Each public excluded meeting must consider and agree by resolution, what, if any, information will be released to the public. In addition the chief executive may release information which has been considered at a meeting from which the public has been excluded where it is determined the grounds to withhold the information no longer exist. The chief executive will inform the subsequent meeting of the nature of the information released.”

**4. HE WHAKARAPOPOTOTANGA O NGĀ WHAKATAUNGA MATATAPU KUA PUTAINA
SUMMARY OF CONFIDENTIAL DECISIONS RELEASED**

| ITEM NO. | ITEM | MEETING |
|-----------------|--|--|
| 5.1 | ROTORUA LAKEFRONT CONSTRUCTION | COUNCIL MEETING -27.06.2019 |
| 5.2 | ROTORUA REGIONAL AIRPORT UPDATE | COUNCIL MEETING -22.08.2019 |
| 5.3 | ECONOMIC RECOVERY PROJECT 4 | STRATEGY, POLICY & FINANCE COMMITTEE MEETING HELD ON 11.03.2021 RECOMMENDED TO COUNCIL MEETING ON 25.03.2021 |
| 5.4 | POLYNESIAN SPA ADMISSION CHARGE INCREASE | STRATEGY, POLICY & FINANCE COMMITTEE MEETING HELD ON 10.02.2022 RECOMMENDED TO COUNCIL MEETING ON 24.02.2022 |
| 5.5 | APPROVAL OF CONTRACT (CONTRACT 27-22-015) FOR THE DEVELOPMENT OF TANIWHA WATER SUPPLY CULTURAL MANAGEMENT PLANS REQUIRED BY THE RESOURCE CONSENT | |
| 5.6 | APPROVAL OF CONTRACT (CONTRACT 27-22-014) FOR THE PRELIMINARY DETAILED DESIGN OF THE ROTORUA WASTEWATER TREATMENT PLANT UPGRADE | |
| 5.7 | RATES REMISSION OF SEWERAGE RATES FOR ROTORUA HOTEL ASSOCIATION MEMBERS WHERE OCCUPANCY RATES HAVE BEEN ADVERSELY IMPACTED BY COVID 19 | STRATEGY, POLICY & FINANCE COMMITTEE MEETING HELD ON 10.03.2022 RECOMMENDED TO COUNCIL MEETING ON 31.03.2022 |
| 5.8 | PHASE 3 AND EXTENSION OF CONTRACT - BULK STORMWATER ENABLING WORKS | |

5. NGĀ WHAKATAUNGA KIA PUTAINA KI TE MAREA DECISIONS RELEASED

The following recommendations were resolved at Council meeting (Confidential items) held 27 June 2019.

RECOMMENDATION

5.1 ROTORUA LAKEFRONT CONSTRUCTION

RDC-924635

Resolved:

1. That the report “Rotorua Lakefront Construction” be received.

Cr Hunt/Cr Kent
CARRIED

2. That HEB Construction be appointed as the preferred contractor for Contract 18/029: Lakefront Development Stage 1 and 1a works.
3. That the authority to award a contract to HEB Construction in an amount not to exceed the tendered sum of \$15,967,044.84 be delegated to the Chief Executive.
4. That this report and minutes be made publically available after the successful and unsuccessful tenderers have been advised.

Cr Kent /Cr Raukawa-Tait
C19/06/42
CARRIED

The following recommendations were resolved at Council meeting (Confidential items) held 22 August 2019.

RECOMMENDATION

5.2 ROTORUA REGIONAL AIRPORT UPDATE

RDC-924635

Resolved:

1. That the report ‘Rotorua Regional Airport proposed land acquisition’ be received.

Cr Gould/Cr Kent
CARRIED

2. That the Council endorses the purchase of the vacant land lots (55, 56, 57, 58 and 60) adjacent to the boundary of the airport along Lee Road.
3. That this report not be made publicly available.

4. That the minutes relating to this item be made publicly available on the sale and purchase agreement becoming unconditional.

Cr Kent/Cr Hunt
CARRIED
C19/08/58

Cr Sturt requested that his abstention from voting be recorded.

The following recommendations were resolved at the Strategy, Policy & Finance Committee meeting held 11 March 2021 were resolved at Council meeting (Confidential items) held 25 March 2021.

RECOMMENDATION

5.3 ECONOMIC RECOVERY PROJECT 4

RDC-1104215

1. That Council approve funding of up to \$180k from the Economic Recovery funds allocated in the Annual Plan for investment into the i-Site café facility.
2. That this report remain confidential.
3. That the minutes relating to this item be made publicly available at an appropriate time following consultation with Toi Ohomai.

Moved: Cr Donaldson

Seconded: Cr Wang

CARRIED

The following recommendations were resolved at the Strategy, Policy & Finance Committee meeting held 10 February 2022 were resolved at Council meeting (Confidential items) held 24 February 2022.

RECOMMENDATION

5.4 POLYNESIAN SPA ADMISSION CHARGE INCREASE

RDC-1220607

Resolved

1. That Council approves the admission charge increase to retail prices as detailed below proposed by Polynesian Spa Ltd.

| Product | Current Charge | Proposed Charge | <u>% increase</u> |
|------------------------|----------------|-----------------|-------------------|
| Pavilion Pools | \$33.95 | \$39.95 | 18% |
| Family Pool Adult | \$22.95 | \$25.95 | 13% |
| Family Pool Child | \$9.95 | \$11.95 | 20% |
| Deluxe Lake Spa Adult | \$59.95 | \$66.95 | 12% |
| Deluxe Lake Spa Child | \$59.95 | \$66.95 | 12% |
| Lake View Private Pool | \$38.95 | \$44.95 | 15% |
| Skyview Private Pool | \$24.95 | \$29.95 | 20% |

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| Product | Current Charge | Proposed Charge | <u>% increase</u> |
|---|--|--|--------------------------|
| Private Pool Child | \$9.95 | \$11.95 | 20% |
| Residents Monthly Pass (now available for all hours pools are open) | \$59.95 | \$63.95 | 7% |
| Residents Monthly Pass Plus Card (for pool use from 8am - 11pm, includes Priest Spa access per month) | \$110.00 | No longer required as monthly pass is now all hours | NA |
| Residents Monthly Pass Plus Card (for pool use from 8am - 11pm, includes Priest Spa access per month) | \$110.00 | No longer required as monthly pass is now all hours | NA |
| Residents Club Annual Pass | No change, 20% discount pools, gift shop, Café & Massage therapies | No change, 20% discount pools, gift shop, Café & Massage therapies | 0% |

2. That this report not be made publicly available.
3. That the minutes relating to this item be made publicly available from 1 April 2022 when the pricing change is implemented.

Moved: Cr Yates

Seconded: Cr Raukawa- Tait

CARRIED

The following recommendations were resolved at the Strategy, Policy & Finance Committee meeting held 10 February 2022 were resolved at Council meeting (Confidential items) held 24 February 2022.

RECOMMENDATION

- 5.5 APPROVAL OF CONTRACT (CONTRACT 27-22-015) FOR THE DEVELOPMENT OF TANIWHA WATER SUPPLY CULTURAL MANAGEMENT PLANS REQUIRED BY THE RESOURCE CONSENT

RDC-1219534

Resolved

1. That Council approve the award of Contract 27-22-015 - Development of Taniwha Water Supply Cultural Management Plans Required by the Resource Consent to Ngāti Rangiwewehi Charitable Trust (Ngāti Rangiwewehi Te Tari Taiao Unit) in the amount of \$375,000.00.
2. That this report not be made publicly available.
3. That the minutes relating to this item be made publicly available on 1 March 2022.

Moved: Cr Yates
Seconded: Cr Macpherson
CARRIED

The following recommendations were resolved at the Strategy, Policy & Finance Committee meeting held 10 February 2022 were resolved at Council meeting (Confidential items) held 24 February 2022.

RECOMMENDATION

- 5.6 APPROVAL OF CONTRACT (CONTRACT 27-22-014) FOR THE PRELIMINARY DETAILED DESIGN OF THE ROTORUA WASTEWATER TREATMENT PLANT UPGRADE

RDC-1219703

Resolved

- 1. That Council approve the award of Contract 27-22-014 Preliminary Detailed Design of the Rotorua Wastewater Treatment Plant Upgrade to Trility Rotorua Ltd, in the amount of \$1,709,000**
- 2. That this report not be made publicly available.**
- 3. That the minutes relating to this item be made publicly available on 1 March 2022.**

Moved: Cr Donaldson
Seconded: Cr Wang
CARRIED

The following recommendations were resolved at the Strategy, Policy & Finance Committee meeting held 10 March 2022 were resolved at Council meeting (Confidential items) held 31 March 2022.

RECOMMENDATION

- 5.7 RATES REMISSION OF SEWERAGE RATES FOR ROTORUA HOTEL ASSOCIATION MEMBERS WHERE OCCUPANCY RATES HAVE BEEN ADVERSELY IMPACTED BY COVID 19.

RDC-1231925

Resolved:

- 1. That Council to consider the request by the Rotorua Hotel Association and approve for the Rotorua Hotel Association Members where occupancy rates have reduced by more than 50% due to Covid 19, a remission for the targeted Sewerage Rate of 30% for the 2021/2022 rating year.**
- 2. That this report is not to be made publically available.**
- 3. That the minutes relating to this item be made publicly available following the Council meeting on 31 March 2022.**

Moved: Cr Tapsell
Seconded: Cr Yates
CARRIED

The following recommendations were resolved at the Strategy, Policy & Finance Committee meeting held 10 March 2022 were resolved at Council meeting (Confidential items) held 31 March 2022.

RECOMMENDATION

5.8 PHASE 3 AND EXTENSION OF CONTRACT - BULK STORMWATER ENABLING WORKS

RDC-1229079

1. **That Council approve the extension of the contract value for Contract 21/024 by \$2.65M to \$7.05M.**
2. **That this report not be made publicly available.**
3. **That the minutes relating to this item be made publicly available following the Council meeting on 31 March 2022.**

Moved: Cr Donaldson

Seconded: Cr Yates

CARRIED

8. Recommendations from other Committees – Ngā Taunakitanga a ētahi atu Komiti

01-15-016
RDC-1269988

ROTORUA LAKES COUNCIL

The Mayor
Members
COUNCIL

8.1 Recommendations from other Committees

Report prepared by: Isabel Brell, Governance Support Advisor

Report reviewed by: Oonagh Hopkins, Deputy Chief Executive – District Leadership & Democracy

Report approved by: Geoff Williams, Chief Executive

1. TE PŪTAKE PURPOSE

The purpose of this report is to provide an opportunity for members to consider recommendations received from other committees.

2. NGA TŪTOHUNGA RECOMMENDATIONS

1. That the report 'Recommendations from other committees' be received.
2. That the following recommendations of the Strategy, Policy & Finance Committee meeting held 9 June 2022 be adopted:

RECOMMENDATION 1

APPROACH TO THE THREE WATERS "BE BETTER OFF" FUNDING APPLICATION

RDC-1265522

Resolved:

1. That Council notes:
 - a. That Rotorua district is entitled to \$8.05m in the first tranche of the Three Waters "Be Better Off" fund.
 - b. That an application must be made by September 2022.
 - c. That making an application does not bind the council to support the Three Waters reform.
2. That Council supports a RLC application to the first tranche of the Three Waters "Be Better Off" fund.
3. That Council supports the project evaluation and prioritisation approach proposed in this report.

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RECOMMENDATION 2

DELEGATION OF AUTHORITY FOR THE CHIEF EXECUTIVE TO APPROVE CONTRACT 22/028 – CONSTRUCTION OF MOREY STREET FLOOD DETENTION DAMS AND WETLAND

RDC-1261414

Resolved:

1. **That Council approve the Delegation of Authority for the Chief Executive to approve Contract 22/028 – Construction of Morey Street Flood Detention Dams and Wetland.**

RECOMMENDATION 3

APPOINTMENT TO TARAWERA AWA RESTORATION GROUP

RDC-1262336

Resolved:

1. **That Council appoint Councillor Merepeka Raukawa-Tait as the Rotorua Lakes Council representative to the Tarawera Awa Restoration Group.**

**3. TE TĀHUHU
BACKGROUND**

- 3.1 Reports relating to the above recommendations were included in the agenda for the Strategy, Policy & Finance Committee meeting held 9 June 2022. The agenda is available for viewing on Council's website under www.rotorualakescouncil.nz / Council / Meetings.

9. Staff Reports – Pūrongo Kaimahi

01-65-008
RDC-1274505

ROTORUA LAKES COUNCIL

The Mayor
Members
COUNCIL

9.1 Adopt Long-Term Plan Year 2 Delivery 2022-2023

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

Report reviewed by: Oonagh Hopkins, Deputy Chief Executive - District Leadership and Democracy

Report approved by: Geoff Williams, Chief Executive

1. TE PŪTAKE PURPOSE

The purpose of this report is for Council to adopt the final Long-term Plan Year 2 delivery (the plan) 2022-2023.

2. HE TŪTOHUNGA RECOMMENDATION

1. That the report 'Adopt Long-term Plan Year 2 delivery (the plan) 2022-2023' be received.
2. That Council adopts the Long-term Plan Year 2 delivery 2022-2023 and notes the plan shows commitment to continuing the direction set in the Long-term Plan 2021-2031.

3. TE TĀHUUHU BACKGROUND

Council's Long-term Plan 2021-2031 adopted in June 2021 connects the district's 2030 vision to a 10 year action plan. It has set investment into community wellbeing, and work programmes and projects for the benefit of our community, based upon five key strategies:

- Homes and Thriving communities (Housing)
- Community Safety
- Economic Development
- Climate Change
- Enabling Infrastructure

In subsequent years the council must adopt an annual plan, (2022/23 year 2 and 2023/24 year 3).

The Plan then is the link between the Long-term Plan and the annual setting of rates. That is to say that the purpose of an annual plan is to:

- (a) contain the proposed annual budget and funding impact statement for the year to which the annual plan relates
- (b) identify any variation from the financial statements and funding impact statement included in the local authority's long-term plan in respect of the year
- (c) provide integrated decision making and co-ordination of the resources of the local authority, and
- (d) contribute to the accountability of the local authority to the community.

All local authorities must publish an annual plan and adopt it by 30 June. Amendments made to the Local Government Act 2002 in August 2014 resulted in changes to the documentation and consultation requirements for annual plans. The changes made reflected the desire by both local and central government for long term planning to be exactly that, long term. And as a result the Annual Plan is an exceptions based only document focused on changes between the Long-term Plan and the proposed Annual Plan.

These changes also removed the requirements to consult on an Annual Plan unless there are significant or material differences from the LTP. Consultation is no longer a special consultative procedure and can be conducted by methods chosen by individual councils.

The changes were designed to reduce cost by removing unnecessary duplication in consultation processes and in the preparation of information and to drive a commitment by councils to be more long term and strategically focussed.

As has been reported to Council since February 2022, by the Chief Financial Officer the proposed year two delivery is consistent with the Long-term Plan. However, as has previously been reported there are a number of risks and challenges that are being actively managed in order to deliver the work programmes within the funding envelope set in June 2021.

4. TE MATAPAKI ME NGĀ KŌWHIRINGA DISCUSSION AND OPTIONS

As outlined above year two delivery is consistent with the Long-term Plan which was heavily consulted on at the time of its development.

With the feedback presented at the Strategy, Policy and Finance committee and noting the financial challenges Council will face in the coming year, the committee recommended to maintain the course and continue with a 5.7% rates increase and \$143 million capital works programme.

Attached for information are the fees and charges schedules for services that have a component of user charges as per the Council's Funding Policy. The fees and charges have been available on the Council website since 09 June 2022. Once the plan is adopted the fees and charges will take effect on 1 July 2022.

Following the adoption of the plan, Council will be required to make a subsequent decision to set the rates for the financial year 1 July 2022 to 30 June 2023. Refer to subsequent item on the agenda. This will enable the Council to prepare the necessary notifications to ratepayers, issue invoices and collect the revenue required to fund the Council services.

5. TE TINO AROMATAWAI ASSESSMENT OF SIGNIFICANCE

The Long-term Plan 2021-2031 was adopted by Council in June 2021. The Long-term Plan Year 2 Delivery is a continuation of the LTP and serves as an exceptions reports against the LTP.

The key projects summarised in the Long-term Plan Year 2 Delivery document are significant to the overall delivery of the Long-term Plan 2021-2031 and have all been previously consulted upon when the Long-term Plan was developed and adopted. Council continues to be committed to the delivery of the Long-term Plan as it was put forward.

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

Discussion on the Long-term Plan Year 2 Delivery was undertaken 11 April to 11 May 2022. This stage does not require additional engagement.

Council is required to adopt its Long-term Plan Year 2 Delivery by 30 June 2022.

7. HE WHAIWHAKAARO CONSIDERATIONS

7.1 Mahere Pūtea Financial/budget considerations

Decisions made during this stage of the process can result in changes to the overall LTP Year 2 delivery budget. The impact of any change will be discussed as it arises and will be considered cumulatively in the summing up of responses from the Chief Financial Officer to the elected members.

7.2 Kaupapa Here me ngā Hiraunga Whakariterite Policy and planning implications

The adoption of the plan sets the council's direction and financial framework for the next financial year.

7.3 Tūraru Risks

Significant changes that deviate from the adopted Long-term Plan 2021-2031 may affect Council's ability to adopt the plan within statutory timeframes, and may result in further community engagement. Any delay in the adoption of the Long-term Plan Year 2 will impact the rates strike and revenue for the financial year ending 30 June 2023.

7.4 Te Whaimana Authority

Full Council is the final decision maker on plans, projects and budgets within the Long-term Plan Year 2 Delivery 2022-2023.

8. NGĀ ĀPITI HANGA ATTACHMENTS

Attachment 1: Long-term Plan Year 2 Delivery 2022 – 2023 – distributed separately
Attachment 2: Updated Fees and Charges Schedule 2022/23 – distributed separately

ROTORUA LAKES COUNCIL

The Mayor
Members
COUNCIL

9.2 Setting Council Rates for the Year 1 July 2022 to 30 June 2023

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

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

Report approved by: Geoff Williams, Chief Executive

**1. TE PŪTAKE
PURPOSE**

The purpose of this report is to set the rates for 2022/23, the due dates for payment and authorise the addition of penalties to unpaid rates.

**2. HE TŪTOHUNGA
RECOMMENDATION**

1. That the report 'Setting Council rates for the year 1 July 2022 to 30 June 2023' be received.

2. That Council

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

Rates funding impact statement

Rates for 2022/23

All figures stated do not include GST.

Amounts to be collected are stated prior to remissions.

To be read in conjunction with the Revenue and Financing policy.

| Forecasted Assessments 2022/23 | Capital Value | Land Value |
|--------------------------------|----------------|----------------|
| 30,775 | 23,992,708,500 | 11,931,077,200 |

General rates

General rate on capital value

Council sets a general rate on capital value on a differential basis, assessed on all rateable land in the district. The general rate funds that part of the general revenues of Council that is not funded by the uniform annual general charge.

The relationship between the differential categories for the general rate and the indicative rate per dollar of capital value is:

| Differential categories | Relative differentials | Rate per \$ of capital value |
|----------------------------|------------------------|------------------------------|
| | | 2022/23 |
| 1. General Rate – Base | 1.0 | 0.002479 |
| 2. General Rate – Business | 1.72 | 0.004263 |

It is the council's view that some land uses receive more benefit from, or place more demand on, council services and/or may have a differing ability to pay rates. The differentials will be determined based on land use (including consideration of land use classifications determined under the Rating Valuation Rules) and location.

The amount to be collected for 2022/23 is \$58,616,119

Definition of differential categories for the general rate on capital value

Base: Every property not otherwise categorised.

Business: Every property which is:

- used for any business or industrial purpose.
- vacant land which is not zoned residential or rural.

Uniform annual general charge

Council sets a uniform annual general charge as a fixed amount of \$425.00 per rateable rating unit.

The UAGC is set at a level that is determined by Council each year, subject to the maximum allowed under Section 21 of the Local Government (Rating) Act 2002.

The amount to be collected for 2022/23 is \$11,956,211

Targeted rate for lakes enhancement

Council sets a targeted rate for lakes enhancement as a fixed amount of \$19.66 per rating unit, on all rateable land in the district excluding rating units within the Waikato region as per Map V.

The rate is to contribute to lakes enhancement by way of improving water quality and supports the sewerage activity to achieve water quality outcomes.

The amount to be collected for 2022/23 is \$527,201.

Targeted rates for business and economic development

Council sets 2 targeted rates to fund business and economic development on all rating units differentiated on the basis of the use to which the land is put as shown in the table below or for vacant land the activities that are permitted, controlled or discretionary as set out in the district plan (as identified in the tables below) (excluding Kaingaroa Village rating unit 07010 514 01A and Rotorua Lakes Council utilities) This rate contributes to the cost of Economic Projects

- Destination Rotorua Marketing
- Tourism Rotorua Travel and Information Centre

The relationship between the three differential categories for the purposes of setting these targeted rates in terms of the total revenue to be gathered has been set as follows:

| | | Revenue gathering split for the Business and Economic Development targeted rates |
|-------------------------------|--------------------------|---|
| 1. | Business Urban and Rural | 80% |
| 2. | Industrial | 10% |
| 3. | Farming | 10% |
| Total revenue to be generated | | 100% |

The amount to be collected for 2022/23 is \$6,979,906.

- Council will set a targeted rate as a fixed amount per rateable rating unit, on a differential basis based on the use of the land or for vacant land the activities that are permitted, controlled or discretionary as set out in the district plan as set out in the table below:

| Differential categories | Relative differentials | Rate per rating unit |
|--------------------------|------------------------|----------------------|
| Business Urban and Rural | 100 | 189.39 |
| Industrial | 100 | 189.39 |
| Farming | 25 | 47.35 |

- b. In addition, Council will set a targeted rate in the dollar on capital value set on a differential basis for the following categories of properties, as follows:

| Differential categories | Revenue to be collected \$ | Rate per \$ of capital value |
|--------------------------|----------------------------|------------------------------|
| Business Urban and Rural | 5,351,295 | 0.002580 |
| Industrial | 580,948 | 0.000828 |
| Farming | 627,736 | 0.000175 |

The differentiated targeted rate in the dollar on capital value will be set on every rating unit where either:

- the principal use of that rating unit falls into one of the three categories described above, or
- part of the rating unit has a significant secondary use that falls into one of the categories described except where that use is the business of providing short-term accommodation.

This rate will apply only to the part of the rating unit allocated to the appropriate category.

Definition of differential categories for the business and economic development targeted rates

Business, Urban and Rural: Every property that is zoned urban or rural in the district plan and is used for any business purpose except industrial. This category includes utilities and their networks.

Industrial: Every property that is used for industrial purposes

Farming: Every property that is used for farming purposes

Notes: "Providing short-term accommodation" for the purposes of this rate includes the provision of accommodation such as a B&B, lodge, retreat, farm stay or homestay or the provision of other similar short-term accommodation."

Targeted rate for refuse collection and waste management services

Council sets a targeted rate for refuse collection and waste management services on all rating units in the district that are located within the Rotorua urban rating boundary (as shown on map V) and that are located in the rural areas identified on map W and that are not used as council reserves. The rate is differentiated based on the location of the

rating unit, the use to which the rating unit is put, and the provision or availability of the service to the rating unit. The rate is set as either an amount per separately used or inhabited part (SUIP) of a rating unit that receive the service, or is set as an amount per rating unit for rating units that are "Serviceable".

The targeted rate funds refuse collection service which includes recycling. The targeted rate also funds waste management services, which include litter bin provision and the management of, as well as the removal of illegal littering and waste dumping on council controlled land, conducting of waste minimisation information and education programmes as well as other associated costs to Council in providing the service.

Serviced (CBD business SUIP) rating units

The relationship between the differential categories for the waste collection rates and the amount of the rate for the 2022/23 year is as follows:

| Waste Collection | Relative differentials (%) | 2022/23 rate \$ |
|--|----------------------------|------------------------|
| The total amount to be collected in 2022/23 is \$7,135,351 | | |
| Serviced | 100 | 228.56 per SUIP |
| Serviced (CBD business SUIP) | 200 | 457.12 per SUIP |
| Serviced (Rural) | 100 | 228.56 per SUIP |
| Serviceable | 50 | 114.28 per rating unit |

Description of differential categories for the refuse collection and waste management services rates – rateable properties

Serviced: All rating units that receive the service within the area shown on Map V, excluding rating units within the CBD area identified in Map Y, **Serviced (CBD business SUIP):** All rating units used for commercial purposes within the CBD area identified in the map X.

Serviced (Rural): All rating units identified on Map W.

Serviceable: All rating units shown in map V (Rotorua urban rating boundary) where the service is available to a rating unit, but is not used. This includes any rating units that are vacant (including bare land). It does not allow for voluntary opting out of receiving the service.

Notes: Council reserve tenants will have the option of entering a private contract with Council's contractor if they wish to use the collection service.

Targeted rates for water supply

Council sets targeted rates for water supply to properties, differentiated on the basis of the location of the rating unit, the provision or availability to the rating unit of a water supply and the use to which the rating unit is put. The amount to be collected is \$11,557,656

The targeted rates for water supply are as follows:

| Water supply (except Kaharoa and Reporoa) (Service areas shown on Map A, Map B, Map C, Map D, Map E, Map F) | Relative differentials (%) | Factor of liability | 2022/23 Rate \$ |
|--|----------------------------|---------------------|-----------------|
|--|----------------------------|---------------------|-----------------|

The amount to be collected for Metered water is estimated to be \$4,701,844 General water rate \$6,855,812

A differential targeted rate of:

| For rating units within the service areas that are receiving the service | 100 | Per SUIP | 335.70 |
|--|----------------------------|---------------------|-----------------|
| For Rating units within the service areas to which water supply is available. | 50 | Per rating unit | 167.85 |
| A fixed amount on each connection to a rating unit (and metered). | 100 | Per connection | 335.70 |
| A targeted rate on each metered connection to a rating unit of a fixed amount per cubic metre supplied in excess of 56 cubic metres per quarter. | | Per cubic metre | 1.4987 |
| Kaharoa (Service areas shown , Map G) | Relative differentials (%) | Factor of liability | 2022/23 Rate \$ |

The amount to be collected is \$342,169

| A targeted rate of a fixed amount per connection to a rating unit. | | Per connection | 379.07 |
|--|----------------------------|---------------------|-----------------|
| A targeted rate on each metered connection to a rating unit of a fixed amount per cubic metre supplied to the rating unit. | | Per cubic metre | 0.4885 |
| Reporoa (Service areas shown on Map H) | Relative differentials (%) | Factor of liability | 2022/23 Rate \$ |

The amount to be collected is \$833,059

A differential targeted rate:

| | | | |
|---|-----|-----------------|--------|
| Domestic/Non-Farming rating unit connected. | 64 | Per connection | 222.21 |
| Farming/Dairy-Factory rating unit connected. | 100 | Per connection | 347.20 |
| A fixed amount on each metered connection to a Domestic/non-farming rating unit per cubic metre supplied in excess of the 82 cubic metres per quarter | 100 | Per cubic metre | 0.6799 |

| | | | |
|---|----|-----------------|--------|
| A fixed amount on each metered water connection to a Farming/Dairy factory rating unit per cubic metre supplied in excess of the 207 cubic metres per quarter | 64 | Per cubic metre | 0.4193 |
|---|----|-----------------|--------|

Certain definitions the water supply rates

Connected rating unit: is one to which water is supplied from a council water supply service.

Serviceable rating unit: is one to which water is not provided, but the whole, or some part of the rating unit is within 100 metres of a council water supply service and is within a water supply area and could be effectively connected to that water supply service.

For the Reporoa water supply:

Domestic/Non-Farming rating unit: means a rating unit where the water supply is not subject to water allocation and a corresponding restriction on a flow or time basis. This applies to rating units used primarily for domestic, commercial or industrial excluding the Reporoa Dairy Factory.

Farming/Dairy Factory rating unit: means a rating unit used primarily for farming of livestock and also includes the Reporoa Dairy Factory. Such rating units are subject to a daily water allocation restricted on a flow or time basis.

Notes: Targeted rates for metered supply are invoiced quarterly by separate invoice.

Leakage: In respect of all metered water supply, where leakage is detected, the amount of water supplied will be determined in accordance with Council's procedure relating to account reassessments.

Targeted rates for sewage disposal

Council sets targeted rates for sewage collection and disposal to properties based on the location of the rating unit (being those rating units located within the service areas shown on Map I, J, K, L, M, N, O, P, Q, R, S, T, and U) on a differential basis, based on the provision or availability to the land of sewage disposal services, as follows:

| Sewerage Disposal | Relative differentials (%) | Factor of liability | 2022/23 Rate \$ |
|--|----------------------------|---------------------|-----------------|
| The amount to be collected is \$20,586,169 | | | |
| 1. Connected rating unit: | | | |
| Connected rating units with 1 to 4 toilets (water closets or urinals). | 100 | Per WC/urinal | 589.95 |
| Connected rating units with 5 to 10 toilets (water closets or urinals). | 84 | Per WC/urinal | 495.55 |
| Connected rating units with 11 or more toilets (water closets or urinals). | 76 | Per WC/urinal | 448.36 |
| 2. Serviceable rating unit | | | |
| - means the rating units which are serviceable rating units. | 49 | Per rating unit | 289.07 |

Certain definitions for the sewage disposal rates

Connected rating unit: means a rating unit within the service areas shown on Map I, J, K, L, M, N, O, P, Q, R, S, T, and U from which sewage is collected either directly or by private drain to a public sewerage system.

Serviceable rating unit: means a rating unit within the service areas shown on Map I, J, K, L, M, N, O, P, Q, R, S, T, and U from which sewage is not collected but the rating unit (or part) is within 30 metres of Council's sewerage system and could be effectively connected to the sewerage scheme.

WC/urinal: means: a) a water closet; or b) each 1.5 metres or part thereof of urinal; or c) from 1 to 4 wall mounted urinettes.

Note: a rating unit used primarily as a residence for 1 household will be treated as having only 1 water closet or urinal

Targeted Rates for Urban Sewerage Development

Council sets targeted rate for urban sewerage development rate on all rateable land in the area shown on Map V as a fixed amount of \$3.18 per rating unit.

The rate funds the cost of sewerage capital works in the Ngongotaha, Fairy Springs and Hinemoa Point areas.

The amount to be collected in 2022/23 is \$70,269.

Targeted Rates for Capital Cost of Sewerage Schemes

Council sets separate targeted rates for the costs of the following sewerage schemes:

- Okawa Bay
- Mourea
- Marama Point
- Amora Lake Resort
- Hinemoa Point
- Brunswick
- Brunswick stages 4 and 6
- Rotokawa
- Lake Okareka/Blue lake
- Okere Falls/Otaramarae/Whangamarino
- Paradise Valley
- Hamurana/Awahou
- Waikuta Marae
- Vision Charitable Trust

The rating units liable for this rate are those in the service areas as identified below.

| | Factor of liability | 2022/23 Rate \$ |
|---|---------------------|-----------------|
| Amora Lake Resort (Rating unit 06961 052 00) | | |
| The amount to be collected is \$12,250 A fixed amount per rating unit | Per rating unit | 12,250.34 |
| Brunswick Stages 4 and 6 (Service areas shown on Map M) | | |
| The amount to be collected is \$9,953. A fixed amount on each household unit equivalent (HUE) | Per HUE | 292.74 |
| Brunswick (Service areas shown on Map N) | | |
| The amount to be collected is \$54,245 A fixed amount on each household unit equivalent (HUE) | Per HUE | 609.49 |
| Hamurana/Awahou (Service areas shown on Map O) | | |
| The amount to be collected is \$122,711 A fixed amount on each household unit equivalent (HUE) | Per HUE | 426.08 |
| Hinemoa Point (Service areas shown on Map K) | | |
| The amount to be collected is \$25,505 A fixed amount on each household unit equivalent (HUE) | Per HUE | 495.25 |
| Lake Okareka/Blue Lake (Service areas shown on Map P) | | |
| The amount to be collected is \$164,885 A fixed amount on each household unit equivalent (HUE) | Per HUE | 897.09 |
| Marama Point (Service areas shown on Map Q) | | |
| The amount to be collected is \$14,692 A fixed amount on each household unit equivalent (HUE) | Per HUE | 233.20 |
| Mourea (Service areas shown on Map J) | | |
| The amount to be collected is \$26,688 A fixed amount on each household unit equivalent (HUE) | Per HUE | 291.67 |
| Okawa Bay (Service areas shown on Map L) | | |
| The amount to be collected is \$9,089 A fixed amount on each household unit equivalent (HUE) | Per HUE | 454.46 |
| Okere Falls / Otaramarae / Whangamarino (Service areas shown on Map R) | | |
| The amount to be collected is \$105,486 A fixed amount on each household unit equivalent (HUE) | Per HUE | 404.47 |

| Continued... | Factor of liability | 2022/23 Rate \$ |
|--|---------------------|-----------------|
| Paradise Valley (Service areas shown on Map S) | | |
| The amount to be collected is \$4,886 A fixed amount on each household unit equivalent (HUE) | Per HUE | 375.85 |
| Rotokawa (Service areas shown on Map T) | | |
| The amount to be collected is \$31,953 A fixed amount on each household unit equivalent (HUE) | Per HUE | 187.96 |
| Waikuta Marae (Service areas shown on Map U) | | |
| The amount to be collected is \$2,137 A fixed amount on each household unit equivalent (HUE) | Per HUE | 356.14 |
| Vision Charitable Trust (rating unit 6972 275 04) | | |
| The amount to be collected is \$15,541 A fixed amount per rating unit | Per rating unit | 15,541.30 |

These rates fund the capital cost of establishing the schemes over 25 years.

The targeted rates for the respective sewerage schemes are applied only to those properties that have not taken the opportunity to pay their contribution towards the capital costs as an informal single lump sum payment (where available). Those ratepayers who have made or make an informal single lump sum payment will not be liable for the sewerage scheme capital cost targeted rate. Payments of informal single lump sum payments must be received by 15 June prior to 1 July of the first financial year that Council charges a targeted rate for capital costs for the respective sewerage scheme. The option for ratepayers to settle the residual amount of their share of the capital cost of their particular scheme will be available throughout the remaining term of the targeted rate i.e. anytime during the 25 years. This ability exists for all schemes and is provided through a specific remission policy included elsewhere in this plan.

For future developments or connections Council reserves the right to select the funding mechanism(s) that will be used. This may include either of the options referred to above i.e. assessing a targeted rate over a longer period or inviting a capital payment before the service connection is completed.

Definitions for the sewerage rates

Nominated rating units: means properties which existed as rating units at the date of commissioning each scheme.

Household unit equivalent (HUE): means a household equivalent to enable industrial, commercial and multiple dwelling developments to be included in the calculations. It is used to convert industrial, commercial and multiple dwelling developments to a household equivalent equating to a single dwelling. Where used as the factor to determine a rating unit's liability for a rate, HUE corresponds to the extent of provision of the service to the rating unit.

A minimum of one HUE will apply to all nominated rating units including those where no building exists i.e are vacant. Where multiple dwellings exists, each HUE additional to the primary dwelling will be assessed on the following basis:

| Floor Area of Additional building | % Charge/HUE |
|--|-------------------|
| Less than 40m ² | No charge* |
| 0 change to 40m ² to less than 60m ² | 50% HUE |
| 60m ² to less than 70m ² | 60% HUE |
| 70m ² to less than 80m ² | 70% HUE |
| 80m ² to less than 90m ² | 80% HUE |
| 90m ² to less than 100m ² | 90% HUE |
| 100m ² or greater | 100% HUE or 1 HUE |

The first additional building of less than 40m² will not attract a separate sewerage capital targeted rate or voluntary contribution charge. Any further buildings of less than 40m² will be assessed a sewerage capital targeted rate or voluntary contribution charge of 50% HUE.

Definition of separately used or inhabited part of a rating unit

Separately used or inhabited part (SUIP): A separately used or inhabited part of a rating unit means any portion inhabited or used by (the owner/a person other than the owner), and who has the right to use or inhabit that portion by virtue of a tenancy, lease, licence, or other agreement. For the purposes of the targeted rate for refuse collection and waste management services – rateable properties for rural properties (outside the urban boundary shown on Map V), this definition is limited to those parts that are inhabited or could be inhabited as residential dwellings.

This definition includes separately used parts, whether or not actually occupied at any particular time, which are provided by the owner for rental (or other form of occupation) on an occasional or long term basis by someone other than the owner.

For the purpose of this definition, vacant land and vacant premises offered or intended for use or inhabitation by a person other than the owner and usually used as such are defined as “used”.

For the avoidance of doubt, a rating unit that has a single use or occupation is treated as having one separately used or inhabited part.

Voluntary Lump Sum Capital Contributions

Council had set amounts for ratepayers who elected to pay one-off voluntary lump sum capital contributions for the capital cost of sewerage schemes.

Lump sum options for all current schemes have expired, however ratepayers may still choose to settle their outstanding contribution at any time. Council offers a specific remission policy for this purpose.

Except as stated above, the Council will not accept lump sum contributions in respect of any targeted rate.

Rates Postponement

To cover costs, the following fees and charges are set for the 2022/23 rating year. All fees and charges for this will be added as either a one-off or annual charge as the case may be, to the approved applicant's rate account.

| Initial Charges One-Off (plus GST at the prevailing rate) | Charging Unit | 2022/23 |
|---|---------------|---------|
| Application Fee | One-Off | \$88.89 |
| Half Year Interest Charges | | |
| Interest calculated on councils marginal borrowing rate 6 monthly on all amounts outstanding | | |
| Annual Charges (plus GST at the prevailing rate) | Charging Unit | 2022/23 |
| Annual Account Fee | Annual | \$44.44 |
| Administration Fee | Annual | 1.0% |
| Reserve Fund Fee | Annual | 0.25% |
| Property Insurance * | Annual | TBA |
| * Property Insurance: A ratepayer must submit a current insurance certificate annually. If the ratepayer cannot afford separate cover council will arrange cover, and the cost will be added to the balance of postponed rates. | | |

Due dates for payment of rates

All rates excluding targeted rates for metered water supply will be payable in four equal instalments by the due dates, as follows:

| Instalment | Due Date | Penalty Date |
|---------------------|------------------|------------------|
| Instalment Number 1 | 20 August 2022 | 23 August 2022 |
| Instalment Number 2 | 20 November 2022 | 23 November 2022 |
| Instalment Number 3 | 20 February 2023 | 23 February 2023 |
| Instalment Number 4 | 20 May 2023 | 23 May 2023 |

Discount for Prompt Payment

A discount, at a rate set annually, is allowed to any ratepayer who pays the total rates, charges, and levies as specified on the rates assessment (excluding targeted rates for metered water supply charged quarterly), by the due date for the first instalment. The discount for 2022/23 is 2.0 %.

Penalties on unpaid rates

Current overdue rates instalments:

- A penalty will be added to any part of an instalment that remains unpaid after the due date for payment of the instalment on the penalty dates above. The penalty will be 10% of the unpaid instalment.

Arrears of rates (including past instalments):

- A further penalty of 10% will be added on 7 July 2022 to rates assessed in any previous financial year and which remain unpaid on 30 June 2022.
- A further penalty of 10% will be added on 8 January 2023 to rates assessed in any previous financial year, plus any previous further penalty, and which remain unpaid on 8 January 2023.

Note: Penalties will not be applied to rating units approved by the Chief Financial Officer in cases where:

- applying penalties would serve to be detrimental to the collection of all or part of the balance of the outstanding rates; or
- applying penalties would only add to what is deemed to be an uncollectable debt; or
- there is a Direct Debit authority to pay the full amount of rates owing by regular payments within the current rating year, and any default is promptly rectified.
- Land is designated 'Maori Freehold land title'; and
 - Is under multiple ownership; and
 - Is unoccupied

Due dates for payment of Targeted Rates for metered water supply

Targeted rates for metered water supply will be read and invoiced quarterly. The due date for payment for each of the quarters is as follows:

| Billing cycle | Billing month | Due date | Penalty Date |
|---------------------|---------------|-------------------|-------------------|
| May – August | August | 25 September 2022 | 28 September 2022 |
| August – November | November | 20 December 2022 | 10 January 2023 |
| November – February | February | 25 March 2023 | 28 March 2023 |
| February – May | May | 25 June 2023 | 28 June 2023 |

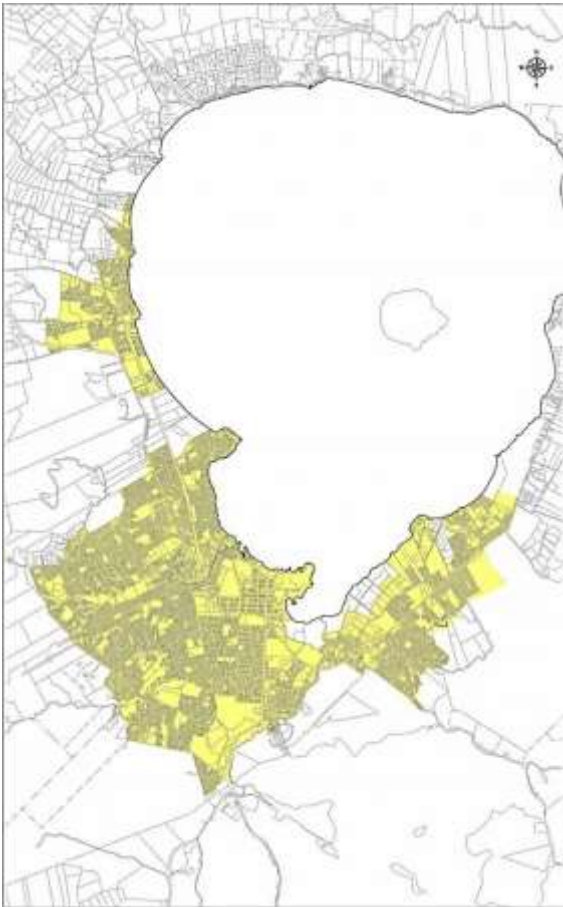
Penalties on unpaid water invoices

A penalty will be added to any part of a current invoice that are not paid by its due date and remain unpaid on the relevant penalty date. The penalty will be 10% of any unpaid part of the invoice.

Rating maps

Map A

Urban Water Supply



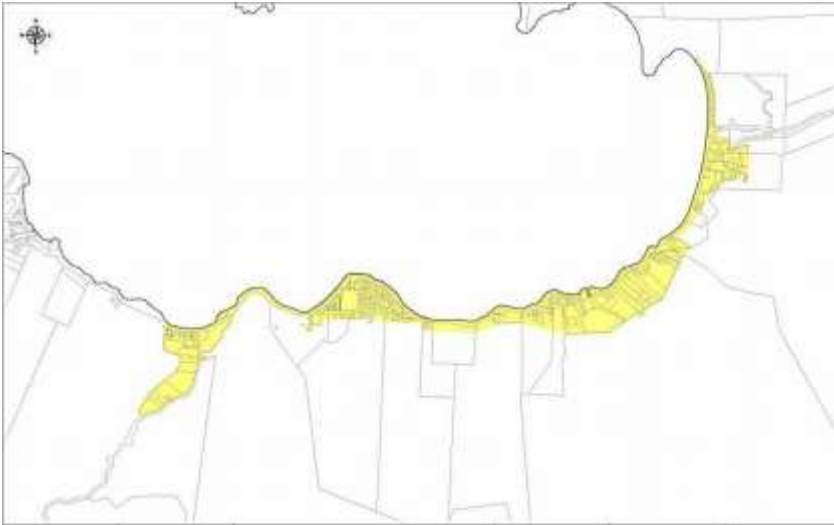
Map B

Mamaku Water Supply



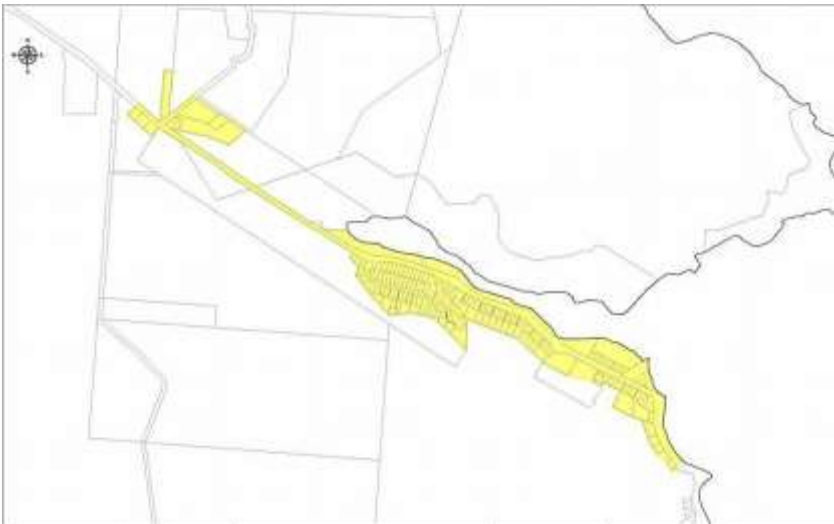
Map C

Rotoiti Water Supply



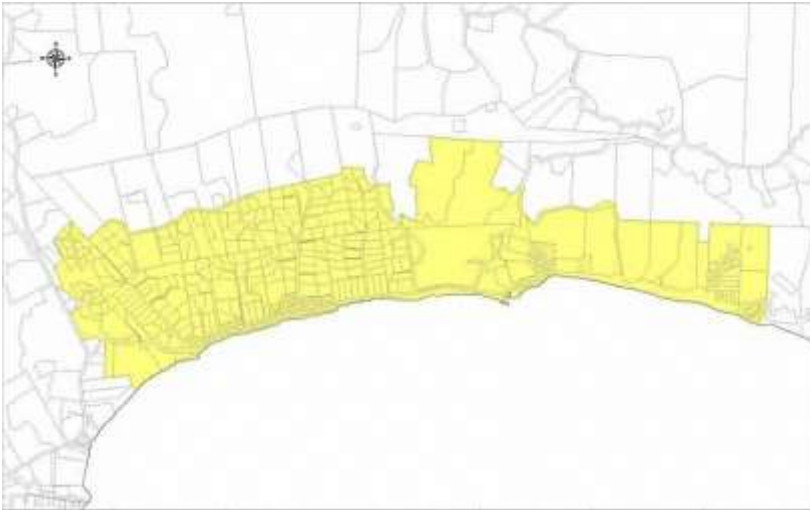
Map D

Rotomā Water Supply



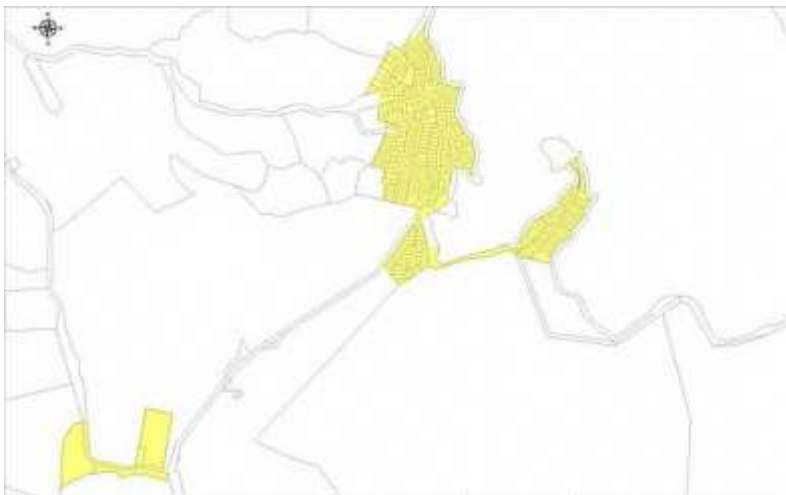
Map E

Hamurana Water Supply



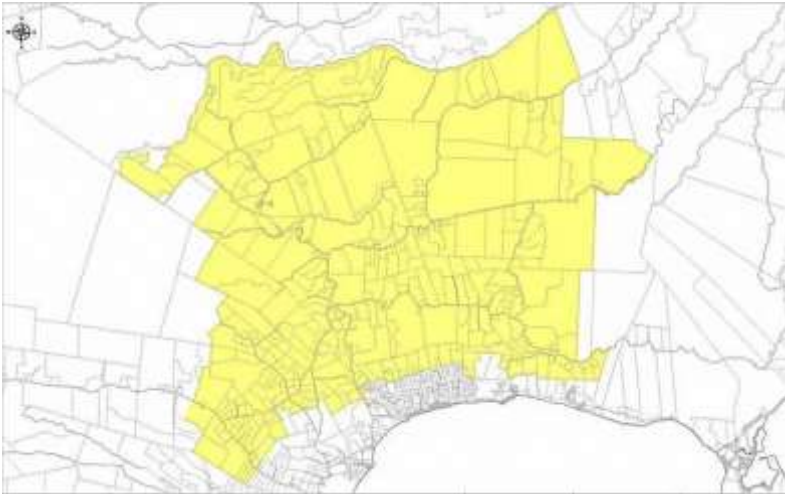
Map F

Okareka Water Supply



Map G

Kaharoa Water Supply



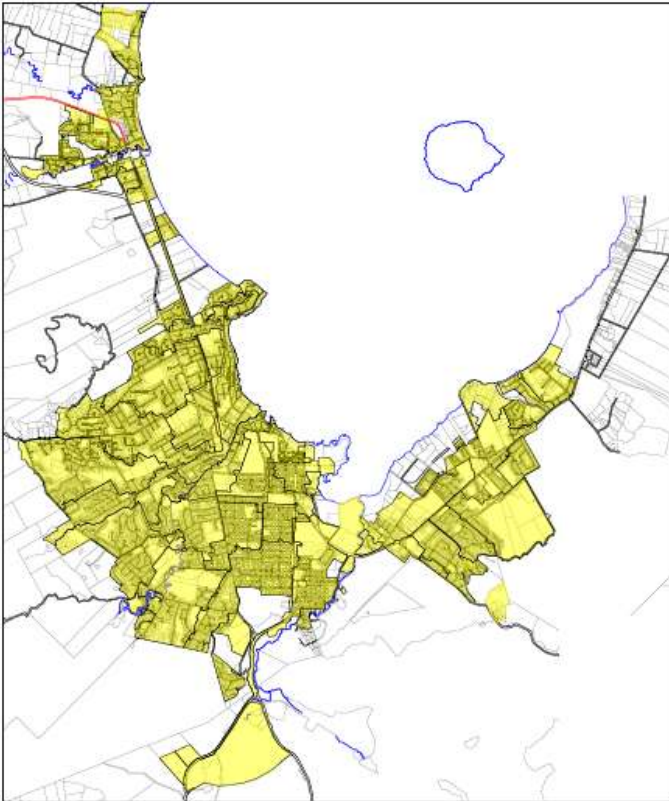
Map H

Reporoa Water Supply



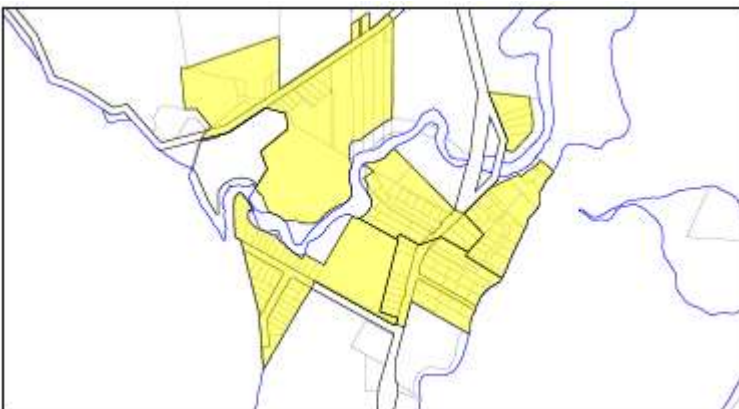
Map I

Urban Sewerage



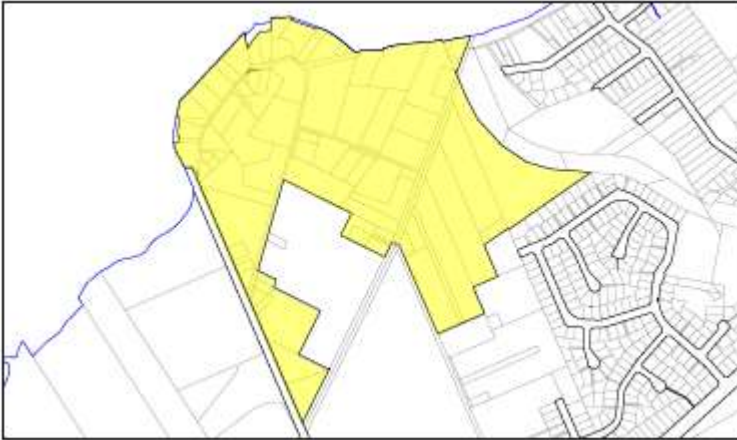
Map J

Mourea Sewerage Scheme



Map K

Hinemoa Point Sewerage Scheme



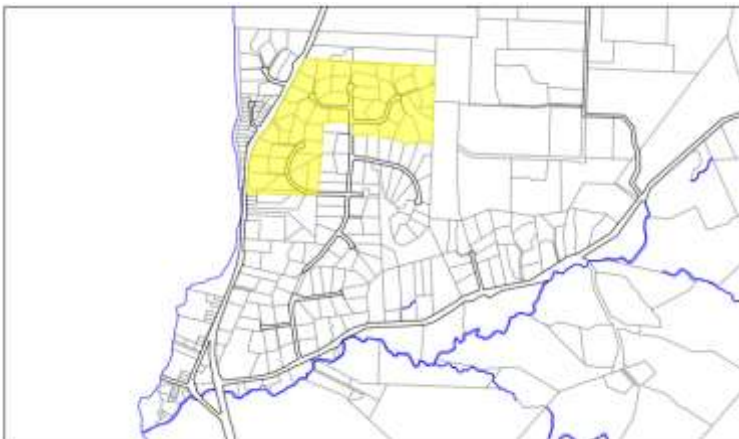
Map L

Okawa Bay, Amora Lake Resort Sewerage Scheme



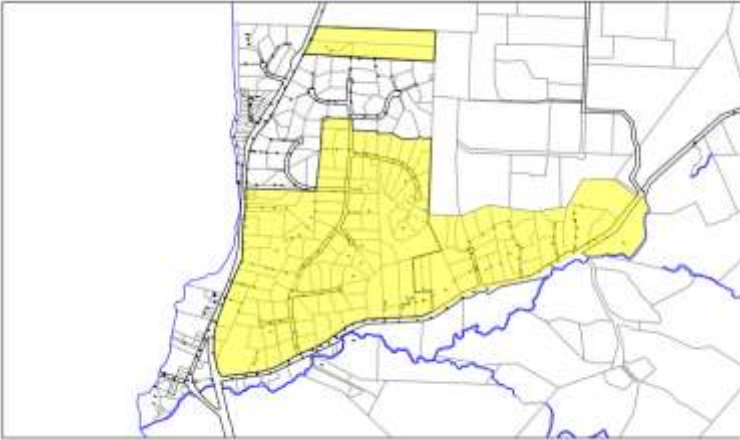
Map M

Brunswick Stages 4 & 6 Sewerage Scheme



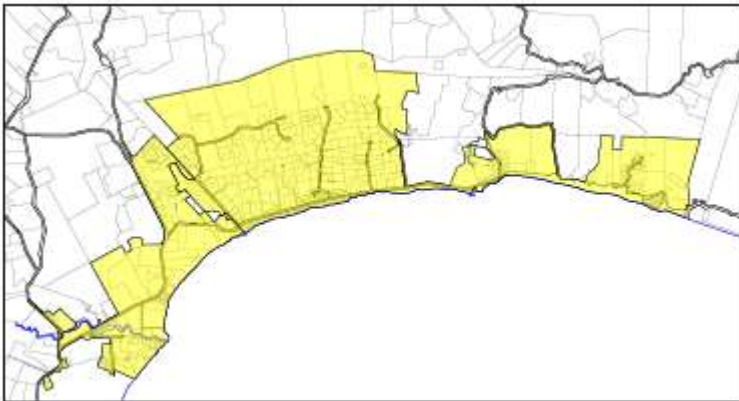
Map N

Brunswick Sewerage Scheme



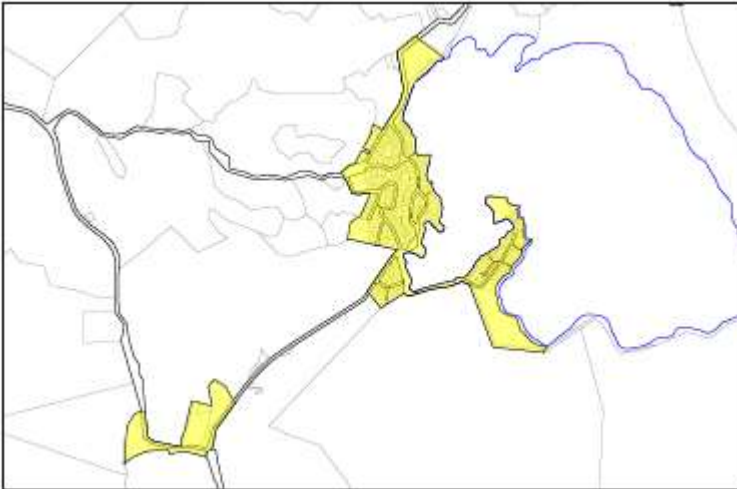
Map O

Hamurana/Awahou Sewerage Scheme



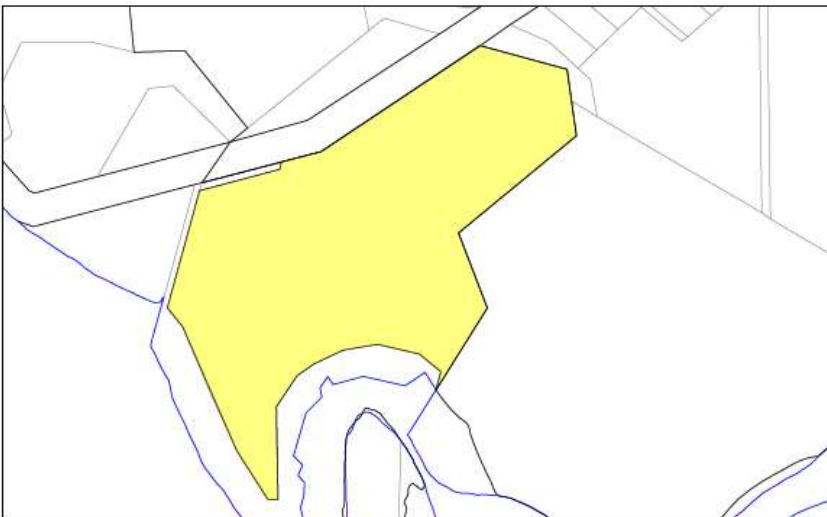
Map P

Lake Okareka, Blue Lake Sewerage Scheme



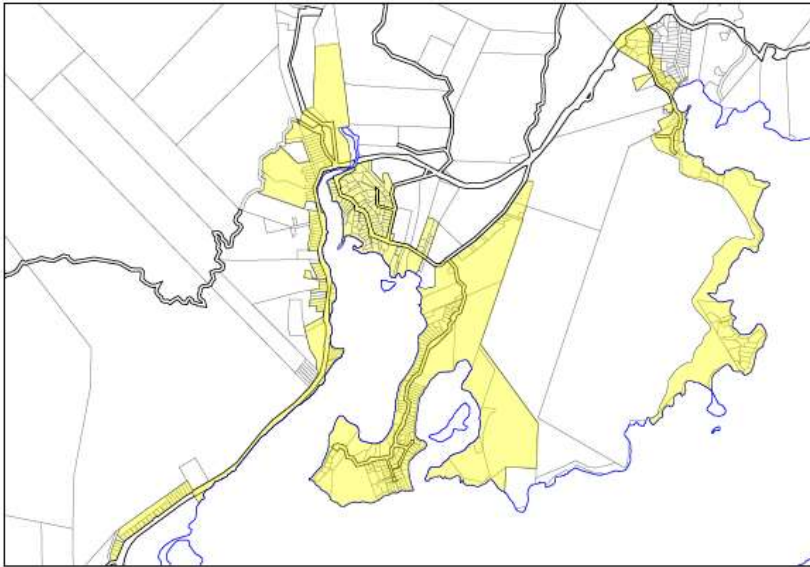
Map Q

Marama Point Sewerage Scheme



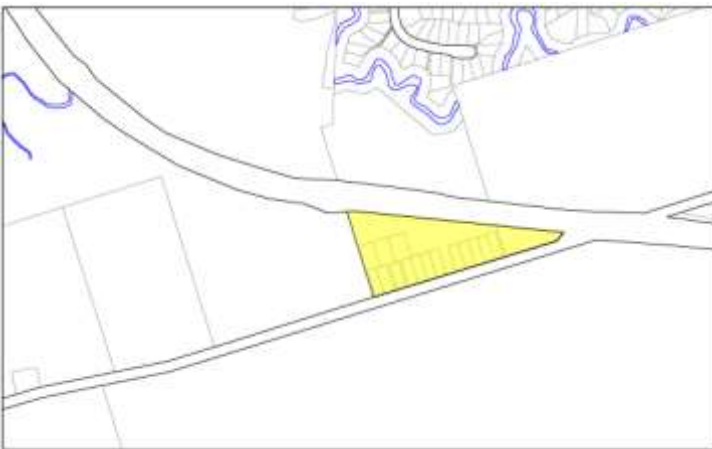
Map R

Okere Falls, Otaramarae, Whangamarino Sewerage Scheme



Map S

Paradise Valley Sewerage Scheme



Map T

Rotokawa Sewerage Scheme



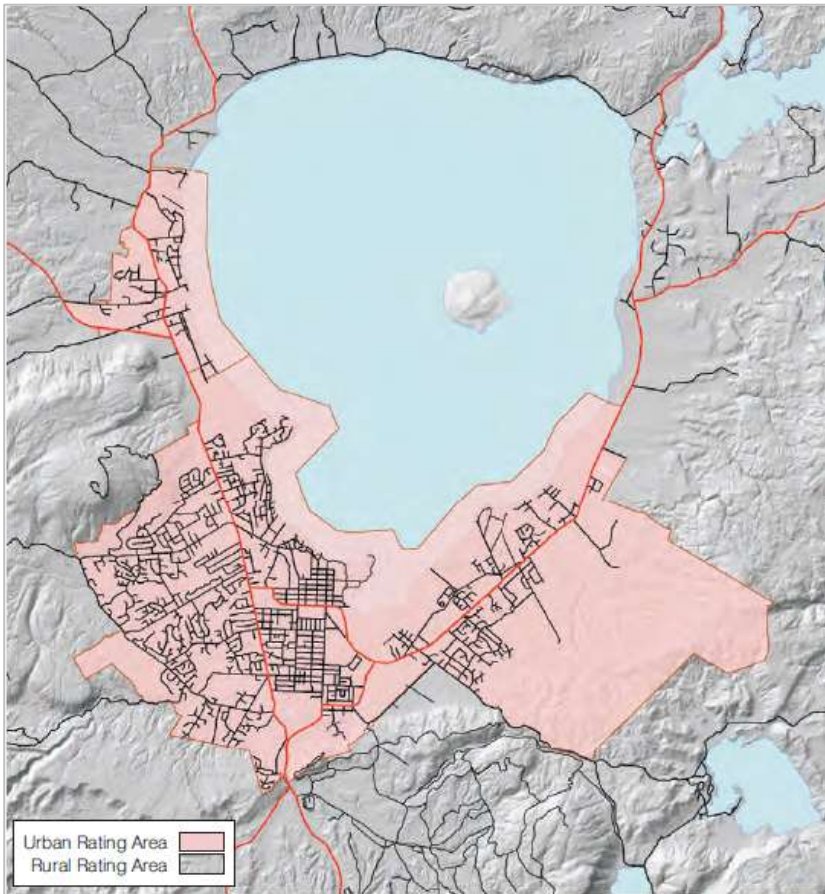
Map U

Waikuta Marae Sewerage Scheme



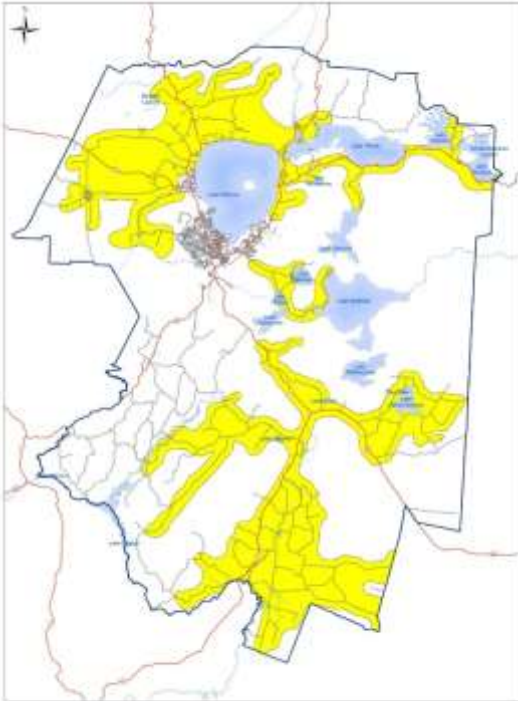
Map V

Rotorua Urban Rating Boundary



Map W

Waste collection - Serviced (Rural)



Map X

CBD waste collection area



Table A: refuse Collection – Service Non-Rateable Land

| Valuation Number | Location |
|------------------|-----------------------|
| 06500*001*07* | 1240 HINEMARU STREET |
| 06500*042*00* | 1158 PUKAKI STREET |
| 06500*066*02*F | 1149 ERUERA STREET |
| 06500*111*01*B | 1277 TUTANEKAI STREET |
| 06500*231*01* | 1127 HAUPAPA STREET |
| 06500*718*02* | 2B RANOLF STREET |
| 06500*765*04* | 1479 HINEMOA STREET |
| 06500*774*02* | 1358 HINEMOA STREET |
| 06500*823*00* | 1351 AMOHAU STREET |
| 06511*081*00* | 276 FENTON STREET |
| 06511*109*00* | 24 WARD AVENUE |
| 06511*167*00* | 42 HILDA STREET |
| 06512*114*00* | 44 VICTORIA STREET |
| 06512*180*01*B | 40 SEDDON STREET |
| 06512*182*00* | 112 RANOLF STREET |
| 06512*358*00* | 303 FENTON STREET |
| 06512*406*01* | FENTON STREET |
| 06512*803*03* | 20 HEMO ROAD |
| 06520*210*00* | 72 MALFROY ROAD |
| 06520*221*00* | 100 MALFROY ROAD |
| 06520*451*06* | 14 LARCH STREET |
| 06520*539*02*A | 55 HIGH STREET |
| 06531*063*00* | TUNOHOPU STREET |
| 06531*199*00* | 26 TAREWA ROAD |
| 06531*255*01* | 63 TAREWA ROAD |
| 06531*284*01* | 21A TAREWA ROAD |
| 06532*063*01* | 39 OLD TAUPO ROAD |
| 06532*292*00* | 62 TALLYHO STREET |
| 06532*408*00* | 122 RIRI STREET |
| 06532*419*00* | 96 RIRI STREET |
| 06533*297*03* | 7 DINSDALE STREET |
| 06533*349*00* | 23 GEDDES ROAD |
| 06533*391*00* | 20 BIAK STREET |
| 06533*396*01* | 2 DEPOT STREET |

| Valuation Number | Location |
|------------------|-------------------------|
| 06533*422*00* | 39 BIAK STREET |
| 06533*431*00* | 57 DEPOT STREET |
| 06541*024*00* | 35 TAHARANGI STREET |
| 06541*145*00* | 38 KOUTU ROAD |
| 06542*208*01* | 41 RUSSELL ROAD |
| 06551*014*01* | 5 ROWI STREET |
| 06551*074*00* | 36 KEA STREET |
| 06551*408*00*A | 70 OLD QUARRY ROAD |
| 06552*101*00* | 155 CLAYTON ROAD |
| 06552*252*00* | 46 FAIRVIEW ROAD |
| 06552*598*00* | 13 THOMAS CRESCENT |
| 06552*603*01* | 3 THOMAS CRESCENT |
| 06552*603*04* | 219 CLAYTON ROAD |
| 06553*020*02* | 30 MILNE ROAD |
| 06553*180*01* | 11 MAY ROAD |
| 06553*538*00* | 18 GEM STREET |
| 06553*619*00* | 50 HOMEDALE STREET |
| 06553*882*00* | 6 EMERALD STREET |
| 06555*113*00* | 87 SUNSET ROAD |
| 06561*248*00* | 114 SUNSET ROAD |
| 06561*267*00* | 63 FORD ROAD |
| 06561*374*01* | 21C BELLINGHAM CRESCENT |
| 06561*729*00*B | 324 MALFROY ROAD |
| 06561*731*01* | DEVON STREET |
| 06570*215*00* | 40 KONENE STREET |
| 06570*251*00* | 187 OLD TAUPO ROAD |
| 06570*476*00* | 271 OLD TAUPO ROAD |
| 06570*745*00*A | 249 OLD TAUPO ROAD |
| 06580*190*00* | 307 OLD TAUPO ROAD |
| 06590*139*03* | 105 OTONGA ROAD |
| 06599*103*00* | 55 PUKEHANGI ROAD |
| 06951*118*00* | 296 KAHAROA ROAD |
| 06951*119*00* | 310 KAHAROA ROAD |
| 06961*674*00* | 97 WHANGAMO A DRIVE |

| Valuation Number | Location |
|------------------|----------------------|
| 06962*168*00*A | 22 MANAWAHE ROAD |
| 06971*111*09* | LAKE OKATAINA ROAD |
| 06971*500*00*B | 1620 S HWAY 30 |
| 06992*276*02*A | 34 SUNRISE AVENUE |
| 06992*346*24* | 10 BRONTE PLACE |
| 06992*353*44* | 244 VAUGHAN ROAD |
| 06993*511*00* | 43 ROBINSON AVENUE |
| 06996*143*00* | 6 MOANA TERRACE |
| 06996*178*00* | 3A LYNBERT ROAD |
| 06997*134*00* | 8 ILES ROAD |
| 06997*619*00* | 7 ALASTAIR AVENUE |
| 06997*629*00* | 18 ALASTAIR AVENUE |
| 06998*281*00*A | 24 PORIKAPA ROAD |
| 06998*405*00* | 36 WHARENUI ROAD |
| 07010*465*07*A | 24 ASH PIT ROAD |
| 07010*465*07*B | 25 ASH PIT ROAD |
| 07011*312*00* | 71 OKAREKA LOOP ROAD |
| 07030*220*00*B | 63 MASSEY ROAD |
| 07030*220*03* | 589D SETTLERS ROAD |
| 07030*220*08*C | 26 MASSEY ROAD |
| 07030*220*09* | 597 SETTLERS ROAD |
| 07030*226*00* | 13 GUTHRIE ROAD |
| 07030*228*01* | 48 MASSEY ROAD |
| 07030*249*00*B | 3834 BROADLANDS ROAD |
| 07030*264*01* | 31 MASSEY ROAD |
| 07050*180*00*A | 54 TARENA STREET |
| 07062*713*00* | 438A NGONGOTAHA ROAD |
| 07063*273*00* | 278 NGONGOTAHA ROAD |
| 07064*002*00* | 16 SCHOOL ROAD |
| 07064*091*00* | 13 HALL ROAD |
| 07065*169*00* | 3 ARIKI STREET |
| 07065*352*00* | 12 TAUI STREET |
| 07065*425*01* | 12 HALL ROAD |
| 07065*431*00* | 19 SCHOOL ROAD |

Definitions

The term:

“Business purpose” means any purpose of commerce, trade, or industry; but does not include any farming purpose.

“Farming purpose” means used for agricultural, horticultural or pastoral or forestry purposes or the keeping of bees or poultry or other livestock.

“Property” means, either the part or the whole of any rating unit (as the case may be) used for a particular purpose. (Explanatory note: The intention is that where different parts of a property that constitute a rating unit are being used for different purposes, they may be rated differently).

“Residential purposes” means occupied or intended to be occupied for the residence of any household being a residential unit including holiday homes that may be let for short-term periods not exceeding 100 days per annum. Kaingaroa Village on rating unit 07010 514 01A will be treated as entirely “residential” for all rates within this funding impact statement even though it comprises elements of other categories.

“Rural Sector” means the part of the Rotorua District which is not the Urban Sector.

“Urban Sector” means the area as shown on the map titled Rotorua Urban Rating Boundary and contained in the rating maps section of this funding impact statement (a larger copy is available at the Council Civic Centre). The boundary has been set to recognise the urban growth trends and where properties have similar access to services (but not necessarily the same). This boundary will be reviewed from time to time as necessary to accommodate changes to the above and follows rating unit boundaries rather than dissecting properties.

“Utilities” being all rating units situated within the Rotorua District that have been identified by the Valuer General as infrastructure utility networks.

“Vacant Land” means land which is in an undeveloped state and is not being used or occupied for any purpose.

“Zoned” means zoned in accordance with the operative Rotorua District Plan.

| Category | Capital Value 2020 | Total Rates 2021/22 | Proposed Rates 2022/23 | Rates Increase/ (decrease) \$ | % Increase/ (decrease) | Sector Ave % Change |
|--------------------------|--------------------|---------------------|------------------------|-------------------------------|------------------------|---------------------|
| Business | | | | | | 4.99% |
| Lower CV | 391,000 | 3,966 | 4,131 | 165 | 4.2% | |
| Medium CV | 615,000 | 5,649 | 5,893 | 244 | 4.3% | |
| Upper CV | 2,850,000 | 21,342 | 22,366 | 1,023 | 4.8% | |
| Upper CV | 5,660,000 | 45,705 | 47,929 | 2,224 | 4.9% | |
| Farming | | | | | | 6.10% |
| Lower CV | 720,000 | 2,263 | 2,383 | 120 | 5.3% | |
| Medium CV | 790,000 | 2,437 | 2,569 | 132 | 5.4% | |
| Medium CV | 1,880,000 | 5,056 | 5,363 | 306 | 6.1% | |
| Upper CV | 3,670,000 | 10,062 | 10,689 | 627 | 6.2% | |
| Upper CV | 6,400,000 | 17,294 | 18,390 | 1,096 | 6.3% | |
| Residential Rural | | | | | | 5.39% |
| Lower CV | 410,000 | 1,614 | 1,689 | 75 | 4.7% | |
| Medium CV | 785,000 | 2,482 | 2,619 | 137 | 5.5% | |
| Upper CV | 2,360,000 | 6,128 | 6,523 | 395 | 6.4% | |
| Residential Urban | | | | | | 5.96% |
| Lower CV | 440,000 | 2,543 | 2,693 | 150 | 5.9% | |
| Lower CV | 500,000 | 2,682 | 2,841 | 160 | 6.0% | |
| Medium CV | 620,000 | 2,959 | 3,139 | 179 | 6.1% | |
| Upper CV | 885,000 | 3,573 | 3,796 | 223 | 6.2% | |
| Upper CV | 905,000 | 3,619 | 3,845 | 226 | 6.2% | |
| Upper CV | 1,130,000 | 4,140 | 4,403 | 263 | 6.4% | |

87-01-041
RDC-1274337ROTORUA LAKES COUNCILThe Mayor
Members
COUNCIL**9.3 Three Waters Reform Position Refresh****Report prepared by:** Stavros Michael, Deputy Chief Executive - Infrastructure and Environmental Solutions**Report approved by:** Geoff Williams, Chief Executive

**1. TE PŪTAKE
PURPOSE**

The purpose of this report is to provide Council an opportunity to discuss its position on the Three Waters Reform, and to consider a refresh if required.

**2. HE TŪTOHUNGA
RECOMMENDATION**

That the report 'Three Waters Reform Refresh' be received.

**3. TE TĀHUHU
BACKGROUND**

At a meeting held on 23 September 2021, Council resolved to note council staffs' assessments of likely impacts arising from the proposed Three Waters Reforms, endorse the Preliminary Council Position paper and support council staff to continue to work with the Department of Internal Affairs (DIA).

This report gives Council an opportunity to receive an update from council staff and to consider refreshing its preliminary position

**4. NGĀ ĀPITI HANGA
ATTACHMENTS**

1. Three Waters Reform – DIA/Farrier Swier report – Attachment 1 - [click here](#)
2. Commentary on the Castalia report – Attachment 2 - [click here](#)
3. Three Waters Reform – Preliminary Council Positions report -23 September 2021 –Attachment 3 (page 59-62)

Rotorua Lakes Council – 3 Waters Reforms – Preliminary Position

As a starting point, we acknowledge the broad drivers for the proposed reform. Those drivers do not significantly diverge from Rotorua Lakes Council's diagnosis of the challenges facing managers of Three Waters infrastructure: ageing physical infrastructure, a legacy of chronic underinvestment in network renewals often resulting in poor asset condition, higher standards and new regulations to better protect peoples' health and the environment, the significant growth-driven investment required to support new housing, the impacts of climate change and the forthcoming acute scarcity of a competent workforce.

The proposed reforms seek to achieve scale advantage by absorbing costs over a larger population base, rationalising and harmonising network plans and standards, pulling together a critical mass to attract, retain and develop competent staff and a more dedicated focus on managing risk. Together, these benefits of scale should logically lead to improved 3 Waters services in the long term.

Our position

Rotorua Lakes Council broadly agrees with the drivers for change and has already adopted a range of risk mitigations against those challenges in our 30-year infrastructure strategies. We are also taking an active part in discussions and workshops with DIA and other local government agencies to help the formation of viable long-term options to address those challenges.

Nevertheless, we believe that there are fundamental gaps in the current reform proposal that must be addressed in order to strengthen the proposal and uphold the reform's underlying core intentions.

The importance of Three Waters infrastructure to local government

The purpose of local government is to enable democratic local decision-making and action by, and on behalf of, communities; and to promote the social, economic, environmental and cultural wellbeing of communities in the present and for the future.

It is our job to ensure that the current and future needs of our communities for good-quality local infrastructure, local public services, and effective regulatory functions are met in a way that is cost-effective for ratepayers, households and businesses. To enable us to fulfill our purpose (and the four well-beings), we require Three Waters infrastructure that is fit for our community's needs.

The case for the proposed reforms relies primarily on assumed economic benefits. But 3 Waters infrastructure assets are important not just for financial reasons, but also for the environmental, social and cultural outcomes they achieve. Our great concern is that the Entities take a regressive view that infrastructure projects are simply engineering and financial problems. They are not, they are questions of community development and growth. As such, local government can only function effectively if Three Waters infrastructure is provided in a timely and effective manner and in accordance with the unique needs and aspirations of mana whenua and the broader community.

Communities must determine levels of service

Whilst national standards will ensure some consistency in the delivery of Three Waters infrastructure, local factors will continue, ultimately, to be the overriding driver of services. To deliver on our purpose local government must, alongside mana whenua, understand and plan for growth and our communities' environmental, cultural and social wellbeing needs. To do this we must have the ability to define the infrastructure services we require. The lack of clear detail on how this will occur gives local government (and our communities) legitimate cause for concern.

Currently much remains uncertain.

- How will the Entity's operating model ensure consistent and reliable responses to our community's needs?
- What are the processes that will ensure that territorial authorities, as lead local agencies and in partnership with mana whenua, are able to set and define the outcomes and expectations to be delivered by the Entity?
- How can our community ensure that the Entity delivers outcomes *at least* as good as already established?

It seems highly possible that the economic benefits of scale could easily be offset by dis-benefits, including a loss of the community voice in the clutter of a much larger population base served by the Entity. Moreover, in the absence of a clear mechanism to ensure the leadership role of local government is maintained, there is real potential for a siloed, assets-based management approach that is unresponsive to the unique needs of iwi and the community.

It's also important to understand that those operational relationships are often with hapū and Māori land owners (who often have legal ownership and kaitiaki responsibilities for land underlying infrastructure assets). The complexity of those rights and interests is not currently reflected in the proposals.

We have learnt from experience of the importance of working with local communities in the initiation and design of services. We have also learnt from experience that the successful delivery of infrastructure projects depends on developing long-term (not just project-based), sustainable and productive operating relationships. We simply cannot see how the Entities can viably develop those community relationships across super-regions, and believe that this will limit the ability to design locally-influenced solutions (as we have done in numerous occasions) based on the needs and values of local communities.

Te Arawa partnership

Our Council, faithful to its partnership with Te Arawa, has in July 2021, resolved to establish a joint committee to consider the impacts of the Three Waters Reform on our partnerships with mana whenua and to make recommendation to the full Council and to mana whenua on the same. The Committee acts as a forum for governance oversight, to identify and develop shared concerns and aspirations, to understand the effects on relationship agreements, and to ensure well-informed, coordinated decision-making of the parties.

It is important that these discussions are had with both Council and mana whenua, so that all parties fully understand the practical complexities and impact of the proposed reforms, and so that we ensure a robust, well-informed and coordinated approach to decision-making by Council and by mana whenua entities.

We also reiterate and support the calls from iwi that the proposals have not adequately addressed the effect of the reform on existing Treaty settlements obligations. We are concerned that the proposed reforms must both protect existing settlements, as well as ensure that the Crown (and local government and the Entities) continues to have the ability to continue to put right historic wrongs.

The solution

Councils (with iwi partners) are the best-placed organisations to continue to define a set of unifying and aspirational objectives for districts, to articulate complex community issues and to lead the collective response to those issues and outcomes. We have a unique leadership role and the necessary institutional competence to do so. Furthermore, that leadership role and competence cannot be readily replicated by a single-purpose agency. We are of the strong view, that any attempt to do so would be naive, ineffective and will create an unnecessary burden of resource duplication.

We agree that it is not always necessary for Councils to directly deliver the work programmes required to achieve the desired community outcomes. However, in partnership with iwi, we are the only organisations within districts able to monitor the attainment of and be accountable for such outcomes.

Ensuring the Entities deliver on community outcomes

Concerns regarding the reforms could be allayed by establishing early agreements between councils, their respective mana whenua and the Entity (or its Transitional Authority). Those agreements should set out the detail of how we will work together to ensure democratic local decision-making is upheld, and that our communities receive the economic, social, cultural and environmental outcomes that they need and deserve.

The direct link with Councils and mana whenua could be achieved on the following basis:

Setting the strategy

1. A 3-Waters Strategy with clear outcomes for a Council is agreed between the Entity, the Council and mana whenua. The strategy would include (but not limited to):
 - a. Future growth, urban intensification and land use aspirations
 - b. Partnerships with mana whenua
 - c. Mana O Te Wai objectives
 - d. Social and cultural objectives
 - e. Climate change mitigation and resilience
2. The Entity commits to giving full effect to the outcomes and the objectives of the agreed Council 3 Waters Strategy in a manner that enables local decision-making, reinforces relationships with iwi and discharges both the Crown's Treaty obligations and our partnership responsibilities.

Agreeing on delivery

3. The Entity agrees to work jointly with the Council to structure a Business Plan (to be received and endorsed by the Council and mana whenua) that clearly articulates the methodology by which the outcomes and the objectives of the 3 Waters Strategy will be pursued for the district.

4. The Entity agrees to work together and in partnership with the Council and mana whenua to give effect to the future needs of the District. The partnership should be defined by a recognition that the Entity has subject matter expertise, while iwi and the Council have much greater knowledge of local needs and values.

Monitoring outcomes

5. The Entity will report regularly to the Council (in partnership with mana whenua) on progress against the agreed Business Plan and the progress towards the evolving LTP objectives, including the status and health of relationships and partnerships with the communities and specifically with mana whenua.
6. The Entity agrees to report to the Council (in partnership with mana whenua) against investment in local employment, the development of skills and capability in the district.

Conclusion

Our clear intention is to be supportive and constructive in the effort towards a viable and sustainable new 3 Waters management framework, and we hope our position paper contributes to the further development of the reform proposals.

Preliminary Position

10. 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 |
|---|---|--|
| RECOMMENDATIONS FROM OTHER COMMITTEES : Strategy, Policy & Finance Committee meeting 9 June 2022: Tarawera Sewerage Scheme update and next stages | 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) |

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.