

Komiti o te Kaporeihana me ngā Whakahaere Corporate and Operations Committee



Mēneti Wātea | Open Minutes



Minutes of a meeting of the Corporate and Operations Committee held in the Te Aroha Council Chambers, 35 Kenrick Street, Te Aroha, TE AROHA on Wednesday 9 December 2020 at 9.00am.

Ngā Mema | Membership

Koromatua | Mayor

Ash Tanner

Koromatua Tautoko | Deputy Mayor

Neil Goodger

District Councillors

Donna Arnold

Caitlin Casey

Teena Cornes

Bruce Dewhurst

James Sainsbury

Russell Smith

Kevin Tappin (Chair)

James Thomas

Adrienne Wilcock

Sue Whiting



Ngā whakapāha | Apologies

Cr James Sainsbury
Cr Bruce Dewhurst

Kaimahi i reira | Staff Present

Author Name	Author Title	Item No.
Don McLeod	Chief Executive Officer	
Tamara Kingi	Committee Secretary and Corporate Administration Officer	
Sandra Harris	Corporate Strategy Team Leader	7.1, 7.2, 7.3, 7.4, 7.6
Larnia Rushbrooke	Deputy Finance Manager	7.1, 7.2, 7.3, 7.4, 8.1
Manaia Te Wiata	Group Manager Business Support	7.1, 7.2, 7.3, 7.5, 7.7, C1, C2
Susanne Kampshof	Asset Manager Strategy and Policy	7.1, 7.3, 7.7, C1, C2
Danny Anglesey	Finance and Business Service Manager	7.1, 7.2, 7.3, 7.4, 8.1
Ann-Jorun Hunter	Policy Planner	7.1, 7.2
Aaron Toones	Utilities Asset Engineer	7.1
Mark Naude	Parks and Facilities Planner	7.1, 7.5
Niall Baker	Corporate Strategy Team Leader	7.2, 7.5, 7.6
Rachael Singh	Events and Promotions Coordinator	7.5, 7.6
Andrea Durie	Senior Communications Advisor	7.5, 8.1
Barry Reid	Roading Asset Engineer	7.7, C2
Kate Stevens	Safety and Wellness Team Leader	8.1
Dennis Bellamy	Group Manager Community Development	C1
Roger Lamberth	Property and Community Projects Manager	C1
Chelsea Cannell	Assets Project Management Officer	C2

I reira | In Attendance

	Time In	Time Out
Robert Cameron – PWC	10.05am	10.40am
Catherine Sole – Starfish Social Services	11.00am	11.30am
Deborah Galloway-Riwhi – Starfish Social Services	11.00am	11.30am

1 Whakatūwheratanga o te hui | Meeting Opening

Cr Kevin Tappin declared the meeting open at 9.18am.

2 Ngā whakapāha | Apologies

That the apology from Cr James Sainsbury and Cr Bruce Dewhurst be accepted and leave of absence from the meeting be granted.

Moved by Cr D Arnold

Seconded by Cr R Smith

KUA MANA | CARRIED

3 Pānui tāpiritanga take | Notification of Urgent Business

Section 46A(7) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

“An item that is not on the agenda for a meeting may be dealt with at that meeting if-

- (a) The local authority by resolution so decides; and
- (b) The presiding member explains at the meeting, at a time when it is open to the public,-
 - (i) The reason why the item is not on the agenda; and
 - (ii) The reason why the discussion of the item cannot be delayed until a subsequent meeting.”

Section 46A(7A) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

“Where an item is not on the agenda for a meeting,-

- (a) That item may be discussed at that meeting if-
 - (i) That item is a minor matter relating to the general business of the local authority; and
 - (ii) the presiding member explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at the meeting; but
 - (iii) no resolution, decision or recommendation may be made in respect of that item except to refer that item to a subsequent meeting of the local authority for further discussion.”

4 Whākī pānga | Declarations of Interest

There were no declarations of interest.

5 Whakaaetanga mēneti | Confirmation of minutes

COMMITTEE RESOLUTION

That the minutes of the meeting of the ordinary meeting of the Corporate and Operations Committee held on Wednesday, 25 November 2020, be confirmed as a true and correct record of the meeting.

Moved by: Cr A Wilcock
Seconded by: Cr S Whiting

CARRIED

6 Public Forum

There were no public speakers.

NGĀ PŪRONGO A NGĀ ĀPIHA | OFFICER REPORTS

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7 Pūrongo me whakatau | Decision Reports

Asset Management Plans - approval for audit

CM No.: 2372076

Rāpopotonga Matua | Executive Summary

This report seeks the approval of the Activity Management Plans for:

- Community Facilities & Buildings
- Parks & Open Spaces
- Roading
- Water
- Wastewater
- Stormwater
- Solid Waste

Copies of the AMP documents were circulated separately.

COMMITTEE RESOLUTION

That:

1. **The information be received.**
2. **The Activity Management Plans be approved in accordance with section 93G of the of the Local Government Act 2002, as information:**
 - (i) **relied on by the content of the Consultation Document**
 - (ii) **that provides the basis for preparing the Long Term Plan**
 - (iii) **is necessary to enable the auditor to give the opinion on the Consultation Document.**
3. **Updates to the Activity Management Plans will be ongoing as part of Council's asset management and quality control practice.**

Moved by: Cr K Tappin

Seconded by: Cr T Cornes

KUA MANA | CARRIED

Horopaki | Background

Council has asset management obligations under the Local Government Act 2002 (LGA) which include establishing activity management plans (AMPs). International best practice for this planning process is documented in the International Infrastructure Management Manual (IIMM).

The AMPs are one of the Council's essential planning tools. Some 70% of the expenditure included in the Long Term Plan (LTP) is generated from the asset management process and this also reflects the proportion of the Council's work effort devoted to this activity.

Consequently, these AMPs constitute some of the major building blocks of the LTP.

Through the development of the 2021-31 draft LTP, workshops were held where each of the AMP's were considered, a number of issues were raised and discussed by Elected Members. Amendments and suggestions provided during those workshops were incorporated into the draft AMP's.

The draft AMP's have been peer reviewed by external consultants, or have been prepared by external consultants and reviewed by Council staff. This process has highlighted areas where further information was required or where minor edits were required. These changes have been made.

It is now recommended the Committee approve the AMP's for formal audit. Copies of the AMP documents have been circulated separately.

Ngā Take | Issues / Kōrerorero | Discussion

Section 94(1)(b) of the LGA states that the auditor must report on "the quality of the information and assumptions underlying the forecast information provided in the plan".

Council manages significant infrastructural and community assets that enable delivery of critical quality-of-life services to our community. The intent of the AMP is to clearly demonstrate the intended use of assets to enable communities to see what services will be provided if those plans are implemented.

For Council these assets also represent the largest value asset class in the Statement of Financial Position. Because they need to be maintained and renewed, and require continual capital development to deal with growth and changing standards, assets are expected to generate the greatest value expense in the Statement of Financial Performance. Therefore, the asset information base and the projections associated with this information will likely be of particular interest to the auditors.

It must be noted that apart from the Roading Valuation, the other infrastructure Valuations are still being finalised and the AMPs will need to be updated to reflect the final depreciation figure and renewal profiles. The Valuations will be completed and the AMPs and the Financial Statement will be updated to reflect the latest figures and projections prior to consulting with the community.

The AMPs are essentially summarised into an activity plan which is included as part of the LTP document.

Mōrearea | Risk

This is covered within the AMPs. There are risks of not having robust asset management in place.

Ngā Whiringa | Options

Council has the option to approve the AMPs for auditing purposes or not.

Ngā take ā-ture, ā-Kaupapahere hoki | Legal and policy considerations

The requirements relating to AMPs are contained in the LGA, Schedule 10, Part 1. These requirements are also laid down in the International Infrastructure Management Manual (IIMM). The Council's AMPs are consistent with the IIMM standards.

Ngā Pāpāhonga me ngā Wātaka | Communications and timeframes

There is no communications required.

The various information requirements of the LTP reinforce the need for reliable information so that our community can have confidence in the proposals and underlying information in the Consultation Document.

**Te Tākoha ki ngā Hua mō te Hapori me te here ki te whakakitenga o te Kaunihera |
Contribution to Community Outcomes and consistency with Council Vision**

The AMPs contribute to all of the community outcomes. Through good asset management practices community wellbeing can be supported.

Pānga ki te pūtea, me te puna pūtea | Financial Cost and Funding Source

The financial information contained in each AMP is reflected in the current draft 2021 LTP and Development Contributions Policy.

Ngā Tāpiritanga | Attachments

There are no attachments for this report.

Ngā waitohu | Signatories

Author(s)	Ann-Jorun Hunter Policy Planner	
	Niall Baker Senior Policy Planner	

Approved by	Sandra Harris Senior Policy Planner	
	Susanne Kampshof Asset Manager Strategy and Policy	
	Manaia Te Wiata Group Manager Business Support	
	Don McLeod Chief Executive Officer	

Draft Development Contributions Policy and Statement of Proposal

Trim No.: 2358634

Rāpopotonga Matua | Executive Summary

The purpose of the report is to present the draft Development Contributions Policy and associated Statement of Proposal for approval by Council for audit purposes, as attached to this report.

Development Contributions are charges paid towards Council-funded infrastructure required as a result of growth in development and new households. The charges are based on the cost of providing these services to new developments and ensure these costs are fairly attributed.

Every new development that connects into Council's infrastructure services places a demand on those services. Infrastructure services include roading, water, wastewater, and stormwater. Development Contributions make sure that the cost of providing the infrastructure to support growth is paid by those who created the need for the additional infrastructure. Council meets the cost of maintaining existing levels of service to ratepayers, while the cost of additional services is funded by those creating the demand.

Council staff have reviewed the current Development Contributions Policy alongside the Long Term Plan 2021-31 (LTP) and this has been discussed by Council through a series of workshops and meetings.

COMMITTEE RESOLUTION

That:

1. **The information be received.**
2. **Council approves the draft Development Contributions Policy and Statement of Proposal for consultation (subject to audit review).**

Moved by: Deputy Mayor N Goodger

Seconded by: Cr D Arnold

KUA MANA | CARRIED

Horopaki | Background

In general, rates fund the cost of existing infrastructure – the roads, water and wastewater infrastructure, parks and community facilities. However, Council also needs to provide infrastructure for forecast growth.

Development Contributions fund the growth component – the extra infrastructure, services and amenities that new developments require. Council funds those costs in the interim but under the Development Contributions Policy, expects to recover these costs through Development Contributions.

Development Contributions can only be charged to fund the portion of new infrastructure that is related to growth. They cannot be used to fund:

- non-growth related level of service or infrastructure quality upgrades;

- maintenance;
- renewal of infrastructure; or
- infrastructure operating and operational costs such as salaries and overheads¹.

Development Contributions are set under the Local Government Act 2002 (LGA). They cannot be spent to achieve a purpose for which they were not collected – for example Water Development Contributions must be spent on growth related projects for water infrastructure.

Development contributions cannot be charged if, and to the extent that, infrastructure is provided by the developer, funded by a third party or is being funded through Resource Management Act 1991 (RMA) financial contributions². Council currently collects financial contributions for parks and reserves, and in limited circumstances roading, under its District Plan.

Council may charge development contributions to help fund:

- network infrastructure - the provision of roads and other transport, water, wastewater, and stormwater collection and management;
- community infrastructure - land, or development assets on land, owned or controlled by the territorial authority for the purpose of providing public amenities; and includes land that the territorial authority will acquire for that purpose.

This proposed Development Contributions Policy (as with the current policy) will cover only the provision of network infrastructure (transport, water, wastewater and stormwater). Other community infrastructure activities may be considered during subsequent revisions.

Ngā Take | Issues

Development Contributions help fund growth

Council's current Development Contributions Policy came into force on 1 July 2018 (although they have been used by Council as a funding tool since 2004). It affects most people and companies developing new residential, commercial or industrial land and buildings. The Development Contributions Policy ensures that those who create the need for this infrastructure and directly benefit from Council providing infrastructure capacity, are those who pay for it. Development Contributions are paid on any subdivision and non-residential development that generates additional demand on infrastructure services as calculated under the Development Contributions Policy. This includes extensions to existing commercial buildings which create additional floor space, as well as new developments, subdivisions, and houses.

Capacity life used to calculate Development Contributions charges

Our 30 years Population Growth Projections ([full report available here](#)) have been used to inform the capital works programme. When planning new 3 waters infrastructure for growth, these projects have been designed to accommodate 30 years growth (or more) in the relevant area. Therefore, the capacity life for these projects have been set to 30 years.

External advice from Insight Economics recommends the use of 25-30 years capacity life for the purpose of development contributions policies.

There is a risk that growth may happen faster or slower than the capacity life used in the Policy.

¹ LGA02 section 204 specifically prohibits this

² LGA02 section 200

When Development Contribution can be charged

There are four stages where Council may require that a Development Contribution is paid:

- When a subdivision or land use consent is approved
- Where a certificate of acceptance is issued under the Building Act 2004
- When a Code of Compliance Certificate is issued for a building consent
- When authorisation is given for a network connection to a service such as water or wastewater

Special Circumstances

Some development may place demand on Council's infrastructure that is greater or lesser than that taken into account when the methodology of the Development Contributions Policy was devised. In these cases the Development Contributions Policy makes provision for Council to undertake special assessments, and may enter into individual arrangements with a developer for the provision of particular infrastructure to meet the special needs of a development.

Catchment areas

The catchment areas are the three electoral wards. The LGA allows Council to group together certain developments by geographic area or categories of land use however grouping across the whole district is to be avoided where practical. Council has provided direction that Ward catchments are appropriate.

Analysis

Options considered

Development of the draft DC Policy

The contents of the draft Development Contribution Policy have been developed with the Council through a series of meetings and workshops in conjunction with the draft LTP - the Council has:

- given consideration to community views, preferences and priorities including through consideration of special assessment applications
- considered strategic issues and opportunities facing the district
- considered and outlined its financial and infrastructure strategies
- considered the direction for each of the Council's LTP activities through the activity and asset planning process
- identified its levels of service, projects and programmes

Analysis of preferred option

At this stage in the Long Term Plan project, any significant changes to the Development Contribution Policy would also trigger a review of the Long Term Plan budgets, Fees and Charges and the Consultation Document.

Should Council desire any further changes to its funding structure it is noted that these can be considered as part of the consultation process if raised by the community and as part of ongoing work either for the next Long Term Plan in 2024, or an amendment to the Long Term Plan at an earlier date.

Legal and statutory requirements

Section 106 Policy on development contributions or financial contributions

- (1) *In this section, financial contributions has the meaning given to it by section 108(9) of the Resource Management Act 1991.*
- (2) *A policy adopted under [section 102(1)] must, in relation to the purposes for which development contributions or financial contributions may be required,—*
- (a) *summarise and explain the total cost of capital expenditure identified in the long-term plan, or identified under clause 1(2) of Schedule 13 that the local authority expects to incur to meet the increased demand for community facilities resulting from growth; and*
 - (b) *state the proportion of that total cost of capital expenditure that will be funded by—*
 - (i) *development contributions;*
 - (ii) *financial contributions;*
 - (iii) *other sources of funding; and*
 - (c) *explain, in terms of the matters required to be considered under section 101(3), why the local authority has determined to use these funding sources to meet the expected total cost of capital expenditure referred to in paragraph (a); and*
 - (d) *identify separately each activity or group of activities for which a development contribution or a financial contribution will be required and, in relation to each activity or group of activities, specify the total amount of funding to be sought by development contributions or financial contributions; and*
 - (e) *if development contributions will be required, comply with the requirements set out in sections 201 to 202A-201 to 202A; and*
 - (f) *if financial contributions will be required, summarise the provisions that relate to financial contributions in the district plan or regional plan prepared under the Resource Management Act 1991.*
- (2A) *This section does not prevent a local authority from calculating development contributions over the capacity life of assets or groups of assets for which development contributions are required, so long as—*
- (a) *the assets that have a capacity life extending beyond the period covered by the territorial authority's long-term plan are identified in the development contributions policy; and*
 - (b) *development contributions per unit of demand do not exceed the maximum amount allowed by section 203.*
- (2B) *Subject to subsection (2C), a development contribution provided for in a development contributions policy may be increased under the authority of this subsection without consultation, formality, or a review of the development contributions policy.*
- (2C) *A development contribution may be increased under subsection (2B) only if—*
- (a) *the increase does not exceed the result of multiplying together—*

- (i) *the rate of increase (if any), in the Producers Price Index Outputs for Construction provided by Statistics New Zealand since the development contribution was last set or increased; and*
 - (ii) *the proportion of the total costs of capital expenditure to which the development contribution will be applied that does not relate to interest and other financing costs; and*
 - (b) *before any increase takes effect, the territorial authority makes publicly available information setting out—*
 - (i) *the amount of the newly adjusted development contribution; and*
 - (ii) *how the increase complies with the requirements of paragraph (a).]*
- (3) *If development contributions are required, the local authority must keep available for public inspection the full methodology that demonstrates how the calculations for those contributions were made.*
- (4) *If financial contributions are required, the local authority must keep available for public inspection the provisions of the district plan or regional plan prepared under the Resource Management Act 1991 that relate to financial contributions.*
- (5) *The places within its district or region at which the local authority must keep the information specified in subsections (3) and (4) available for public inspection are—*
 - (a) *the principal public office of the local authority; and*
 - (b) *such other places within its district or region as the local authority considers necessary in order to provide members of the public with reasonable access to the methodology, provisions, or plan.*
- (6) *A policy adopted under section 102(1) must be reviewed at least once every 3 years using a consultation process that gives effect to the requirements of section 82.*
- (4) *If financial contributions are required, the local authority must keep available for public inspection the provisions of the district plan or regional plan prepared under the Resource Management Act 1991 that relate to financial contributions.*
- (5) *The places within its district or region at which the local authority must keep the information specified in subsections (3) and (4) available for public inspection are—*
 - (a) *the principal public office of the local authority; and*
 - (b) *such other places within its district or region as the local authority considers necessary in order to provide members of the public with reasonable access to the methodology, provisions, or plan.*
- (6) *A policy adopted under section 102(1) must be reviewed at least once every 3 years using a consultation process that gives effect to the requirements of section 82.*

Impact on policy and bylaws

If Council wishes to change the Development Contributions Policy it will be altering a fundamental policy of Council that could have financial implications for Council in the draft LTP.

Consistency with the Long Term Plan / Annual Plan

Any changes to the use of Development Contributions to fund growth will require flow on amendments to the draft LTP and Consultation Document (where under legislation Council will need to highlight a change to its funding policy).

Impact on significance policy

The issue of development contributions is significant and has implications for Council's financial sustainability, the affordability of rates and costs for the development community.

Communication, consultation and decision making processes

It is proposed to undertake consultation in accordance with the section 82 principles of consultation (providing information, allowing affected people to present feedback to Council, being clear on the purpose of the consultation/scope of decisions to be made, Council having an open mind/giving due consideration to views, and providing clear records of decisions).

It is proposed to consult on the development contributions policy alongside the Long Term Plan consultation document and other documents such as the fees and charges.

Where Council is required to consult in accordance with, or using a process or a manner that gives effect to, the requirements of section 82 it must make the following publicly available:

- the proposal and the reasons for the proposal; and
- an analysis of the reasonably practicable options, including the proposal, identified under section 77(1); and
- if a plan or policy or similar document is proposed to be adopted, a draft of the proposed plan, policy, or other document; and
- if a plan or policy or similar document is proposed to be amended, details of the proposed changes to the plan, policy, or other document.

Under section 77(1) of the LGA Council must, in the course of the decision-making process seek to identify all reasonably practicable options, assess the options in terms of their advantages and disadvantages.

The 'statement of proposal' seeks to address these requirements by setting out the proposal and reasons for development contributions and a discussion of the possible options Council has available. The full draft development contributions policy will also be made publicly available at Council offices, libraries and website.

Ngā take ā-Ihinga | Consent issues

Development contributions are triggered by Council consent processes. There are no other consent issues.

Timeframes

The draft Long Term Plan 2021-31 budgets (specifically the revenue from development contributions) has been forecast based on draft policy.

Process	Date
Development contribution approved for consultation	10 March 2021
Consultation	17 March – 19 April 2021
LTP hearing (including development contributions)	12 May 2021 (13 May if required)
Council adopt final development contributions	30 June 2021
New Development Contributions Policy applies	1 July 2021

Contribution to Community Outcomes

Financial Impact

i. Cost

The costs of the administering, reviewing and consulting on the Development Contributions Policy are covered through existing Long Term Plan budgets.

ii. Funding Source

Not applicable.

Ngā Tāpiritanga | Attachments

- A. Draft Statement of Proposal - Development Contributions Policy 2021-31
- B. DRAFT - Development Contribution 2021-31 for consideration by Council December 2020

Ngā waitohu | Signatories

Author(s)	Ann-Jorun Hunter Policy Planner	
Approved by	Sandra Harris Senior Policy Planner	
	Don McLeod Chief Executive Officer	

Draft Policies on the Remission and Postponement of Rates

CM No.: 2378575

Rāpopotonga Matua | Executive Summary

This purpose of this report is to seek adoption by Council of the Rates Remissions and Postponement Policies for consultation. The statement of proposal and draft policies have been circulated separately to Councillors.

Policies on the Remission and Postponement of Rates must be reviewed at least every six years. Council can only remit rates if they have adopted a rates remission policy under section 85 of the Local Government (Rating) Act 2002.

Remission of rates involves reducing the amount owing or waiving collection of rates altogether. Postponement of rates means that the payment of rates is not waived in the first instance but delayed for a certain time, or until certain events occur. The overall objective of remissions is to provide rates relief in situations to support both the fairness and equity of the rating system and the overall wellbeing of the community.

In order to allow rates relief where it is considered fair and reasonable to do so, Council is required to adopt policies specifying the circumstances under which rates will be considered for remission. There are various types of remission, and the circumstances under which a remission will be considered for each type may be different. The conditions and criteria relating to each type of remission are set out in the various remissions policies.

Proposed amendment

Council has a number of “Utilities” rating units that have no Land Value but huge Capital Value. It is proposed to amend Rates Remission number 3 to ensure that it cannot be utilised to provide remission to these rating units. Staff recommend that Council amend the rate remission for small valued properties with Land value between \$1 and \$500.

COMMITTEE RESOLUTION

That:

1. The information is received.
2. The following policies and Statement of Proposal:
 - Policy on the remission of rates on land protected for conservation purposes
 - Policy on the remission of penalties on unpaid rates
 - Policy on the remission of rates: other categories
 - Policy on the remission of small rates balances
 - Policy on the remission of rates on Maori freehold land
 - Policy on the postponement of rates on Maori freehold land
 - Policy on remissions for metered water leaks
 - Policy on remissions of pan charge targeted rates based on water use
 - Policy on remissions of pan charge targeted rates for Educational Establishments
 - Policy on the remission of rates on abandoned land
 - Policy on the remission and postponement of rates for natural disasters and emergencies

Be approved in accordance with section 93G of the of the Local Government Act 2002, as information:

 - (i) relied on by the content of the Consultation Document
 - (ii) that provides the basis for preparing the Long Term Plan
 - (iii) is necessary to enable the auditor to give the opinion on the Consultation Document.
3. The draft Policies listed above and Statement of Proposal be approved for audit purposes subject to final financial updates and quality control.
4. Council staff finalise the policies and statement of proposal and report back to Council for approval for consultation on 10 March 2021.

Moved by: Cr J Thomas
Seconded by: Cr S Whiting

KUA MANA | CARRIED

Horopaki | Background

Current Policies

1. Policy on the remission of rates on land protected for conservation purposes
2. Policy on the remission of penalties on unpaid rates
3. Policy on the remission of rates: other categories
4. Policy on remission of small rates balance
5. Policy on the remission of rates on Maori freehold land
6. Policy on the postponement of rates on Maori freehold land
7. Policy on remissions for metered water leaks
8. Policy on remissions of pan charge targeted rates based on water use
9. Policy on remissions of pan charge targeted rates for educational establishments

Council can only remit rates if they have adopted a rates remission policy under *section 85 of the Local Government (Rating) Act 2002*. Other legislation that applies is:

- Policy on the remission of rates: other categories - *Section 20 of the Local Government (Rating) Act 2002 states that Council must treat two or more rating units as one if they are*

owned by the same person(s), used as one unit, are contiguous or separated only by road, rail, drain, water race, river, or stream.

- Policy on the remission of rates on Maori freehold land - *Statutory requirement under section 114 of the Local Government (Rating) Act 2002.*
- Policy on the postponement of rates on Maori freehold land - *Statutory requirement under section 115 of the Local Government (Rating) Act 2002.*

Proposed amendments

Council has a number of “Utilities” rating units that have no Land Value but huge Capital Value. It is proposed to amend Rates Remission number 3 to ensure that it cannot be utilised to provide remission to these rating units. Staff recommend that Council amend the rate remission for small valued properties with Land value between \$1 and \$500.

Options considered

- 1 Make amendments to Policies as proposed
- 2 Adopt the Policies as they are for auditing

Analysis of preferred option

There is no preferred option. Council should consider the rates remissions and postponements it wishes to provide in the context of the Long Term Plan 2021-31.

Ngā take ā-ture, ā-Kaupapahere hoki | Legal and policy considerations

Legal and statutory requirements

Under section 102 of the Local government Act 2002 Council is required to adopt a policy on the remission and postponement of Maori freehold land and may adopt a policy on the remission of rates. In adopting these policies, it must do so under section 82 - principals of consultation.

102 Funding and financial policies

(1) A local authority must, in order to provide predictability and certainty about sources and levels of funding, adopt the funding and financial policies listed in subsection (2).

(2) The policies are—

(a) a revenue and financing policy; and

(b) a liability management policy; and

(c) an investment policy; and

(d) a policy on development contributions or financial contributions; and

(e) a policy on the remission and postponement of rates on Māori freehold land; and

(f) in the case of a unitary authority for a district that includes 1 or more local board areas, a local boards funding policy.

(3) A local authority may adopt either or both of the following policies:

(a) a rates remission policy;

(b) a rates postponement policy.

(4) A local authority—

(a) must consult on a draft policy in a manner that gives effect to the requirements of section 82 before adopting a policy under this section:

It is proposed to undertake consultation in accordance with the section 82 principles of consultation (providing information, allowing affected people to present feedback to Council, being clear on the purpose of the consultation/scope of decisions to be made, Council having an open mind/giving due consideration to views, and providing clear records of decisions). It is proposed to consult on the remission policies alongside the Long-Term Plan consultation document and other policies.

Where Council is required to consult in accordance with, or using a process or a manner that gives effect to, the requirements of section 82 it must make the following publicly available:

- the proposal and the reasons for the proposal; and
- an analysis of the reasonably practicable options, including the proposal, identified under section 77(1); and
- if a plan or policy or similar document is proposed to be adopted, a draft of the proposed plan, policy, or other document; and
- if a plan or policy or similar document is proposed to be amended, details of the proposed changes to the plan, policy, or other document.

Under section 77(1) of the LGA Council must, in the course of the decision-making process seek to identify all reasonably practicable options, assess the options in terms of their advantages and disadvantages. The 'statement of proposal' seeks to address these requirements by setting out the proposal and reasons for our policies and a discussion of the possible options Council has available. The full draft policies will also be made publicly available at Council offices, libraries and website.

Ngā Pāpāhonga me ngā Wātaka | Communications and timeframes

The proposed policies will be subject to public consultation in accordance with the Special Consultative Procedure (Section 83) of the LGA giving effect to the principles of consultation in section 82.

The special consultative procedure is not required for setting remissions and postponement policies and Council has a degree of flexibility as to how it achieves principles of consultation. It is proposed to use the special consultative procedure alongside the Long Term Plan.

Ngā take ā-lhinga | Consent issues

There are no consent issues.

Te Tākoha ki ngā Hua mō te Hapori me te here ki te whakakitenga o te Kaunihera | Contribution to Community Outcomes and consistency with Council Vision

Council has approved the Vision of, "Matamata-Piako – The Place of Choice," and outcomes for the Long Term Plan 2021-31

- Economic Opportunities - We provide leadership and advocacy is provided to enable our communities to grow.
- Vibrant Cultural Values - We promote and protect our arts, culture, historic, and natural resources.

Pānga ki te pūtea, me te puna pūtea | Financial Cost and Funding Source

The cost of the review has been funded from existing budgets.

The operational cost of the Policies on the Remission and Postponement of Rates will be considered as part of Council's overall discussion on the Long Term Plan 2021-31 budgets.

Ngā Tāpiritanga | Attachments

- A. Statement of Proposal - Rates remissions and postponement policies
- B. FOR REVIEW Policies on the Remission and Postponement of Rates 2021-31

Ngā waitohu | Signatories

Author(s)	Niall Baker Senior Policy Planner	
	Larnia Rushbrooke Deputy Finance Manager	

Approved by	Sandra Harris Senior Policy Planner	
	Danny Anglesey Finance & Business Services Manager	
	Manaia Te Wiata Group Manager Business Support	
	Don McLeod Chief Executive Officer	

Long Term Plan 2021-31 - Approval for Audit

Trim No.: 2365876

Rāpopotonga Matua | Executive Summary

The purpose of the report is to present the draft Long Term Plan 2021-31 (LTP) and Consultation Document (CD) for approval for the audit process. The following documents have been circulated separately:

- Introduction including key assumptions
- Financial Strategy
- Infrastructure Strategy
- Groups of Activity summaries and performance framework for Community Facilities, Consents and Licensing, Infrastructure and Strategy and Engagement
- Consultation Document

The LTP and related documents are presently in a draft form. Some of the documentation is without financial detail at this stage. Staff are currently working to populate the various financial data required and will populate this information as well as complete quality control checks prior to the Audit review.

The LTP and related work streams have been discussed with Council through a series of workshops and formal meetings throughout 2020. The draft LTP and CD is scheduled to be audited in January 2021 by Audit New Zealand.

Council is no longer required to formally publish a draft LTP. However, before adopting a CD Council must prepare and adopt the information that is relied upon by the CD, we have chosen to prepare this information in a similar format to a draft LTP, to enable an Audit opinion to be provided. Following Council approval on 9 December and before submitting to Audit in January 2021 staff will be inputting the information into graphically designed documents.

Council must adopt the full LTP once the consultation phase is concluded. Adoption of the LTP is to provide a formal and public statement of Council's intentions in relation to the matters covered by the plan. Given the need to prepare and adopt the information relied upon by the CD and have the LTP ready for adoption in June 2021 staff have prepared a draft LTP with the background information.

Council will adopt the draft LTP (as the underlying information) and CD for public consultation on the 10 March 2021 with community consultation starting on 17 March 2021.

COMMITTEE RESOLUTION

That:

1. The key documents for draft Long Term Plan 2021-31, including
 - Introduction including key assumptions,
 - Financial Strategy,
 - Infrastructure Strategy,
 - Groups of Activity summaries and performance framework for Community Facilities, Consents and Licensing, Infrastructure and Strategy and Engagement as underlying information for the Consultation document be approved for audit purposes subject to final financial updates and quality control.
2. The draft Consultation Document for Long Term Plan 2021-31 be approved for audit purposes subject to final financial updates and quality control.
3. Council staff finalise the key documents and report back to Council for approval for consultation on 10 March 2021.

Moved by: Mayor A Tanner
Seconded by: Cr C Casey

KUA MANA | CARRIED

Horopaki | Background

Long Term Plans

Under the Local Government Act 2002, Council has to set out its long term plans for the community. The Long Term Plan:

- identifies the key projects to take place over the next 10 years
- provides an overview of each activity Council will carry out and the services Council will provide for the next ten years
- determines how much this will cost and how Council will fund it.

Council also does this to give the community the opportunity to have a say on where it is heading and to ensure its planning is robust. In completing the plan it is required to do a number of things, including:

- take a sustainable development approach and promote community interests
- carry out our business in a clear, transparent and accountable manner
- operate in an efficient and effective manner, using sound business practices
- take into account community views by offering clear information and the opportunity to present views
- provide opportunities for Maori to contribute to decision making
- collaborating and co-operating with other agencies and councils to achieve desired outcomes

The Long Term Plan must be adopted prior to 30 June 2021. The project timeline for a Long Term Plan is typically 18 months and involves staff across the whole organisation, Councillors and the community.

How the LTP has been presented

The LTP is presently in a draft form. The document is currently being graphically designed and will be re-presented to Council in a designed format following the Audit process. In some instances

the documents are without financial detail. A full internal quality assurance process is also programmed to take place in December and January to ensure the information throughout the document is consistent and supported by underlying information.

The draft LTP consists of ten sections as follows:

- SECTION 1: INTRODUCTION
- SECTION 2: FINANCIAL STRATEGY
- SECTION 3: INFRASTRUCTURE STRATEGY
- SECTION 4: KEY ASSUMPTIONS
- SECTION 5: OUR DISTRICT, ECONOMY AND POPULATION
- SECTION 6: GROUPS OF ACTIVITIES – WHAT WE DO
- SECTION 7: FINANCES
- SECTION 8: POLICIES
- SECTION 9: CORPORATE INFORMATION
- SECTION 10: AUDIT OPINION

Consultation document - This provides the key basis for public participation the LTP process. It is intended to be a fair representation of what is proposed in the LTP in a way that explains the Council's objectives, how rates, debt, and levels of service might be affected by this, the issues Council is facing, what key projects are proposed, the financial strategy and how to have their say. The CD also points readers to the Council's website and full draft LTP for more detailed information.

Development of the draft LTP

The contents of the draft LTP have been developed with the Council through a series of meetings and workshops over the past year. In preparing the draft LTP the Council has:

- reviewed growth projections for the district (the updated growth projections from April 2020 have been incorporated into the plan)
- given consideration to community views, preferences and priorities through pre-consultation process
- considered strategic issues and opportunities facing the district
- considered and outlined its financial strategy
- considered the direction for each of the Council's LTP activities through the activity and asset planning process
- identified its levels of service, projects and programmes
- considered its statutory policies and statements)

Council is required to prepare and adopt a LTP under the LGA. The LTP sets out the activities, budgets, financial strategy and key financial policies of the Council for the next 10 years.

The LTP is a complex document covering all activities of Council, major strategic documents, financial policies, auditing and a large consultation component with the community. Due to its complexity and interrelationships between parts the timeline may be adjusted throughout the project. The dates for the External Audit process, consultation and adoption however cannot be changed.

Table 1 provides a high level overview of progress to date and upcoming milestones. The overall project is considered to be on track.

Table 1 – Project Timeline

Description	When	Progress / Comments
Briefing papers	December 2019	Briefing papers were issued on a range of key LTP topics.
Demographic/Growth Assumptions	Nov 2019 – May 2020	Council has adopted the median growth projections on 13 May 2020.
Forecasting Assumptions	Feb-May 2020	The full list of assumptions used for the LTP, Infrastructure Strategy and Financial Strategy was presented to Council in October, and approved.
Community Outcomes Review	Jan-Feb 2020	Council confirmed the existing vision and outcomes would remain unchanged at its meeting on 8 April 2020. These are have been incorporated into the various activity plans, financial strategy and infrastructure strategy.
Rates Structure	Apr 2020-Jun 2020	Council has indicated a preference to maintain the current rating structure for the LTP 2021-31.
Activity Plans (including budgets)	Apr-Sep 2020	Activity managers presented their activity plans to Council workshops. The Activity Plans are now complete subject to review by Audit.
Right Debate (pre-consultation)	Apr-Aug 2020	Pre-consultation was undertaken on the following topics: Rates and Debt Open Spaces Strategy Rubbish and Recycling options Your voice your vision (community ideas)
Infrastructure and Financial Strategy	Apr-November 2020	Refer below
Asset Management Plans	Feb-Nov 2020	Completed. Refer to separate report on this meeting agenda.
Policy Review	Apr-Dec 2020	The Significance and Engagement Policy was adopted 22 July. The draft policies on Development Contributions, and Policy on Remission and Postponement of Rates will be presented to Council for audit approval on this meeting agenda. The Draft Revenue and Financing Policy was approved for consultation by Council at the 2 nd December meeting.
Council controlled organisation	Jul-Dec 2020	On track.

Description	When	Progress / Comments
section		
Maori participation in decision making	Feb-Dec 2020	Refer below A Te Mana Whenua Forum hui was held at Silver Fern Farms Event Centre Tuesday 11 February 2020 to discuss iwi aspirations and how the Forum sees Māori having involvement in Council decision making processes going forward. A summary of the discussions from that Hui was presented to the Forum in March, and feedback provided. This section of the LTP was presented to the Forum at their December meeting.
Budgets/ Financials/ Notes	September-November 2020	First Cut Budget was discussed with Council in September/October, where informal decisions were made on operational and capital budgets and total rate impact. Second draft budgets were discussed with Council in November with a final draft for inclusion in Draft LTP scheduled to be approved in December.
Document development and QA	Jul 2020-Jan 2021	On track. Scheduled to occur in December and January 2021.
Communications Strategy	Jul 2020-Feb 2021	It is intended to develop the full strategy in January/February. Council gave direction on the communications approach in November 2020.
External Audit Process	Jan-Jun 2021	Interim audit is scheduled for the week of 8 December. Final audit of the draft CD is scheduled for 18 Jan 2020. The draft audit fees and audit arrangement letter for the LTP has been signed.
Special Consultative Procedure	March-May 2020	Scheduled for March/April 2020, with Hearing scheduled for 12-13 May

Consultation Document

The 'LTP Consultation Document' (CD) will be the tool for engaging with the community during the consultation period and is now what Council needs to make as widely available as is reasonably practicable as a basis for consultation.

The CD will be the primary document audited by Audit New Zealand. However, to ensure the CD is correct, the document and underlying information requires an independent audit.

Before adopting a consultation document Council must prepare and adopt the information that—

- is relied on by the content of the consultation document; and
- is necessary to enable the Auditor-General to give the reports required
- provides the basis for the preparation or amendment of the Long Term Plan.

The intent of the CD is to be the basis of discussions between council and the community about the issues facing the district, and how Council is proposing to address those issues.

To encourage public participation, and facilitate efficient and effective consultation, the CD is to be concise and focused, and presented in a way that can be readily understood by interested and affected people. It should concentrate on identifying important matters and explaining what these mean – including how rates, debt and service levels might be affected by proposals – and should not include technical material.

It is largely up to Council to decide what to include, based around the issues that are of interest and importance to our community. However the LGA provides that certain things must be described in a consultation document, such as:

- the main options for addressing each issue identified (including the council’s proposal and the likely consequences of proceeding with the proposal);
- other matters of public interest relating to the proposed content of the council’s financial and infrastructure strategies;
- any significant changes proposed to the way the council funds its operating and capital expenditure; and
- the direction and scale of changes to rates, debt and levels of service that will result from the proposed content of the Long Term Plan.
- the impact on rates for different categories of land with various property values.

Council must have regard to its significance and engagement policy in forming its CD. The purpose of the significance and engagement policy is to provide clarity about how and when communities can expect to be engaged in decisions about different matters, depending on the degree of significance the council and its communities attach to those matters. Council needs to apply the significance and engagement policy ‘lens’ to its approach to the CD.

Council does not need to publish a draft LTP for consultation. However under section 93C (3)I of the LGA, the CD must state where members of the public may obtain the above information which may include, for example, providing links or references to the relevant documents on an Internet site maintained by Council.

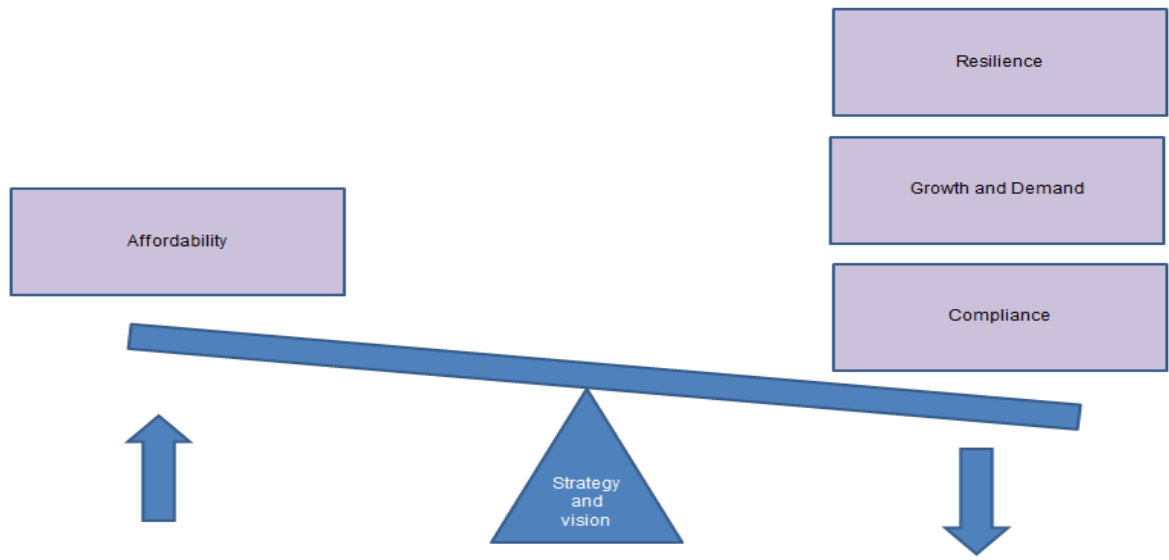
This means people who are interested in reading the more technical material that sits behind the consultation document can do so. It is considered that publication of a full draft LTP will address the requirement to make the information underlying the CD available to the public “in one place”. If the community wish to seek further information from reading the CD they will be able to find the detail in the draft LTP itself or by reference to other documents such as Asset Management Plans.

Financial Strategy and Infrastructure Strategies

The Financial Strategy and the Infrastructure Strategy form the backbone of the Long Term Plan. Staff have worked closely with the Finance team and Assets team to ensure the two strategies are aligned, and Council’s Vision and Outcomes are reflected in both strategies. Key drivers that affect both the financial and infrastructure strategies have been identified as well as the high level responses to those drivers.

During the various LTP workshops Council have indicated a number of key drivers that cut across both the Financial and Infrastructure Strategies. The concept below has been used to inform the

presentation of the Financial and Infrastructure Strategies in the LTP. Council has previously endorsed the key drivers, challenges, and responses concept for the Long Term Plan 2021-31 financial and infrastructure strategies as shown below:



As a community we face a range of external factors that can influence our decision making. As part of the LTP Council has identified four challenges that have an impact across all of our activities as shown in the diagram –

- Affordability – our communities are ageing, which means more people on fixed incomes, there is also a limit as to what our community in general can afford to pay for. This means that with all of the decisions we make as part of this long term plan, we have to ask can we afford to pay for this?
- Resilience – the global COVID-19 pandemic and its impact on the economy is a prime example of why it's important that we plan for emergencies – our strong financial position meant that we were able to keep the general rates increase at zero during a time of uncertainty, while still driving projects forward. We need to make sure that as an organisation we are in the best position we reasonably can be in case the worst does happen.
- Growth and demand – Although our population is ageing, we are also experiencing steady population growth in our urban areas, while rural areas remain static or will decline over time. We also experience demand from industries that want to locate themselves in our district. Our communities also have different priorities which we need to balance.
- Compliance – we face increasing pressure in the need to comply with increasing environmental, health and other standards. How we meet those standards and the cost of doing so is a challenge that we have to manage.

The financial and infrastructure activities explain how we are responding to these key drivers and challenges.

Total rate impacts and example indicator properties are detailed in the documents circulated separately.

Assumptions

As part of preparing budgets a series of assumptions need to be made about the financial position (starting point) for the budgets – i.e. where will Council's finances be on 1 July 2021?

- Capital Expenditure - Historically Council has completed approximately 76% of the budgeted capital and renewals work each year. The current assumption is that Council will complete 100% of roading, IT, plant replacement, furniture & fittings and Library books capital expenditure in prior year. We will complete 76% of all other capital expenditure by 30 June.
- Loans – Council staff need to estimate the closing balance of loans at 30 June 2021.
- Interest –
 - External interest rate- we use the projected interest rate supplied from external advisors.
 - Internal Interest – this is the half waypoint between the cost of external loans and the level of Interest rate received on our deposits.
 - Interest on new capital/renewals completed in 2020-2021 is calculated for the last quarter of the financial year.
- Depreciation – this is calculated on the latest revaluation of assets plus value of additional capital works completed/commissioned prior to previous 30 June (2020) plus projected movement in asset values provided by Statistics NZ.
- Rating units and values (growth) – Staff calculate an additional district-wide capital value from the estimated number/value of building consents to be complete and valued as at 31 May, and estimate the number of additional rating units from known subdivisions in progress.

Infrastructure Strategy

A requirement of the Local Government Act 2002 Amendment Act 2014 was the preparation of a 30 year Infrastructure Strategy. The purpose of the Infrastructure Strategy is to “*identify significant infrastructure issues for the local authority over the period covered by the strategy and to identify the principal options for managing those issues and the implications of those options*”.

The Infrastructure Strategy looks beyond the ten year LTP horizon and considers the significant issues that Council might face, such as changes in the quantum and type of infrastructure Council manages and what changes in our environment may require of Council.

Council must outline the following in the Infrastructure Strategy:

- How it intends to manage its infrastructure assets, taking into account various items such as growth and demand, changes in level of service etc. These items are quite prescriptive and for the purposes of compliance, the strategy covers these for each activity/asset area as well as an overall section which sets out the combined projected operating and capital expenditure of our assets. The significant findings from this assessment are captured in each asset section.
- The most likely scenario for the management of the Council's assets. This is covered in the Strategy for each asset class (water etc.) along with the major decisions we will need to make over the next 30 years.
- Indicative estimates for capital and operating expenditure. It is intended to provide this at summary level for readability, and then in detail under each asset type.
- The significant decisions about capex include the assumptions on which the scenario is based. If the assumptions involve a high level of uncertainty more information is included. This is done both at a high level in the significant forecasting assumptions section and captured in another level of detail in the “significant issues and decisions” tables for each asset.

The draft Infrastructure Strategy is circulated separately for Council approval. Council staff have considered the condition of our current asset base, as well as future demand and changes in

demographics, the economy and the environment and used this as a basis for developing a “most likely scenario” for managing infrastructure into the future in line with Councils direction.

Council is required to project 30 year operating and capital expenditure for the above listed activities. In developing the draft Infrastructure Strategy, staff based the proposed direction on the projected demographics and trends and the current context and condition of our asset base. In particular:

- The demographics of Matamata-Piako indicate an ageing population, a growing urban population base and a static or declining rural population.
- The Council needs to operate within a fiscal envelope that matches the communities’ ability to pay as defined within the Financial Strategy.
- The Council has reasonable asset information on which to base its planning.
- Overall, there is sufficient asset provision (i.e. no significant deficiencies) for current use and future demand.

The draft Infrastructure Strategy outlines a current state and a future state for the significant infrastructure assets of the Council and covers the following assets:

- Water supply
- Wastewater
- Stormwater
- Roading
- Community Facilities and Property

The inclusion of community facilities into the Infrastructure Strategy is optional but is recommended to provide a more holistic view of Council’s assets.

Financial Strategy

The Local Government Act 2002 Amendment Act 2010 introduced the requirement for a Financial Strategy. The purpose of the Financial Strategy is to facilitate prudent financial management by councils, providing a guide against which proposals for funding and expenditure can be considered. The Financial Strategy is intended to facilitate consultation on such proposals by making the effects of proposed expenditure on services, rates, debt and investments transparent.

The purpose of the Financial Strategy is to facilitate:

- prudent financial management by providing a guide to consider proposals for funding and expenditure against; and
- consultation on the proposals for funding and expenditure by making transparent the overall effects of those proposals on services, rates, debt, and investments.

The Financial Strategy must include:

- the factors expected to be significant during the period of the LTP;
- expected changes in population and the use of land, and the capital and operating costs that any changes would require;
- the expected capital expenditure on infrastructure required to maintain current levels of service; and
- Other significant factors affecting the local authority’s ability to maintain existing levels of service and to meet additional demands for service.

The Financial Strategy must also include some specific statements on:

- the limits on rates, rate increases, and borrowing; and
- the ability to maintain existing levels of service and to meet additional demands within the rates and borrowing limits.

Council must also state:

- its policy on providing security for its borrowing,
- its objectives for holding and managing investments and equity securities,
- quantified targets for returns on investments and equity securities.

It is important to note that the draft Infrastructure Strategy is closely linked to the draft Financial Strategy. Any major changes to the high level direction of the draft Infrastructure Strategy may compromise delivery of the Financial Strategy and need to be considered in conjunction with one another.

The overall direction of Council's Financial Strategy is to be "financially sustainable". The Financial Strategy sets out the current financial goals:

- | | |
|---|---|
| Maintain the levels of service we currently provide. | <ul style="list-style-type: none">• Optimised planning and asset management – improve our understanding of the condition of our assets so that our future costs of maintenance and renewal can be planned, and actively minimised.• Allocate \$X million over 2021-31 to renew existing assets.• Smooth out costs and any anticipated drops in revenue where possible, to minimise the impact on ratepayers.• When the time is right, extend services to provide to new areas of growth at a forecast cost of \$X million over 2021-31 |
| Improve some levels of service where this complements our vision. | <ul style="list-style-type: none">• Give priority to service level improvements that align with Council's vision• Allocate \$X million over 2021-31 to improve levels of service. |
| Set prudent limits on rates and rate increases. | <ul style="list-style-type: none">• Annual rates will not increase by more than 6%, except for years 1 and 3. Rates will average at 5.87% per year over this 10 year plan.• Leverage other funding opportunities where possible. |
| Set prudent limits on debt | <ul style="list-style-type: none">• Limit debt to 150% of annual revenue. |

Financial Local Government (Financial Reporting and Prudence) Regulations 2014

The purpose of these regulations is to disclose the council's financial performance in relation to various benchmarks to enable the assessment of whether the council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings. The council is required to include a forecast of these benchmarks in the LTP in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014.

The prescribed charts will be included in the financial section of the LTP. Council is required to report to the community, on our financial performance in the Annual reports by using these charts.

Other policies

There are several policies related to the LTP that will be consulted upon separately but concurrently. Although not all of the policies are included within the LTP legislatively these policies

still need to go through a consultation process that gives effect to the principles of consultation in the LGA prior to final adoption in June 2021.

Related Policies	Status
Revenue and Financing Policy <i>Statement of Proposal</i>	Included in LTP. Will be consulted upon in parallel with the CD. Presented to Council on 2 December.
Rates Remissions Policies (including Policy on the remission of rates on Maori freehold land) <i>Statement of Proposal</i>	Not included in the LTP. Will be consulted upon in parallel with the CD. Refer separate report on this meeting agenda.
Development Contributions Policy <i>Statement of Proposal</i>	Refer separate report on this meeting agenda.
Fees and Charges <i>Statement of Proposal</i>	Approved by Council 25 November.
Investment Policy	Not included in the LTP. No consultation requirements. Reviewed annually with the Audit and Risk Committee.
Liability Management Policy	Not included in the LTP. No consultation requirements. Reviewed annually with the Audit and Risk Committee.
Significance and Engagement Policy	Council has previously resolved not to undertake consultation on changes to this Policy. A summary of the policy is required to be included within the LTP. Approved by Council on 22 July 2020.
Open Spaces Strategy	Not included in the LTP. Will be consulted upon in parallel with the CD. Scheduled to be approved by Council on February/March 2021.
Waste Management and Minimisation Plan <i>Statement of Proposal</i>	Not included in the LTP. Will be consulted upon in parallel with the CD. Presented to Council on 2 December.

Ngā Take | Issues

The outcome of this process will result in new plans for Council to take effect from 1 July 2021. The LTP is the 'cornerstone' of the Local Government Act 2002 planning process. Once adopted, the LTP will set the direction for Annual Plans and Annual Reports over the next three year cycle. Section 96 of the Local Government Act 2002 (LGA 2002) states that when a council adopts a LTP it is providing a formal and public statement of the council's intentions; but a resolution to adopt a LTP does not constitute a decision to act on any specific matter included within the plan. There are statutory restrictions if Council wants to deviate from the direction established in the adopted LTP.

Council has worked through a number of strategies and projects over the past year and as a result activity plans and business plans have been developed for the next ten years, with an emphasis on the next three years. These plans provide the basis for the LTP, and a tool for the on-going planning of these activities.

Audit

The draft LTP and CD now need to go through a mandatory audit process including 'hot review' (peer review and moderation). Section 94(1) of the LGA 2002 provides the statutory context for the audit. Under this section our LTP must contain a report from the auditor on—

- whether the plan gives effect to the purpose of the Long Term Plan
- the quality of the information and assumptions underlying the forecast information provided in the plan.

Adjustments will likely be made through the audit process to improve the transparency, readability and consistency of the documents and ensure they meet legislative requirements and reflect good practice. The audit process will review our financial strategy, underlying information, asset and activity management, assumptions, accounting policies, performance measures and Levels of Service, legal compliance, financial prudence and the right debate.

Maori participation in decision-making

This section of the LTP 2021-31 has been developed in collaboration with Te Manawhenua Forum. Traditionally it has included updates on Treaty of Waitangi settlements and associated legislation, a description of the functions of the Forum and also how Council engage with local iwi/hapu on matters relating to resource management. Recent changes to the Resource Management Act 1991 (RMA) may see some changes to how council engage with iwi/hapu on RMA matters. The Forum has reviewed and accepted this section without any further amendments at its December meeting.

Analysis

Options considered

The LTP is the major strategic planning document for Council. Council therefore needs to carefully consider the content of the plan. At this stage Council has the following options:

1. Council can approve the LTP for audit purposes.
2. Council can approve the LTP for audit purposes with additional amendments.

Council will still need to approve the CD and underlying information for consultation in early 2021. The CD will form the basis of the community consultation process and the LTP will be subject to further consideration and any changes by Council as part of this process.

Prudency and risks

In preparing the LTP some prudency and risks have been considered:

Prudency

- Financial prudency – Council has considered its debt levels and ability to service debt in compiling the financial forecasts for the Long Term Plan. These are disclosed in our Financial Strategy. Council took treasury advice from PWC on prudent limits for local government organisations of our size. The limits set out below are considered to be conservative.
 - A limit on a prudent level of debt has been set as follows: Net debt as a percentage of total revenue will not exceed 150%.
 - A limit (in line with our borrowing policy) as follows: Annual interest costs will be less than 15% of total revenue and 20% of rates revenue.

- Rates limit discussion – Council has determined that annual rates increases will be kept below 6%, except for years one and three where we have identified unavoidable escalations in costs that will require rates funding beyond the 6% limit. This is considered to be both prudent and realistic to ensure that desired levels of service are maintained, while balancing with affordability.
- Balanced budget – Council has indicated that, in keeping with previous decisions that it will not operate a balanced budget in some areas.
 - Elderly Person Housing, Owner-Occupier Housing and rural halls are ring-fenced operations. Any surplus or deficit is held against the activities and recovered or used in future years. Financial forecasts for these areas (including the renewal profiles for the assets) indicate that this approaches presents minimal risk.
 - For some assets (rural halls and local community buildings) depreciation will not be funded. Some assets (rural halls and local community buildings) will not be depreciated. These buildings are not considered to be essential to Council's core services. In the case of rural halls, the assets are administered by local hall committees. Separate hall rates are in place to fund the operation of the halls. Council has decided that decisions on major upgrades and/or renewals should be made by local hall communities. These communities will also determine whether to fund this work from hall rates or community fund-raising.
- Infrastructure asset management plans/asset information
 - Information on the quality of our asset information and confidence levels in relation to these has been set out within the Asset Management Plans. In general we consider that we have reasonable information regarding our assets, however improving asset information is part of an ongoing programme for our business. The information reveals that there are aspects of our asset data relating to piped assets that are not at the desired level. This has been progressively reduced in successive LTPs. The renewal profiles for these assets have been reviewed with operational staff to ensure that the programmes align to our current and historical knowledge of the network. That is that we are not and have not experienced escalating asset failures (note we are currently in the fourth LTP cycle). The asset improvement plans identify the ongoing condition rating programme to further improve our knowledge of the assets.
 - Our asset management plans are externally reviewed on a quarterly basis. Additional reviews have been undertaken as part of the LTP process. Staff are finalising the plans including matters raised in the external review process.
- Revenue and Financing Policy –this sets out our expected revenue sources and our rationale for them, in line with section 103 of the Local Government Act 2002.
 - We have reviewed the overall budget and revenue sources against previous performance in each activity and the proposed fees and charges – on this basis we consider that the expected revenue sources are reasonable. One of the key changes proposed is Council's approach to refuse/recycling funding.
 - Capital funding – renewals form the major portion of annual capital expenditure. Council fully funds depreciation on assets for essential services and this provides the main source of capital funding. Loan funding is used primarily for new assets or where renewals expenditure exceeds depreciation funds in any one year. Development contributions are also a source of capital funding in accordance with the Development Contributions Policy.

Risks

The budget is prepared using the best available information. There are many macro-economic factors that can impact on operating costs. The budgets that are being considered now will apply from 1 July 2021 which in itself brings long lead-in time risks.

Specific 2021/22 risks are summarised below:

- Project timing and cost, whether we will be able to complete projects when scheduled.
- Water income – our metered water is not guaranteed and is mainly contributed a small number of large industry providers, the loss of one of those industries would have a large impact on Council's total rate take.
- Solid waste income – may be less than forecast and costs greater than budgeted.
- Overall revenue could be less than budgeted
- Interest rates could change
- Economic and other factors may result in growth being less than has been estimated.
- There could be legislative changes come through over the next year that have an impact on our budgets that have not been accounted for.

We have identified below the major risks to the budgets below:

- Macroeconomic effects and unplanned events – sensitivity analysis is still to be undertaken to test the robustness of Council's financial strategy. This will include movements in interest rates and inflation.
- Loss of major users of services/revenue – Council has made a conscious decision to partner with industry in our district on the supply of water and wastewater services. This is viewed as promoting economic development through entrenching these industries in our communities. We have recognised there is risk involved with these transactions, and made provisions to mitigate these where possible.
 - Capital obligations - Fonterra and Greenlea are significant partners in the upgrade of the Morrinsville wastewater treatment plant, their obligations to repay capital are a contractual obligation, secured as a targeted rate against the properties that receive the service.
 - Expected revenue – over 90% of annual extraordinary water income is sourced from 4 industries. We have been conservative in our estimates of the metered water revenue; however this area of our funding has the potential for a high level of uncertainty.
- Recent asset valuations for property and utilities have not yet been completed, so budgets have been based on fair value estimations that could prove to over or understate our projected depreciation costs and associated funding.
- Major project estimates – a significant portion of the capital programme relates to renewals. There is a high degree of confidence in the estimates for this type of work. There has been a concentrated effort on providing reasonable estimates for growth related expenditure.

Analysis of preferred option

The preferred option is for Council to approve the CD and draft LTP (as the underlying information supporting the CD) at this meeting for the purposes of submitting documents to audit.

Legal and statutory requirements

There are an array of legislative requirements for the LTP set out in the LGA 2002, the Local Government (Financial Reporting and Prudence) Regulations 2014 and Local Government Rating Act 2002. The key legislative requirements have been summarised through the various sections of this report and are not set out further.

Impact on policy and bylaws

The LTP process sets new policy for Council.

Consistency with the Long Term Plan / Annual Plan

This report seeks approval of the LTP and CD for audit purposes.

Impact on significance policy

The LTP and the proposals within it are significant. The LTP will be subject to a full consultation process in early 2021.

Communication, consultation and decision making processes

The Long Term Plan is subject to the special consultative process under the LGA. The special consultative process is a structured one month submission process with a hearing for those who have submitted and wish to speak to their submission.

The Long Term Plan project timeline also provided for a 'pre-consultation' process with the community referred to as the Right Debate where Council sought feedback on the key issues it is considering for the Long Term Plan.

Upon the draft LTP being adopted the public will have the opportunity to make submissions. The LGA 2002 says that Councils must use the 'special consultative procedure' to provide that opportunity for participation. The special consultative procedure has its own detailed requirements and refers to a Statement of Proposal – for LTPs the Statement of Proposal is the CD.

A formal communications/consultation plan will be presented to Council in February 2021.

Ngā take ā-lhinga | Consent issues

There are no consent issues.

Timeframes

Process	Start	Finish
Interim Audit	7 December 2020	14 December 2020
Council sign off on draft LTP and CD for Audit	9 December 2020	9 December 2020
Audit of the LTP	18 January 2021	5 February 2021
Audit and Risk Committee to review audited LTP	9 March 2021	9 March 2021
LTP CD approved for consultation (and supporting information) Audit opinion issued	10 March 2021	10 March 2021
Submissions open	17 March 2021	19 April 2021
LTP hearing	12 May 2021 (13 May if required)	12 May 2021 (13 May if required)
Council adopt final LTP Rates struck for 2021/22	30 June 2021	30 June 2021
LTP in force	1 July 2021	30 June 2024 (next LTP)

Contribution to Community Outcomes

The LTP contributes all community outcomes. The community outcomes are set out in Part 1 of the LTP and the contribution that each activity makes to the outcomes is outlined in the relevant activity plans.

Financial Impact

i. Cost

Preparation of the LTP is provided for within existing budgets. The total budget for the Long Term Plan 2021-31 is \$135,000 (funded \$45,000 per year) and \$84,000 for external audit fees (funded \$30,000 per year). This is broken down to external consultants on specific tasks (i.e. population projections), legal advice/peer review, design and printing, consultation, advertisement and external audit by Audit NZ.

A letter from the Office of the Auditor General regarding LTP fees has been provided. Based on the audit fee for the 2018-28 LTP being \$78,000 our audit fee 2031-31 LTP audit will be \$84,045 (applying the increase of 7.75%).

The funding source for all the activities within the plan is set out in the Revenue and Financing Policy.

Ngā Tāpiritanga | Attachments

There are no attachments for this report.

Ngā waitohu | Signatories

Author(s)	Niall Baker Senior Policy Planner	
	Ann-Jorun Hunter Policy Planner	
	Larnia Rushbrooke Deputy Finance Manager	

Approved by	Sandra Harris Senior Policy Planner	
	Danny Anglesey Finance & Business Services Manager	
	Susanne Kampshof Asset Manager Strategy and Policy	
	Manaia Te Wiata Group Manager Business Support	
	Don McLeod Chief Executive Officer	

Procedural motion to exclude the public

10.05am The public were excluded.

Moved by: Mayor A Tanner

Seconded by: Cr C Casey

KUA MANA | CARRIED

Resolutions in relation to the confidential items are recorded in the confidential section of these minutes and are not public available.

That the public be excluded from the following part(s) of the proceedings of this meeting.

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 follows.

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

C1 Proposal to Evaluate - Disposal of Council Owned Industrial Land.

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.

The text of these resolutions is made available to the public who are present at the meeting and form part of the minutes of the meeting.

Item C1 was taken out of order and considered before 7.5

Procedural motion to include the public

10.37am The public were included.

Moved by: Cr D Arnold

Seconded by: Cr R Smith

KUA MANA | CARRIED

The meeting adjourned for morning tea at 10.37 and reconvened at 11.00am

Safety and Wellness Report

RM No.: 2376114

Rāpopotonga Matua | Executive Summary

The monthly Safety & Wellness report for November 2020, is attached to the agenda. Kate Stevens, Safety & Wellness Team Leader, attended to discuss the report with the committee.

COMMITTEE RESOLUTION

That:

1. The information be received.

Moved by: Cr D Arnold

Seconded by: Cr A Wilcock

KUA MANA | CARRIED

Item 8.1 was taken out of order and considered before item 7.5, 7.6 & 7.7, and after C1

NgāTāpiritanga | Attachments

- A. Monthly Safety and Wellness Report November 2020

Ngā waitohu | Signatories

Author(s)	Kate Stevens Safety and Wellness Team Leader	
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Approved by	Kelly Reith Human Resources Manager	
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Starfish Presentation

CM No.: 2375402

Rāpopotonga Matua | Executive Summary

Catherine Sole and Deborah Galloway-Riwhi, representatives of Starfish Social Services attended to present to Council.

COMMITTEE RESOLUTION

That:

1. The information be received.

Moved by: Cr A Wilcock

Seconded by: Cr C Casey

KUA MANA | CARRIED

Item 7.6 was taken out of order and considered before item 7.5, and after 8.1 & C1

Ngā Tāpiritanga | Attachments

There are no attachments for this report.

Ngā waitohu | Signatories

Author(s)	Tamara Kingi Committee Secretary and Corporate Administration Officer	
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Approved by	Sandra Harris Senior Policy Planner	
	Don McLeod Chief Executive Officer	

Te Aroha Domain Spa Project

CM No.: 2374646

Rāpopotonga Matua | Executive Summary

Following the work completed under the Provincial Growth Fund process, including the Feasibility Study, Business Case and Post Covid-19 Addendum, Matamata-Piako District Council wishes to pursue a project that contemplates bring to life a leading spa and beauty therapy business situated within the Te Aroha Domain to replace the existing business' facility. The existing spa and hot pool business is successful when measured by client demand and financial metrics but the existing spa/beauty therapy facility has insufficient capacity to meet annual client demand with only 1 treatment room.

Consideration has also been given to the 'fitness for purpose' of the existing building and overall utility of the building that incorporates the existing spa/beauty therapy business. The conclusion is that to meet forecast client demand, treatment capacity needs to be increased. To achieve this, a new facility is probably the best solution, subject to further scoping within Phase 1 of the project. The aim is that any new facility should be aligned to benchmark industry standards for spa and beauty therapy businesses and that a guiding principle must be that an excellent overall customer experience within any new spa business facility will be pivotal to its success. This project ties into a larger vision around attracting more visitors to Te Aroha, economic development for the town and broader district, and enhancement of the experience, use and access of public spaces within the Domain for visitors and local people.

The envisaged project and the framework to take this forward has been captured in the Project Plan document. The project plan dissects the project into 3 phases where proceeding from Phase 1 to each subsequent phase is contingent upon satisfactory outcomes from the Phase 1 work and approval from the Matamata-Piako District Council Councillors to proceed any further or not. In terms of a satisfactory outcome from Phase 1 for decision making purposes, a key milestone will be outputs arising from a review of the Feasibility Study, Business Case and Post Covid-19 Addendum documents that were developed within the Provincial Growth Fund project. Should the outcomes from this review process broadly endorse earlier findings and/or provide further generally sufficient confidence around the viability of developing a new spa business/facility, the project could proceed to Phase 2 and potentially 3, subject to appropriate approval(s) from the Councillors being provided at each stage.

Part of the Phase 2 scope is to define the scale and nature of any new spa facility where the Feasibility Study has provided conceptual drawings and business/facility details as a starting point. Building out from there will be an options analysis covering build/facility options for Councillors to consider.

Throughout the project phases, it is recognised that Ngāti Tumutumu are a unique stakeholder and will therefore be afforded consultation and general engagement that reflects their unique stakeholder status.

COMMITTEE RESOLUTION

That:

1. Council proceed with the project as set out in the Project Plan and summarised in the Executive Summary above.

Moved by: Cr S Whiting

Seconded by: Cr C Casey

KUA MANA | CARRIED

COMMITTEE RESOLUTION

That:

1. Mayor Ash Tanner be appointed as Council's representative on the Governance Group.

Moved by: Cr T Cornes

Seconded by: Cr R Smith

KUA MANA | CARRIED

Item 7.5 was taken out of order and considered after item 7.6, 8.1 & C1

Horopaki | Background

Through a vision to stimulate further business and economic growth that will improve social cohesion, economic and cultural outcomes for the Te Aroha community, Council are considering a range of options associated with developing a tourism precinct while at the same time creating an environment that the town's community will enjoy using and improving existing community spaces. Council believes that the Te Aroha Domain's natural beauty, historical and cultural aspects alongside its association with Mount Te Aroha, support the broader vision and in particular the development of a leading spa and beauty therapy business to supersede the existing facility.

A range of potential new or enhanced tourism activities in addition to those currently in active use through the domain and town have been identified and these are seen as being complementary to the spa business and align with the broader vision. Any new tourism activities/enterprises would be for independent business operators and potentially Ngāti Tumutumu to initiate and operate. The Feasibility Study illustrated that a leading spa and beauty therapy business developed in the domain would be financially viable and that a development of this nature is likely to be an anchor project that catalyses other activities and enhancements that align with the broader vision.

As the Feasibility Study and follow on reports from the PGF process showed that, amongst other things, a new spa business within the domain would be financially viable Council have decided to take the spa business project to a further stage which is summarised in the Executive Summary above.

Ngā Take | Issues / Kōrerorero | Discussion

The Te Aroha Domain has a diverse range of users and interested parties from within the local community as it is used for a number of recreational and leisure activities. The domain has significant and rich historical and cultural aspects to it and Ngāti Tumutumu have reversionary land rights over the domain. The domain and its facilities are enjoyed by a large number of visitors and tourists and it supports a broader tourist/visitor offering linked to the town.

Consequently, there are a diverse range of stakeholders and interests that need to be catered for within the type of development being contemplated by Council within this project.

So that stakeholder's voices are heard going into this next phase of the project it is imperative that the consultation strategy is designed around best practice principles. Drawing on expertise and experience from within Council and early engagement in the same vein with Ngāti Tumutumu to design the strategy and process will provide a high probability around a good consultation process. Outcomes from the consultation process will be presented to Council with a recommendation.

The estimated timeline for the projects 3 phases as shown in the Project Plan are rough order estimates and are subject to change as further research is completed and/or new information comes in.

Mōrearea | Risk

Phase 1 of the project is relatively low risk as this is mostly preliminary work running largely in parallel where a review of the Feasibility Study, Business Case and Post Covid Addendum will determine a go/no go into Phase 2. Should the project progress into Phase 2 and 3 the key risks are:

- Timelines materially push out or extend beyond their planned timing
- Financial risk where costs for the various project elements become materially greater than budget forecasts

By going through very thorough planning processes and using appropriate expertise for key stages the key project risks above will be minimised. As anticipated in the Project Plan, a risk management system will be developed so that the appropriate risk management framework is in place.

Ngā Whiringa | Options

Apart from potential development options that will be identified and reported on as an 'options assessment' in Phase 2, there are no other project development options available at this point of the project's evolution. The 'do nothing' option is not being considered at this time.

Ngā take ā-ture, ā-Kaupapahere hoki | Legal and policy considerations

The key legal and policy considerations identified within or relating to the Project Plan are:

- Resource consents and any other statutory permissions
- Procurement of goods and services
- Consultation
- Project governance framework
- Financial management in the context of public finances being expended
- Safety and wellbeing of people associated with the project
- Communications
- District Plan

All of these elements are under consideration within the Project Plan to the extent that plans and/or strategies around each of these will be developed as the project unfolds.

Ngā Pāpāhonga me ngā Wātaka | Communications and timeframes

A detailed communications plan will be developed through Phase 1 of the project although the potential project and next steps are already under active consideration by the MPDC communications team.

Ngā take ā-lhinga | Consent issues

A range of resource consents and statutory permissions will be required should the project proceed to Phase 2 and beyond. A process to identify all of these has not been completed at this stage with this being covered within Phase 2 where preparing a consenting/permissions plan will be created.

Some consents, such as water abstraction, might be a variation to an existing consent. In any event, specialist professional services will need to be engaged to scope and prepare consents. The consenting/permissions process is heavily linked to the consultation process.

Te Tākoha ki ngā Hua mō te Hapori me te here ki te whakakitenga o te Kaunihera | Contribution to Community Outcomes and consistency with Council Vision

Theme: Economic growth; cultural, social, economic and environmental development

Community Outcome: Outcomes for the community are multi layered and stem from the themes above where the envisaged spa development will stimulate economic growth within Te Aroha, particularly from inbound tourism. As a catalyst project, the envisaged redeveloped spa business is likely to stimulate additional economic activity through a ripple effect from new commercial tourist experiences and services such as accommodation and retail. In addition, part of the vision is for an enhanced overall experience for users of the Te Aroha Domain for recreation and leisure, where the rich history and cultural aspects will be part of this enhancement.

Pānga ki te pūtea, me te puna pūtea | Financial Cost and Funding Source

With the project in its infancy, it has not been possible to complete a detailed budget forecast of costs at this stage. However, using some known likely cost and applying some broad operating principles around costs for a project of this nature, the following estimate has been made:

Phase 1: \$68k

Phase 2: \$400k

Phase 3: \$500k

Note that these costs are largely for professional services that will be required to support things like consent scoping and preparation, project management, preparation of various plans and strategies, design and engineering and construction management. These could be subject to change with further in depth research and new information.

As we do not yet know the nature or scale of the new spa development it is not possible at this time to provide a budget figure for this.

Ngā Tāpiritanga | Attachments

- A. Project Plan Document
- B. Draft Deliverables Planner

Ngā waitohu | Signatories

Author(s)	Tamara Kingi Committee Secretary and Corporate Administration Officer	
Approved by	Michelle Staines-Hawthorne Corporate Strategy Manager	
	Don McLeod Chief Executive Officer	

Item - 7.6 Starfish Presentation - has been moved to another part of the document.

Total Mobility

CM No.: 2378307

Rāpopotonga Matua | Executive Summary

Waikato Regional Council in conjunction with Waka Kotahi NZ Transport Agency is proposing to offer a Total Mobility scheme to residents of the Matamata-Piako District Council area. Total Mobility is a government funded door to door transport scheme to help meet eligible users' needs and enhance their community participation. The scheme partners with local transport operators to offer subsidised transport.

COMMITTEE RESOLUTION

That:

1. Council adopts the Total Mobility scheme and allocates funding in the 2021 Long Term plan budget.

Moved by: Deputy Mayor N Goodger

Seconded by: Cr D Arnold

KUA MANA | CARRIED

Horopaki | Background

The Total Mobility scheme was introduced in the 1980s and operates throughout New Zealand.

Total Mobility is a government funded door-to-door transport scheme to help meet eligible users' needs and enhance their community participation. We partner with local transport providers to offer subsidised transport.

It is funded in partnership, with 60% of fare costs and 100% of wheelchair hoist use covered by Waka Kotahi NZ Transport Agency, and 40% of fare costs covered by participating local district councils.

Eligibility is based on the user having a physical, intellectual, psychological, sensory, or neurological disability which prevents them from undertaking any one or more of the following components of a journey unaccompanied and by driving themselves or riding a bus.

The components of a journey are:

- Get to the place where transport departs
- Get on or off the transport
- Ride securely
- Get to the final destination
- Need for use of the scheme can be permanent, temporary (lasting more than 6 months), or fluctuating (can manage own transport some, but not all of the time).

Many users find that they do not have family members who have the time or are equipped to transport them. This leads to isolation and the feeling of being a burden. Total Mobility is not merely a transport for necessities like medical visits or shopping, but so that users can get to work, church, meeting up for a coffee with friends, or a visit to the pools.

It is low-cost to fund due to the small group of your residents whose transport needs are so restricted, and for those select users this scheme can mean a great difference both to their quality of life and their ability to interact with and participate in their community.

Ngā Take | Issues / Kōrerorero | Discussion

Total Mobility estimate that there is 2,700 people in Matamata-Piako with 1 or more activity limitations who would benefit from Total Mobility Scheme.

If a similar trend to Waipa DC occurred who joined Total Mobility in June 2019 they would expect to see:

- 135 people enrolled in the first 6 months, with over 250 subsidised trips each month
- A more significant uptake over time (as in South Waikato and Taupo). People enrolled might increase to 500 people with over 1,000 subsidised trips per month.

	Waipa	South Waikato	Taupo	Matamata Piako (LOW)	Matamata Piako (HIGH)
People with 1 or more Activity Limitation	3,500	2,200	2,700	2,700	2,700
% of eligible community using TM	5%	17%	19%	5%	18%
TM Users	175	366	517	150	500
Average trips per User	1.97	1.80	2.08	1.97	2.08
Average Monthly Trips	182	659	1,077	300	1,050
Average Subsidy per trip	\$ 6.79	\$ 5.40	\$ 6.67	\$ 6.00	\$ 6.00
Average Monthly Cost of Subsidy	\$ 1,188	\$ 3,558	\$ 7,171	\$ 1,800	\$ 6,300

A one-time setup cost of \$5,000 towards aspects such as marketing and communications is recommended by Total Mobility to ensure residents are aware of the scheme.

Mōrearea | Risk

The main risk is financial as costs in the first year could range from \$21,600 to \$75,600. A more accurate figure won't be known until we have had the service in place for a full year.

Ngā Whiringa | Options

1. Adopt the Total Mobility scheme in the Matamata-Piako District Council network area
2. Don't adopt the Total Mobility scheme as proposed

Ngā take ā-ture, ā-Kaupapahere hoki | Legal and policy considerations

Nil

Ngā Pāpāhonga me ngā Wātaka | Communications and timeframes

Communications would need to be released by Matamata-Piako District Council communications team to outline the onboarding and availability of the scheme if adopted.

The scheme would be in place for next financial year.

Ngā take ā-lhinga | Consent issues

Nil

Te Tākoha ki ngā Hua mō te Hapori me te here ki te whakakitenga o te Kaunihera | Contribution to Community Outcomes and consistency with Council Vision

Theme: Healthy communities and connected infrastructure

Community Outcome: Our community is safe, healthy and connected. Infrastructure and services are fit for purpose and affordable, now and in the future.

Pānga ki te pūtea, me te puna pūtea | Financial Cost and Funding Source

The identified costs for this scheme are estimated to be between \$1,800 and \$6,300 per month or \$21,600 to \$75,600 per annum. Taking a medium approach to the uptake would result in an annual cost of \$48,600.

It is estimated that \$35,500 is available as a one-off from the 2020/2021 Public Transport budget. This is due to the fact that the planned expanded Matamata bus service won't commence until May 2021.

An adjustment to the 2021-2031 Long Term Plan Budget will be required to include funding in subsequent years.

Ngā Tāpiritanga | Attachments

There are no attachments for this report.

Ngā waitohu | Signatories

Author(s)	Susanne Kampshof Asset Manager Strategy and Policy	
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Approved by	Manaia Te Wiata Group Manager Business Support	
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8 Information Reports

Item - 8.1 Safety and Wellness Report - has been moved to another part of the document.

Procedural motion to exclude the public

11.49am The public were excluded.

Moved by Deputy Mayor N Goodger

Seconded by Cr D Arnold

KUA MANA | CARRIED

Resolutions in relation to the confidential items are recorded in the confidential section of these minutes and are not public available.

That the public be excluded from the following part(s) of the proceedings of this meeting.

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 follows.

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

C2 Morrinsville River Walk Update

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.

The text of these resolutions is made available to the public who are present at the meeting and form part of the minutes of the meeting.

12.11 pm

The Chairperson thanked Members for their attendance and attention to business and declared the meeting closed.

CONFIRMED AS A TRUE AND CORRECT RECORD
OF THE MEETING OF KOMITI O TE KAPOREIHANA
ME NGĀ WHAKAHAERE | CORPORATE AND
OPERATIONS COMMITTEE HELD ON 9
DECEMBER 2020

DATE:.....

CHAIRPERSON:.....
Cr Kevin Tappin

DOCUMENTS TABLED ON THE DAY



Starfish Social Services Trust



A COMMUNITY BASED SOCIAL SERVICE TO MEET THE
HOLISTIC NEEDS OF CHILDREN YOUTH AND FAMILIES –
TINANA, HINENGARO ME TE WAIRUA (MIND BODY AND
SOUL)

A district wide local response to service gaps for children, young people and whanau.

OPERATING SINCE 2009: A PREVENTION RESPONSE TO SUICIDE

VIA COUNSELLING/SOCIAL WORK/EDUCATION/YOUTH DEVELOPMENT

Our impact 19/20 year

Listed as an Essential service over Covid-19

PROFESSIONAL THERAPEUTIC SERVICES

Counselling individual clients	351
Social Work & Supervised Access	41
Family Safety Intervention	22
Intensive Youth Mentoring	13
Enquiries/referrals/allied services	1575

PROGRAMMES (INCL DISTRICT)

2 x Youth Led Events	2463
2 x Parenting Programmes	30
2 x Budgeting Programmes	40
Alternative Education	30
Before/After School (OSCAR) HOL	120
Covid on-line Youth Project	15

Contracts

Ministry of Education
Ministry of Youth Development
Ministry of Social Development

Compliance:

An accredited Social Service

Bi-annual audit - Ministry of Social
Development – social sector
standards

Annual Financial Audit – Absolute
Auditing Ltd

Most recent parenting group for young adults



The need in our district

- No tertiary opportunities for under-resourced youth in MMP
- Access barriers for youth mean it's much harder to achieve
- **Waharoa is the second most deprived pocket in NZ for education and is listed as having low overall deprivation (McMillan & Exeter, 2018).**



The pride of achievement – Rangatahi receiving certificates

Consultation

Experts : Local youth, Iwi and key stakeholders (Schools, OT) to determine need. Who would be most suited to deliver quality education for this demographic? Determine programme content to ensure both youth success and employability.

How it fits to service a gap

Proposed

Youth Guarantee

- Level 1 + 2 NCEA
- No current provider in MMP

Current - Alternative Education

- 13-16 year old's
- Not engaged in main stream schooling



District wide support

Current -Youth Service

- 16-20 year old's
- Providing beneficiary and wrap around support for young parents and unsupported youth
- Youth need to be engaged in education to receive benefit. Only 20% of youth on our books are in education– due to access gaps in MMP

Youth Guarantee

Initiatives to improve young peoples' transition from school to further study, training and employment

-NCEA level 1 & 2 tertiary training for Kiwi youth.

- Without fees – free

-16 – 19 year old's



Where to now...

To be able to provide this program free to our 16-19 year olds we need to:

- Become a registered Private Training Establishment
- Become NZQA Registered
- Gain consent to assess credits
- Have our program both approved and accredited
- Then apply for funding through TEC

Find funding to support the research and design stage



The above will be undertaken by Starfish in 2021.
We envision the program being funded and open to local youth 2022.

Which is why we are hoping for your financial as well as moral support

A word from local youth

'I would attend a course at Starfish to get my NCEA because I didn't get them at school and I know I need them to get a good job' (Young man, 17 years)

'Getting to Hamilton everyday is too hard, we need a course in Matamata so we can actually make something of ourselves' (Young man, 16 years)

'At the moment, I am studying by correspondence, but I have no one to help me and it gets lonely. I would rather go to a course each day so I can meet people and get the help I need with learning' (Young woman, 16 years)

'Getting credits and getting a job are my goals – we have nowhere in Matamata to do that and it sucks' (Young man, 16 years)

References

McMillan, R. and Exeter, D. (2018). Socioeconomic Deprivation in the Waikato Region. Using the Index of Multiple Deprivation to understand drivers of deprivation. Waikato Plan Discussion Paper, Waikato Plan, Hamilton.